

Reforming the equilibrium? Veto players and policy change in the European constitution-building process

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Abstract The EU currently experiences a reform dilemma which is common to many international organizations composed of a large number of veto players who must adopt a change of the status quo. After the accession of ten countries in May 2004, the 25 governmental veto players adopted a modest reform text that proposes as many changes as it retains provisions of the Nice treaty. This ambivalent outcome raised much criticism and has been rejected by the French and Dutch voters who had to ratify the reform. This raises questions on the reasons for change and stability in organizations which attempt to reform their obsolete provisions under the constraint of many (types of) veto players. This study examines under which conditions the positions of the different types of veto players—governments, parliamentary ratification pivots, median voters and the supranational actors—are important to explain the outcome of the draft treaty. Our results suggest that the probability for reform is only determined by governmental gains when we control for parliamentary ratification pivots and median voters from status quo-prone member states. We also find that governments favoring the status quo retain their veto in case either parliaments or voters favor reform. This responsiveness is supported by the fact that median voters also matter when member states did not announce a referendum.

Keywords Two-level game · EU-constitution · Ratification · Referendum · Intergovernmental conference · Veto player

Jel Codes CHS · CE

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1 Europe's Search for (New) Equilibrium

Can the EU25 reform its obsolete framework—does the text on the “Treaty Establishing a Constitution for Europe” provide for change, or, are most of the provisions of the Nice treaty in equilibrium? And what are the reasons for change and stability—do the governmental actors or their domestic principals—who must ratify the outcome either by parliamentary or popular vote—determine the outcome? The EU25 experiences a reform dilemma which is common to many international organizations: the increasing importance of the EU attracts more and more countries, from six original in 1957 to 27 in 2007, which are provided with veto power usually decreasing the likelihood for reform. Under these conditions the EU15 treaty revisions at Amsterdam (1997) and Nice (2000) already raised scepticism about the EU's ability for changing the status quo, but this time a Convention drafted a reform proposal, which was signed by the governments of the EU25 in October 2004. However, on May 29th 2005, 55% of the French electorate voted against the text, and 3 days later, almost 62% of the Dutch also rejected it. These events clearly demonstrate that

- The enlarged EU is able to draft a reform proposal,
- Member states can hardly be conceived as unitary actors with veto power, but
- Each stage of the reform process is decisive for the final outcome.

For some scholars, this final outcome is not surprising because the proposed reform does not provide a further division of competencies and a more ambitious reform of the institutional framework (Tsebelis 2006). In contrast to, Moravcsik (2006) argues that the treaty of Nice (2003) already establishes an institutional equilibrium, raising the question why 25 heads of state and governments put their signature under the “Treaty Establishing a Constitution for Europe” (henceforth: ‘constitutional treaty’)?

The answer draws the attention to the “convention method” and the most often cited reason for reform, namely the EU's increased danger of gridlock induced by enlargement from EU15 to EU25. Theoretically, the Nice treaty may reflect the equilibrium among the EU15, which could have only been reformed by the conventional intergovernmental bargaining method if the core¹ of the enlarged EU allows for changing the status quo, which is particularly unlikely in the event of less cohesive preferences of the 25 member states (König and Bräuninger 2004). However, when convening the Convention under the Presidency of Valéry Giscard d'Estaing in 2002, the EU introduced a new agenda-setting method for drafting reform.² Only 2 years later, the Convention presented the text on a constitutional

¹ European treaties can only be modified by unanimity. The *unanimity core* defines the set of reform alternatives which cannot be changed without leaving at least one member state worse off. Rational negotiators will agree on any outcome within the core. Hence it is reasonable to assume that the Treaty of Nice was situated within the core of the EU15.

² Compared to the conventional intergovernmental bargaining method, the conventional draft must only be located in the enlarged core of the 25 member states. Note that this method increases the risks of ratification failure (König and Slapin 2006).

treaty which proposes the abolishment of countries' voting weights and their replacement by a population quorum. It also intends to reduce the number of Commissioners and to abolish the rotation of the Council Presidency—issues which raised concerns particularly in Poland and Spain (Tsebelis 2006). Although the EU25 signed the draft proposal, less integrationist governments, such as from the UK, Denmark and Sweden, are against the proposed reforms and announced their opposition to them, while governments from Germany, France, Belgium and Austria supported the draft. This conflict also split the accession countries with the Baltic states as supporters and with Czech Republic and Poland against reform (König and Finke 2006).

This result raises several questions on the reasons for proposed change and stability in the enlarged EU. According to veto players' theory (Tsebelis 1995, 2002) we would expect that the status quo always remains if only one veto player prefers the Nice treaty to the draft. Only intergovernmentalists have argued that the three large countries explain the outcome of treaty revisions (Moravcsik 1998), but Germany, France and the UK did not belong to the same group of supporters. Scholars using two-level game analysis found a significant impact of parliamentary ratification pivots on treaty texts, including smaller countries such as Ireland and Denmark (Hug and König 2002; König and Slapin 2006). Hix (2002) even emphasizes that the European Parliament can influence reform when member states are split by proposing changes which fall into their core. Hence the major question is which are the veto players, and under which conditions do they prefer change and stability?

Relaxing the unitary actor assumption on member states the following analysis investigates the preferences and impact of veto players who drafted, negotiated and ratify the constitutional treaty. Unlike intergovernmentalists, we consider all 25 countries and their positions on the proposed reform issues. We also break with the unitary actor assumption and incorporate parliamentary and popular ratification actors into our analysis. Our study reveals further insights on the conditions under which Schelling's (1960) "Paradox of Weakness" occurs within the realm of intergovernmental negotiations: We find that responsiveness between governments and their domestic principals do not only increase the negotiators' gains at the bargaining table, but they can also enforce member states to refrain from exercising their veto power. This responsiveness between voters and governments is not limited to countries which announced referenda. Hence the veto probability of negotiating governments is generally determined by the expected gains of their voters or parliaments for specific reform issues. In the remainder, we develop our hypotheses based on veto players' theory and enriched with theoretical insights from literature on two-level games and supranational actors. Next, we present the data which we use for our estimations of change and stability. Finally we discuss the main findings.

2 Veto Players, Parliamentary Ratifiers and Popular Vote

The literature on the treaty history of the EU suggests that member states are the institutional veto players who transform their political-economic interests into the most efficient institutional structure at IGCs. According to veto players' theory,

the agreement of all veto players is necessary for changing the status quo (Tsebelis 2002). For mainstream liberal intergovernmentalists the preferences of the large states explain the changes on the road from Rome to Maastricht (Moravcsik 1998) and Amsterdam (Moravcsik and Nicolaidis 1999). Slapin (2006) finds, however, that large member states did not have any more power than the average member state at the 1996 Amsterdam bargaining table. Furthermore, König and Slapin (2006) show that the Convention did use a qualified majority rather than unanimity for proposing change. This literature suggests that reform is a function of member state gains across issues, although some issues may raise losses for particular member states which are compensated by gains from other issues. Member states accordingly compromise across issues and find solutions that improve them against the status quo of the Nice treaty. Hence our intergovernmental null-hypothesis is that the likelihood for change for any particular issue increases with the sum of gains across all member states:

H0: *The higher the sum of all member states' gains, the more likely is change.*

In addition to gains of member states' governments, recent studies on treaty revisions identified two other types of actors with potential impact on the negotiation outcome. The first group are supranational actors such as the European Parliament and the Commission. Because supranational actors have no formal voting power in these negotiations, several authors argue that they can influence the agenda-setting and the drafting stage by their exclusive knowledge about the EU's institutional provisions and actors' positions at intergovernmental negotiations (Hix 2002; Beach 2004). Compared to the increasing importance of the role of the Commission and the European Parliament in EU legislative politics (Crombez 1996, 1997; Moser 1996; Steunenbergh 1994; Tsebelis 1994; Tsebelis and Kreppel 1998; Tsebelis and Garrett 2000; König and Pöter 2001; Thomson et al. 2006), the two supranational actors were no institutional veto players for previous treaty reforms. This time, the European Parliament had to ratify the text, but member states were the only decisive actors in the negotiation stage. However, Hix (2002) argues that the European Parliament is able to set the agenda at IGCs, and both supranational actors participated in the Convention and provided useful information during the summit negotiations (Tsebelis 2006; Beach 2004). This suggests that

H1: *The higher the gain of the supranational actors, the more likely is change.*

The second group of actors are the domestic principals of governmental agents, parliaments and voters. According to principal agent-analysis, these principals not only impact the formation of the national position (König and Hug 2006), but they also define governments' policy discretion. The most powerful mechanisms for this ex-post control of governmental agents are the ratification provisions which provide for parliamentary supermajorities and/or popular referendum (Hug and Schulz in this issue; König and Hug 2000; Hug and König 2002). Inspired by the "Paradox of Weakness" (Schelling 1960; Putnam 1988), two level game-analysts predict that status quo-biased domestic actors increase the power of a negotiating member state by credibly tying the hands of the negotiator (Schneider and Cederman 1994; Milner and Rosendorff 1996; Milner 1997; Pahre 1997). Pahre (2001) demonstrates that benefits from domestic constraints not only depend on the preferences of the member states but also on the actor controlling the position of the status quo. Hug and König (2002) found that the status quo-preference of both government and

ratifying pivot explain the exclusion of issues from the negotiation table. They also specify the importance of domestic constraints for treaty change as a combination between ratification hurdles and domestic actors' preferences. These hurdles range from simple majority to 5/6 majority, include bicameral 2/3 majorities and referenda. In 15 countries, ratification needs simple parliamentary majority, but in six of them in two chambers (Belgium, Ireland, Italy, Netherlands, Spain and United Kingdom). The other ten countries require qualified majorities, most of them a two-thirds majority (Austria, Germany, Hungary, Poland and Slovenia), and an unprecedented number of ten countries announced referenda (see Table 1).

The two-level approach leads us to another important aspect of veto players' theory, namely the collective nature of the players themselves. While "unitary" actors may have single-peaked preferences (Achen 1995; Hug 1999), the impact of collective veto players for change depends on the distribution of their internal preferences and decision making provisions. Under simple majority, we expect that stability increases as the cohesion of the collective actors' positions increases, but it should decrease under qualified majority or unanimity rule. Although a status quo-prone parliament can help its government to achieve concessions, we expect that the veto probability of a status quo-prone government will decrease by the amount of their parliament's expected gains from reform:

H2: *The more supportive for change the parliamentary pivots of those member states that favor the maintenance of the status quo, the more likely is change.*

Another difference concerns the nature of the ratifiers because only parliamentary agents participated in the Convention and popular interests were hardly represented in the drafting stage of the proposal. The general hope that generating the possibility for broader public participation in the reform process would be sufficient to overcome the alienation between voters and politicians might have proved to be wrong (Moravcsik 2006). According to Table 1, an unprecedented number of member states scheduled referenda on the constitutional treaty. Most of these countries, namely Czech Republic, Denmark, Ireland, Poland, Portugal, Spain, Luxembourg, the Netherlands and the United Kingdom announced either binding or non-binding referenda early on, while only France called for a binding referendum after the summit in July 7th 2004 (see Hug and Schulz in this issue).³ Since most of the referenda have been announced before the completion of the summit, we expect that a status quo-biased member state with corresponding popular median decreases, respectively with more supportive median increases the likelihood for change. In order to distinguish between informal (H3) and formal (H4) influence of popular opinion, we examine the following two hypotheses:

H3: *The more supportive for change the median voters in those member states that favor the maintenance of the status quo, the more likely is change.*

H4: *The more supportive for change the popular ratification pivots in those member states that favor the maintenance of the status quo, the more likely is change.*

³ Compared to the analysis of Hug and Schulz (2007) we examine the whole set of 65 issues because we are interested in the impact of populations on change and stability in case of a status quo-biased member state.

Table 1 Ratification instruments and hurdles

Country	Referendum	Parliamentary ratification hurdles	Ratification progress
Austria	No	66.6/66.6	yes
Belgium	No	50/50	yes
Cyprus	No	50	yes
Czech Rep.	Yes	60/60	no
Denmark	Yes (binding)	83.33	no
Estonia	No	50	yes
Finland	No	60	no
France	Yes (binding)	60	no
Germany	No	66.6/66.6	yes
Greece	No	50	yes
Hungary	No	66.66	yes
Ireland	Yes (binding)	50/50	no
Italy	No	50/50	yes
Latvia	No	50	yes
Lithuania	No	50	yes
Luxembourg	Yes	50	yes
Malta	No	50	yes
Netherlands	Yes	50/50	no
Poland	Yes (binding)	66.6/66.6	no
Portugal	Yes (binding)	50	no
Slovak Rep.	No	60	yes
Slovenia	No	66.6	yes
Spain	Yes	50/50	yes
Sweden	No	50	no
United Kingdom	Yes	50/50	no

While H4 only refers to those ten member states which announced a referendum, H3 considers the median voters in all member states. If H4 prevails over H3, the strategy to announce popular referenda did change the likelihood for change because governments then always take the popular opinion into account. For our analysis of change and stability, we include all issues and actors involved in the negotiation and ratification process. This raises a number of questions and methodological challenges about the measurement of the preferences and the conceptualization of the policy space. For this reason, we propose to control for the type of issue, the issue scale, the timely sequence of agreements as well as the direction of the proposed change.

3 Data: Positions, Vital Issues and Actors' Gains

Analyzing reform in the EU25 requires a systematic collection of detailed information on the reform process and the preferences of the different types of veto players. The DOSEI⁴ group has painstakingly collected this information for each contested issue by expert interviews. At the domestic level, these actors include

⁴ The DOSEI (Domestic Structures and European Integration) project analyzed the different stages (Convention, domestic coordination, international negotiations, ratification) of the European constitution building process at the domestic and the international level. (more information: <http://dosei.dhv-speyer.de>).

national ministries, political parties and other relevant actors, while governmental and supranational delegates dominate this process at the European level (see for a description of DOSEI data gathering, König and Hug 2006, for methodological details to the DOSEI data, EUP special issue König 2005).

For all issues discussed during this process, the DOSEI data contains information on the national positions and their other actors involved (plus European Parliament and Commission) which they submitted to the IGC negotiations. More precisely, the DOSEI data provides estimates on the positions of these 27 actors and an additional 110 domestic actors involved in the preparatory stage, with only 1.2% missing values. These data are gathered by 82 expert interviews of whom 47 (57%) were from inside the government (König and Hug 2006). Pre-tests and the high response rate of experts support the construct validity of the questionnaire on the whole set of discussed issues. Furthermore, two studies find strong evidence that the DOSEI data on actors' positions are internally and externally reliable: Benoit et al. (2005) checked the positions of national political actors by extracting estimates from all documents submitted to the Convention using the Wordscoring method, and Dorussen et al. (2005) found that (1) there are acceptable levels of inter-expert agreement, (2) whether the leading expert is included or not does not make a large difference for expert agreement, and (3) experts agree more on salient issues in the DOSEI data.

3.1 Positions and Saliency

Another feature of the DOSEI data is the inclusion of saliency measures by distinguishing between vital and non-vital issues. The term "vital" has a long tradition in the history of the EU and signals a crucial threat against change due to a violation of member state interest. Our distinction between vital and non-vital issues can thus clarify whether actors focused only on very salient issues, or whether they considered the overall set when adopting the text. Among the 25 member states plus Commission and European Parliament, the institutional issues proposing a reform of the balance of power among member states in the Council, their access to the Commission and the modus of the Council presidency raised "vital" concerns among smaller member states, which feared losing their influence on European integration. Table 1 lists the number of member states which perceived specific issues as vital (König and Hug 2006).

According to Table 1, the issue appearing as vital for most member states concerned the number of Commissioners, which involves changing the distribution of Commissioners due to the enlarged EU. For more than half of all member states this issue proved to be of vital importance. Unsurprisingly, all countries considering this to be a vital issue are smaller member states, in particular the newly admitted members feared a restricted access to the Commission. The conflict regarding the second most often cited vital issue, namely the Council voting threshold for qualified majority rule, was complex. Tsebelis' (2006) analysis of the EU's decision making rules demonstrates the reasons for the importance of this issue, and the number of countries citing this issue as vital confirm his analysis. Again France and Germany, Spain and Poland were in favour of the status quo-maintenance. These countries were also mentioned as the decisive member states blocking the signing of the first

Table 2 Issues and outcome of the 2003/2004 IGC and vital interests of the international veto players

Number of questions	Superordinated Issue	Change No. of vitals	Date of agreement	Number of questions	Superordinated issue	Change No. of vitals	Date of agreement
	Fundamental rights, values and objectives				European Commission		
1	Religious reference in the preamble	- 6	14.06.2004	1	Number of commissioners	+ 18	18.06.2004
1	Charter of fundamental rights	+ 2	18.06.2004	1	Appointment of Commissioners	+ 2	17.05.2004
2	Economic objectives: market economy, employment	+ 2	30.05.2003	1	Appointment of Commission President	0	13.05.2004
1	Economic objectives: competitiveness	0	12.06.2003		Council of Ministers and European Council		
	Foreign and security policy and enhanced cooperation				Qualified majority threshold	+ 12	18.06.2004
1	Level of competence for foreign policy	+ 10	15.05.12003	1	Presidency of the European Council	+ 7	18.06.2004
1	Scope of defence policy	+ 7	13.05.2004	1	External representation (Foreign Minister)	+ 2	29.04.2004
1	Application of enhanced cooperation	+ 4	12.12.2003	3	Appointment/Election of European Council President and Foreign Minister	+ 13.05.2004	
	Area of freedom, security and justice				Voting rule (council) for...		
3	Level of competence for the area of freedom, security and justice, management of external borders, scope of migration and asylum policies	+ 1	18.06.2004, 27.10.2003, 30.05.2003	1	Defence policy	0	27.10.2003
	Level of competence for...						
1	Tax harmonisation	0	12.12.2003	1	Tax harmonisation	0	18.06.2004
8	Structural and cohesion policies, economic policy, employment policy, social policy	0	18.06.2004	1	Social security rights	0	27.10.2003
					Common foreign policy	0	18.06.2004

8	Agriculture, health policy, environment policy, education policy	0	0	24.05.2004, 27.10.2003, 06.02.2003	1	Area of freedom, security and justice	+	5	17.05.2004
1	Research technological development and space	+	0	27.1.2003	2	Monetary policy, economic Policy	+	1	30.05.2003
	Stability and growth pact				1	Structural and cohesion policies	-	1	30.05.2003
2	Flexibility, criteria	0	0	18.06.2004	4	Agriculture, internal market, employment, (social) European Parliament	0	1	12.05.2003 27.10.2003
	Other								
1	Scope of ECJ jurisdiction	+	2	18.06.2004	1	Rights of EP in the adoption of the budget	+	4	18.06.2004
1	Right to withdraw from the Union	-	0	27.10.2003		National parliaments			
	Decision rule (EP) for...				1	Monitoring the principle of subsidiarity	-	2	24.04.2003
2	Agriculture, area of freedom, security and justice	+	0	12.05.2003, 17.05.2004		Legislative initiative for...			
1	Structural and cohesion policies	-	0	30.05.2003	1	Commission	0	0	24.04.2003
2	Internal market, (social policy)	0	0	12.05.2003, (27.10.2003)	1	Citizens	+	0	12.06.2003
7	Tax harmonisation, monetary policy, economic policy, employment policy, social security rights, common foreign policy, defence policy	0	0	18.06.2004, 30.05.2003, 12.05.2003, 27.10.2003	3	EP, Council, national parliaments	0	0	24.04.2003 30.05.2003

(‘+’=change towards more integration; ‘-’=change towards less integration; ‘0’=status quo)

draft at the Rome summit in December 2003. Apart from these actors we also find smaller countries from Eastern Europe, together with Portugal in this coalition. The issue regarding foreign policy was a vital issue for ten countries. The remaining issues listed relate to institutional provisions, like the Presidency of the European Council and the appointment of the European Union Minister of Foreign Affairs, but also policy issues like taxation, economic objectives or the religious reference in the preamble.

Using the DOSEI data we define our *dependent variable* by coding “1” in case the draft text proposes to modify the Nice treaty, or, “0” when the status quo prevails (Table 2).⁵ The conventional picture is that the draft proposes to modify the status quo towards more European integration. In the end, the text confirms the status quo for 33 issues, 11 of these are vital issues. Change is proposed for 32 issues, 27 of these towards more European integration and five of them towards nationalization; three of the five nationalized and 19 other issues were vital, but four of these were revised by the summit towards less European integration. Although the total number of proposed status quo changes points to a moderate reform, vital issues provide for more change: Compared to the 49.2% changes in total, 57% of vital issues were proposed for change, excluding the 10% of changed renationalizing vital issues. This indicates the national focus of the summit because all six modifications render the draft towards a less integrationist solution (see Table 2).

Conventionally the supranational actors, the Commission and the European Parliament, prefer more European integration and are made responsible for change. On closer inspection of the DOSEI data, this holds true for 40 of the 65 issues. In 12 cases, the two actors have diverging positions. Most of their differences concern the institutional reform of the EU, such as the Presidency of the European Council and the reform of the Commission. For example, the European Parliament supported the idea of a double-hatted Council President, while the Commission unsurprisingly preferred to keep the status quo of rotating presidencies. With respect to the number of Commissioners, it was in favor of one Commissioner per member state, but the European Parliament preferred a reduction of the size of the Commission. However, both supranational actors supported the hotly debated proposal of double majority voting in the Council.

3.2 Identifying Actors' Gains

A major methodological challenge of our analysis concerns the identification of a common issue space in which the gains of the various types of veto players can be calculated and compared. In order to identify the distance between the governmental veto players and their voters, we used a procedure to calculate the median voter's position on 40 questions related to the EU constitution asked in the Eurobarometer (EB) 60.1 and Candidate Country EB (CCEB) 2003.4 (Hug and Schulz 2007). For each of the 40 questions it was possible to code the provisions under the Treaty of

⁵ For three questions, a status quo could not be identified because the answers seem to depend on other issues (election and accountability of Foreign Minister and election of a President for the European Council). These questions have been coded as change (=1) as all answers presuppose change. However, all analyses have been repeated without these three cases without substantial change in results.

Nice (status quo), the conventional draft and the constitutional treaty (outcome). Hence we could identify whether the domestic median voters prefer or reject a change of the status quo. A further methodological problem is to bridge the two datasets, and we used the status quo as the anchor point. Unlike Hug and Schulz (2007)⁶ we apply a joint estimation of the reduced two-dimensional issue space via Bayesian item response analysis which allows us to locate each issue's reform option, the median voter's position and the governmental position into a common issue space.⁷ This allows us to calculate issue-specific gains for each type of actor and distances of each actor to every reform option (Euclidian distances). Finally, we averaged the gains across all governmental actors to each issue (this was not possible for four issues due to their constant nature).⁸

This procedure is also used to produce two versions of median voters' distances, the summed distances across all those countries which are located at the status quo, and the median voters' summed distances to the reforms proposal across those countries which are located at the status quo *and* announced a referendum (see Table 3 for an overview). Figure 1 illustrates how these two versions relate to each other and to our five hypotheses H0–H4.

Because extreme cases may drastically change the picture a major question is which actors or cases should be included in the construction of the issue space. To avoid a bias by extreme cases, we decided only to include the status quo as the anchor point, and we also imputed the (usually extreme) positions of the two supranational actors by ex-post estimation. For our estimates of parliamentary pivots, we used information on domestic parties' EU standpoints provided by the Chapel Hill 2002 data (Hooghe et al. 2002). Based on 238 expert interviews conducted between September 2002 and April 2003, the Chapel Hill data contain the positions on European integration for 171 parties in 21 of the 25 current EU member states (except for Cyprus, Malta, Luxembourg and Estonia)⁹ on the following issues:

- Q1: *Overall orientation of the party leadership towards European integration in 2002,*
- Q2: *Position of the party leadership in 2002 on strengthening the powers of the European Parliament*
- Q3: *Position of the party leadership in 2002 on the internal market,*
- Q4: *Position of the party leadership in 2002 on EU employment policy,*

⁶ Difference between Hug and Schulz's (2007) separate and our joint approach concern the relative position of SQ, Draft and Outcome as well as the position of voters to those of member states. Comparing the results the correlation within both subgroups of actors (voter and member states) is very high (about 0.89).

⁷ Probit link; identification via indirect constraints on item discrimination parameters; burn-in: 15,000; sample: 3,000; estimated using GAUSS (version 6.0); routines, data, source code and detailed description of estimation procedure will be made available for download on the homepage of the first author.

⁸ For member states the four issues have been imputed with the maximum value among the remaining 61 issues in case all members preferred change and with the minimum value in case no member preferred change. The median voters' and supranational' gains/ distances were imputed with the mean across the 61 issues.

⁹ Party positions in these countries were imputed with the mean across all European parties belonging to the same party family.

- Q5: *Position of the party leadership in 2002 on EU agricultural spending,*
- Q6: *Position of the party leadership in 2002 on EU cohesion policy,*
- Q7: *Position of the party leadership in 2002 on EU environmental policy,*
- Q8: *Position of the party leadership in 2002 on a common policy on asylum,*
- Q9: *Position of the party leadership in 2002 on a common foreign and security policy.*

To identify whether parliamentary pivots are in favour of change or stability, we extracted the positions of the 25 parliamentary pivots defined by the ratification hurdles in a first step (see Table 1). Assuming a systematic co-variation across member states, we then regressed the parliamentary pivots on the governmental positions. This assumption is based on the fact that parliaments were involved in the domestic coordination phase preceding the IGC in most countries (König and Hug 2006). Regression was impossible for the four constant issues (see Footnote 8). Comparing the results with 61 OLS regressions shows minor differences, but the models' Pseudo R^2 (McFadden) vary between 0.07 and 0.69. As a result of the 61 logistic regressions we can identify each pivots' probability for favoring change over status quo. These predicted probabilities and the parliamentary pivots' general

Table 3 Description of variables included in the model

Name of Variable	Short description	Source	Min	Max	Mean
Change	0=SQ prevails; 1=Const. Treaty differs from SQ	DOSEI data	0	1	0.508
Gains member states	Mean across member states' gains (euclidian) if change would be adopted	DOSEI data	-0.046	0.404	0.259
Parliamentary pivot if MS on SQ	Sum of parliamentary pivots' positions ONLY IF their member states prefers SQ over change	Chapel Hill data	0	23.012	11.667
Distance median voter if MS on SQ	Sum of member states euclidian distances to change proposal ONLY if their member states prefers SQ over change	Eurobarometer & DOSEI data	0	41.774	17.887
Distance of median voter if MS on SQ and referendum	Sum of member states euclidian distances to change proposal ONLY IF their member states prefers SQ over change AND the government announced a referendum	Eurobarometer & DOSEI data	0	17.191	9.292
Gains of EP and Com	Sum of EP and the Commission's euclidian gains if change would be adopted	DOSEI data	-2.521	3.132	0.562
No. of categories	(see Table 1)	DOSEI data	1	5	2.723
No. of vitals	(see Table 1)	DOSEI data	0	18	1.908
Date of agreement	Number of days (see Table 1)	IGC documents	1	498	301.264
Direction of change	1=if towards less integration; 0=otherwise	DOSEI data	0	1	0.077

Sources: The DOSEI data is described in König and Hug (2006). Chapel Hill data is described in Hooghe et al. (2002). Eurobarometer refers to 40 questions taken from EB 60.1 and Candidate Country EB (CCEB) 2003.4 (for details see Hug and Schulz in this issue).

Variables are z-standardized in the regression model.

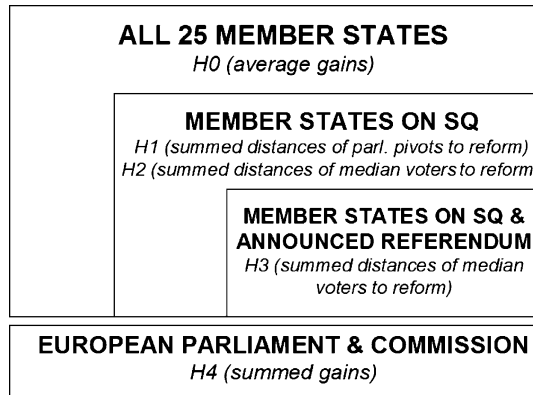


Fig. 1 (Sub) sets of actors and their relation to H0–H4

position towards European integration (Q1) are standardized on the same scale.¹⁰ Finally, we calculated the average of both variables weighted with the percentage of explained variance as suggested by the Pseudo R^2 . To operationalize our hypothesis H2 we summed up the resulting positions for all those parliamentary pivots where the member state prefers the status quo to reform (compare also Fig. 1). In order to control for a higher ex-ante probability for change induced by higher numbers of answer categories we include a control variable (*number of categories*). Furthermore, we add a dummy for those five issues which were changed towards “less integration” (*direction of change*), and another dummy for the number of member states which indicated that the issue is of vital importance for them (*number of vitals*) (see Table 3).

4 Analysis

In our statistical analysis we control for assumptions on independence of cases by introducing control variables on time and space. For the independence of issues in the space we use item response-analysis that explicitly offers to compare issue-specific reform proposals and actors’ positions on the same latent variable (DeBoeck and Wilson 2004; Jackman and Treier 2005). Calculating actors’ Euclidian gains and distances towards issue-specific reform proposals within this latent space shall additionally control for our assumption on the independence of cases. Regarding the time dimension, concessions might be motivated by actors’ gains under previously adopted outcomes. We control for this effect by using the date of agreement for each issue (Table 2).

Figure 2 shows the reform proposals located in the latent space generated by using member states’ and median voters’ positions and the status quo. The results suggest that two latent conflict dimensions reasonably represent the complex issue

¹⁰ As a result of the 61 logistic regressions we get each pivots’ probability to favor change over status quo. The CH data ranges from 1 to 7. At this step we assume that the extreme ends of the CH data (Q1) are equal to 0% probability for change (if Q1=1) and 100% probability for change (if Q1=7).

Legend for figure 2: 1=Charter of Fundamental Rights; 2=Subsidiarity; 3=Religious reference; 4=Right to withdraw from the Union; 5=Economic objectives : market economy; 6=Economic objectives : employment; 7=Economic objectives : competitiveness; 8=Presidency of the European Council; 9=Composition; 10=QMV; 11=Number of commissioners; 12=Appointment of Commission President; 13=Appointment of Commissioners; 14=External representation; 15=Appointment of Foreign Minister (Council, Com.); 16=Appointment of Foreign Minister (approval of EP); 17=ECJ Jurisdiction; 18=Legislative initiative for EP; 19=Legislative initiative for Council; 20=Legislative initiative for citizens; 21=Enhanced cooperation; 22=Level of competence for Agriculture; 23=Level of competence for Structural and cohesion politics; 24=Level of competence for the Area of Freedom, Security and Justice; 25=Level of competence for Foreign Policy; 26=Level of competence for Economic Policy; 27=Level of competence for Tax harmonisation; 28=Level of competence for Employment Policy; 29=Level of competence for Social Policy; 30=Level of competence for Health Policy; 31=Level of competence for Environment Policy; 32=Level of competence for Education Policy; 33=Level of competence for research, technological development & space; 34=Voting rule (Council) for Structural and cohesion politics; 35=Voting rule (Council) for Area of Freedom, Security and Justice; 36=Voting rule (Council) for Tax harmonisation; 37=Voting rule (Council) for Monetary policy; 38=Voting rule (Council) for Economic Policy; 39=Voting rule (Council) for Employment Policy; 40=Voting rule (Council) for Social Policy; 41=Voting rule (Council) for Social security rights; 42=Voting rule (Council) for Common Foreign Policy; 43=Voting rule (Council) for Defence Policy; 44=Decision rule (EP) for Agriculture; 45=Decision rule (EP) for Structural and cohesion politics; 46=Decision rule (EP) for Area of Freedom, Security and Justice; 47=Decision rule (EP) for Internal market; 48=Decision rule (EP) for Tax harmonisation; 49=Decision rule (EP) for Monetary policy; 50=Decision rule (EP) for Economic Policy; 51=Decision rule (EP) for Employment Policy; 52=Decision rule (EP) for Social Policy; 53=Decision rule (EP) for Social security rights; 54=Decision rule (EP) for Common Foreign Policy; 55=Decision rule (EP) for Defence Policy; 56=Rights of EP in the adoption of the budget; 57=Stability and Growth Pact I; 58=SGP II; 59=Defence; 60=External borders; 61=Migration and Asylum; sq=status quo (Treaty of Nice); out=outcome (Treaty Establishing a Constitution for Europe)

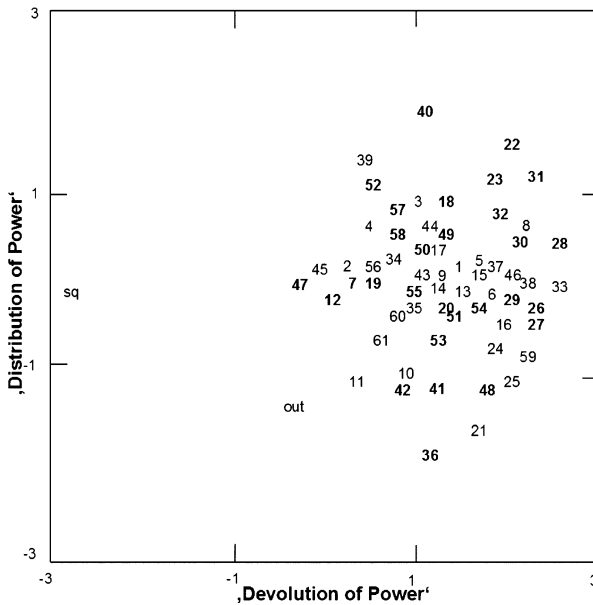


Fig. 2 Reform Proposals for 61 issues, Treaty of Nice (*sq*) and Constitutional Treaty (*out*) plotted in two dimensional latent space generated via Bayesian Item Response estimation. *Bold numbers* if issues remained on status quo; *Thin numbers* if issue has been changed.

space.¹¹ Due to the dichotomous nature of our data (1=change; 0=status quo) the item discrimination parameter can be used to indicate the position of the reform proposal within the two dimensional latent space. On the horizontal dimension, which we call “devolution of power,” the status quo is located at the extreme left side of the picture, while most issues spread over the other side. Issues loading high on this dimension include the assignment of policy competencies to the different levels and the granting of new rights to the EP and to the citizens. Competencies include the debate about the future foreign policy of the EU, in particular proposals to create the office of the EU Foreign Minister and a common defence policy. Issues strengthening the rights of citizens and the EP comprise the extension of the co-decision procedure, the procedures to elect the Council president, the foreign minister as well as the Commissioners and the citizens’ initiative. Reforms have been finally agreed to in foreign policies, the appointment procedures for various offices and the citizen’s initiative, but only in small extensions of the co-decision-procedure (compare Fig. 2, thin labels).¹²

The most debated issues, such as the future voting system in the Council and the size of the Commission, are loading high on the vertical dimension. Other issues generating this dimension are the transition to majority voting in the Council in the areas of foreign policy, taxation, employment, social and security policies, the future scope of enhanced cooperation, the voluntary withdrawal from the Union and also the religious reference in the preamble and border control and migration policies. Most of these issues refer to the topic on the “distribution of powers” within the decision-making system of the EU. The status quo is located almost on the middle of this dimension where the final agreement includes the important reforms of the composition of the Commission and the Council voting rule, while only few policy fields were shifted under qualified majority voting (QMV).

Figure 3 shows actors’ positions in this latent space. In addition we plotted the draft treaty (outcome) and the treaty of Nice (status quo) into this space. This allows us to illustrate each actor’s distance to the status quo and the outcome. The results reveal that the outcome is biased by few important, but highly contested institutional changes over a bulk of rather unimportant issues. The large countries—such as Germany, Italy, France and the UK—are close to the outcome on qualified majority voting (QMV) (10), the composition of the Commission (11) and the extension of closer cooperation (21). This suggests that these countries are the winner on the ‘distribution of power’-dimension. The median voters of the North-western member states (i.e., the Scandinavian countries, UK, Luxembourg, Austria) and the Slovak government hold the extreme opposite position favoring a reform of EU policy competencies which include a change of voting rules especially in agriculture (22), structural and cohesion (21), environment (32), education (33), social (38), economic (40) and monetary policies (49). On the horizontal ‘devolution of power’-dimension we find few actors to the left of the outcome (Commission, the governments of Hungary, Poland, Ireland, Estonia and Portugal as well as the Swedish and Danish median voters) and a majority to its right.

¹¹ The two dimensional solution of the two-parametric item response model correctly predicts up to 69% of cases. While the systematic sample invariance makes it problematic to identify higher dimensional models, the two dimensional significantly outperforms the one dimensional solution.

¹² See also Table 3 for detailed information about the final outcome.

Legend for figure 3: A=Austria; B=Belgium; C=Com; CZ=Czech Republic; CY=Cyprus; D= Denmark; EP= European Parliament; E= Estonia; F=France; FI= Finland; G= Germany; GR= Greece; H= Hungary; I=Italy; IR=Ireland; L= Luxembourg; LI= Lithuania; LA= Latvia; M=Malta; N=Netherlands; Out=Treaty Establishing a Constitution for Europe; P=Portugal; PL=Portugal; S= Sweden; SL=Slovenia; SK=Slovak Republic; SP= Spain; SQ=Status Quo (Treaty of Nice); U= United Kingdom; **bold cross**= reform proposal for issues which remained on status quo; **thin cross**= reform proposals for issues which have been changed.

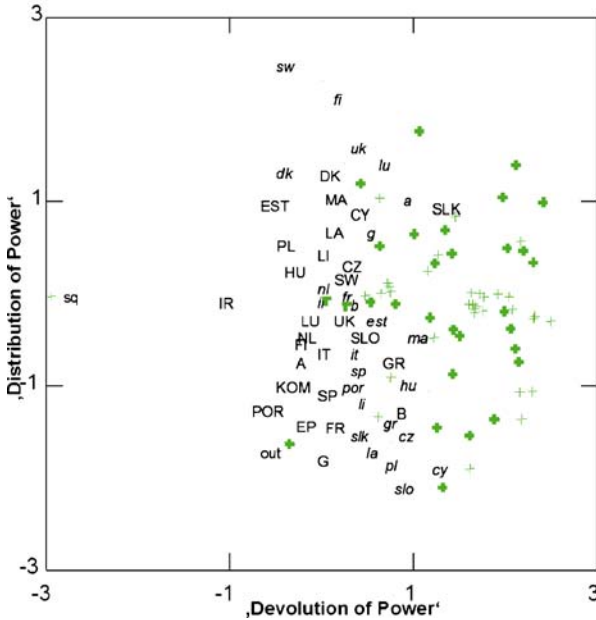


Fig. 3 Constitutional preferences of 25 member states (*upper case*), corresponding median voters (*lower case*), the Commission (COM) and the European Parliament (EP) plotted in two dimensional latent space. *Unlabeled crosses:* reform proposals for 61 issues (*bold* if issue remained on status quo; *thin* if issue has been changed).

We also find an interesting pattern with respect to the cross-country variance among the median voters. The median voters from Eastern European member states tend to prefer the proposed institutional reforms and reject the proposed change for substantial policies. By contrast, the median voters from richer and especially rich and small member states prefer such reforms and are opposed to institutional changes. Furthermore, Figs. 2 and 3 show those issues remaining on the status quo as defined by the treaty of Nice and those issues for which the constitutional treaty provides for change. We find a densely clustered group of changed issues located at the extreme right half way to the top.¹³ This is not surprising because conflict is located on the vertical dimension where these issues propose compromise.

¹³ Voting rule (Council) for defence policy (43); external representation (14); composition of the Commission (9); Charter of Fundamental Rights (1); ECJ Jurisdiction (17); Appointment of Foreign Minister (15); Economic objectives: market economy (5); economic objectives: employment; voting rule (Council) for monetary policy (37); introduction of co-decision for the area of freedom security and justice (46); voting rule (Council) for economic policy (38); level of EU competence for research, technological development and space (33) (labels refer to Fig. 2).

Table 4 Correlation matrix of independent variable

	Number of categories (control)	Number of vitals (control)	Direction of change (control)	Date of agreement (control)	Gains of member states (H0)	Distance median voter if MS on SQ & referendum (H3)	Distance median voter if MS on SQ (H2)	Position of parliamentary pivot if MS on SQ (H1)
Number of vitals (control)	0.295	1.000						
Direction of change (control)	0.020	-0.173	1.000					
Date of agreement (control)	-0.110	-0.146	-0.098	1.000				
Gains of member states (H0)	0.291	0.301	-0.361	0.223	1.000			
Distance median voter if MS on SQ & referendum (H3)	-0.319	-0.197	0.489	-0.075	-0.145	1.000		
Distance median voter if MS on SQ (H2)	-0.352	-0.081	0.461	-0.116	-0.292	0.737	1.000	
Positions of parliamentary pivot if MS on SQ (H1)	-0.148	-0.032	0.133	0.109	-0.045	-0.280	0.419	1.000
Gains of EP and commission (H4)	0.139	0.466	-0.333	0.072	0.766	0.012	0.113	-0.147

To control for the different types of veto players, we take a closer look at their correlations. According to Table 4, there is a correlation between the positions of median voters and parliamentary pivots from status quo-preferring member states (0.419). Unsurprisingly, there is also a very high correlation between the positions of median voters from all status quo-prone member states and only those which announced a referendum (0.737). Hence, comparing the median voters’ positions in referendum and non-referendum countries reveals minor differences.

Figure 4 illustrates for which issues there is some difference: Median voters from status quo-prone referendum countries are more sceptical with respect to extension of co-decision to social (55) and defence policies (52), the introduction of QMV for employment (39) and defence (43) policies and a fully binding charter of fundamental rights (1). On the other hand, median voters from status quo-prone referendum countries are supporting the extension of enhanced cooperation (21), reforming the number and composition of the Commission (11), the introduction of QMV for tax (36) and foreign (42) policies as well as the extension of co-decision to

Legend for figure 4: 1=Charter of Fundamental Rights; 2=Subsidiarity; 3=Religious reference; 4=Right to withdraw from the Union; 5=Economic objectives : market economy; 6=Economic objectives : employment; 7=Economic objectives : competitiveness; 8=Presidency of the European Council; 9=Composition; 10=QMV; 11=Number of commissioners; 12=Appointment of Commission President; 13=Appointment of Commissioners; 14=External representation; 15=Appointment of Foreign Minister (Council, Com.); 16=Appointment of Foreign Minister (approval of EP); 17=ECJ Jurisdiction; 18=Legislative initiative for EP; 19=Legislative initiative for Council; 20=Legislative initiative for citizens; 21=Enhanced cooperation; 22=Level of competence for Agriculture; 23=Level of competence for Structural and cohesion politics; 24=Level of competence for the Area of Freedom, Security and Justice; 25=Level of competence for Foreign Policy; 26=Level of competence for Economic Policy; 27=Level of competence for Tax harmonisation; 28=Level of competence for Employment Policy; 29=Level of competence for Social Policy; 30=Level of competence for Health Policy; 31=Level of competence for Environment Policy; 32=Level of competence for Education Policy; 33=Level of competence for research, technological development & space; 34=Voting rule (Council) for Structural and cohesion politics; 35=Voting rule (Council) for Area of Freedom, Security and Justice; 36=Voting rule (Council) for Tax harmonisation; 37=Voting rule (Council) for Monetary policy; 38=Voting rule (Council) for Economic Policy; 39=Voting rule (Council) for Employment Policy; 40=Voting rule (Council) for Social Policy; 41=Voting rule (Council) for Social security rights; 42=Voting rule (Council) for Common Foreign Policy; 43=Voting rule (Council) for Defence Policy; 44=Decision rule (EP) for Agriculture; 45=Decision rule (EP) for Structural and cohesion politics; 46=Decision rule (EP) for Area of Freedom, Security and Justice; 47=Decision rule (EP) for Internal market; 48=Decision rule (EP) for Tax harmonisation; 49=Decision rule (EP) for Monetary policy; 50=Decision rule (EP) for Economic Policy; 51=Decision rule (EP) for Employment Policy; 52=Decision rule (EP) for Social Policy; 53=Decision rule (EP) for Social security rights; 54=Decision rule (EP) for Common Foreign Policy; 55=Decision rule (EP) for Defence Policy; 56=Rights of EP in the adoption of the budget; 57=Stability and Growth Pact I; 58=SGP II; 59=Defence; 60=External borders; 61=Migration and Asylum

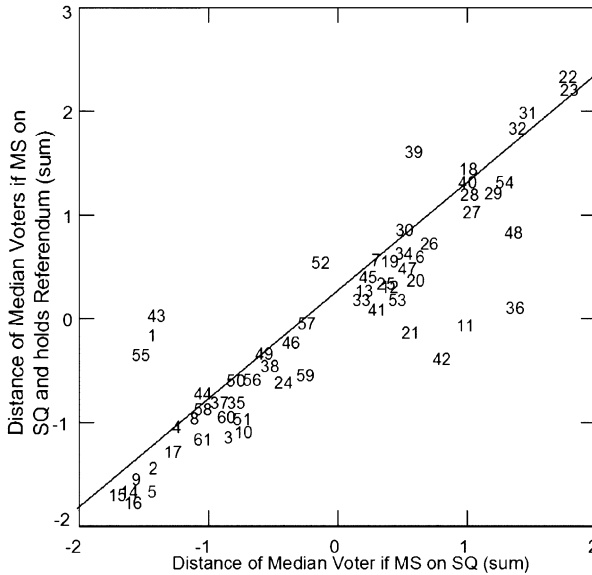


Fig. 4 Summed distances of median voters from all status quo-prone member states (MS) as compared to summed distances of median voters from only those status-quo prone member states which announced a referendum (z-standardized).

tax policy (48). Many of these issues define core competencies of the nation state and have been popular in referendum campaigns, but there is no systematic pattern with respect to their direction.

Legend for figure 5: 1=Charter of Fundamental Rights; 2=Subsidiarity; 3=Religious reference; 4=Right to withdraw from the Union; 5=Economic objectives : market economy; 6=Economic objectives : employment; 7=Economic objectives : competitiveness; 8=Presidency of the European Council; 9=Composition; 10=QMV; 11=Number of commissioners; 12=Appointment of Commission President; 13=Appointment of Commissioners; 14=External representation; 15=Appointment of Foreign Minister (Council, Com,); 16=Appointment of Foreign Minister (approval of EP); 17=ECJ Jurisdiction; 18=Legislative initiative for EP; 19=Legislative initiative for Council; 20=Legislative initiative for citizens; 21=Enhanced cooperation; 22=Level of competence for Agriculture; 23=Level of competence for Structural and cohesion politics; 24=Level of competence for the Area of Freedom, Security and Justice; 25=Level of competence for Foreign Policy; 26=Level of competence for Economic Policy; 27=Level of competence for Tax harmonisation; 28=Level of competence for Employment Policy; 29=Level of competence for Social Policy; 30=Level of competence for Health Policy; 31=Level of competence for Environment Policy; 32=Level of competence for Education Policy; 33=Level of competence for research, technological development & space; 34=Voting rule (Council) for Structural and cohesion politics; 35=Voting rule (Council) for Area of Freedom, Security and Justice; 36=Voting rule (Council) for Tax harmonisation; 37=Voting rule (Council) for Monetary policy; 38=Voting rule (Council) for Economic Policy; 39=Voting rule (Council) for Employment Policy; 40=Voting rule (Council) for Social Policy; 41=Voting rule (Council) for Social security rights; 42=Voting rule (Council) for Common Foreign Policy; 43=Voting rule (Council) for Defence Policy; 44=Decision rule (EP) for Agriculture; 45=Decision rule (EP) for Structural and cohesion politics; 46=Decision rule (EP) for Area of Freedom, Security and Justice; 47=Decision rule (EP) for Internal market; 48=Decision rule (EP) for Tax harmonisation; 49=Decision rule (EP) for Monetary policy; 50=Decision rule (EP) for Economic Policy; 51=Decision rule (EP) for Employment Policy; 52=Decision rule (EP) for Social Policy; 53=Decision rule (EP) for Social security rights; 54=Decision rule (EP) for Common Foreign Policy; 55=Decision rule (EP) for Defence Policy; 56=Rights of EP in the adoption of the budget; 57=Stability and Growth Pact I; 58=SGP II; 59=Defence; 60=External borders; 61=Migration and Asylum.

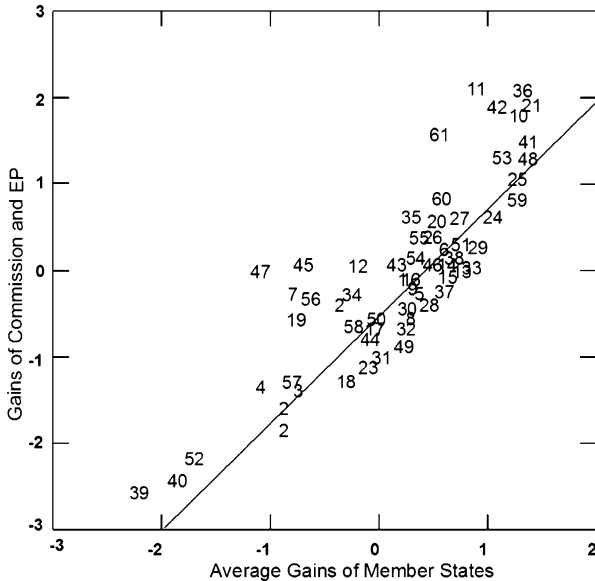


Fig. 5 Average gains of member states as compared to the summed gains of European Commission and European Parliament.

The very strong correlation between the gains of supranational actors and the summed gains across all 25 member states (0.77) is rather surprising. It supports the impression that supranational actors chose their position under consideration of

Table 5 Logistic regression estimates (independent variables are z-standardized)

	H0		H2		H3		H4		Full model	
	Estimate	S.E.	Estimate	S.E.	Estimate	S.E.	Estimate	S.E.	Estimate	S.E.
Gains member states	0.535	0.417	0.925**	0.520	1.475**	0.599	1.953**	0.871	2.601**	1.131
Distance median voter if MS on SQ									-3.941***	1.131
Parliamentary pivot if MS on SQ			-0.858***	0.302					-1.861*	1.064
Distance median voter if MS on SQ & referendum					-2.977***	0.969				
No. of categories	1.004	0.456	0.936*	0.501	0.425	0.451	0.296	0.592	0.452	0.680
No. of vitals	0.699	0.527	0.685	0.616	0.615	0.8680	1.582	0.966	1.246	0.924
Date of agreement	-0.397	0.330	-0.385	0.370	-0.958**	0.4581	-1.250**	0.586	-0.963	0.591
Direction of change	-0.450	0.347	-0.370	0.379	1.138*	0.621	1.413**	0.677	0.990	0.697
_cons	0.215	0.348	2.698***	1.003	0.148	0.4723	-3.294*	0.561	0.417	0.614
McFad. Pseudo R^2 :	0.271		0.402		0.544		0.649		0.689	
Log-likelihood:	-32.78		-26.95		-20.52		-15.81		-13.99	
2*[LL(N)-LL(0)]:	24.53***		36.20***		49.04***		54.78***		62.13***	
% correct change:	66.9		72.9		79.4		84.6		86.2	
% correct SQ:	65.9		72.1		78.8		84.1		85.8	

“Distance median voter if MS on SQ & Referendum” is excluded from full model due to its very high correlation with “Distance median voter if MS on SQ” (see Table 4).
 * = 15%, ** = 1%, *** = 0.1%

member states' preferences. However, Fig. 5 illustrates that the European Parliament and the Commission have diverging preferences on those issues which directly concern their own powers and competencies. This indicates that supranationals are more progressive reformers than the average member states but consider their own interests strategically: they are more reform friendly with respect to the extension of co-decision to internal market (47) and structural and cohesion policies (45), the strengthening of parliamentary rights in the adoption of the budget (56), the reform of number and size of the Commission (11), the extension of enhanced cooperation (21), the scope of EU migration policies (61) and the reform of the QMV threshold (10). Adding both variables into the same regression model raises multi-collinearity-problems due to their wide confidence intervals, reversion of signs and inflationary high p -values. Hence we cannot definitely reject H4, but a bivariate regression analysis shows that it has no effect on the likelihood for change. We thus conclude that supranational actors form their position under knowledge of member states' preferences and their own interests. Since many of these issues concern the distribution of power, the supranationals' gains are strongly correlated with the number of vital issues (0.47; Table 4). Finally, there is a (strong) correlation between the distance of median voters' from status quo-prone member states and the "direction of change"-variable (0.49). This indicates that the average distances of median voters have been larger for the five issues that were renationalized.

Table 5 depicts the results of the logistic regression models. Regarding our null-hypothesis member states' mutual gains have no significant effect on change and stability. Parliamentary pivots prove to be powerful predictors (H1). Together with member states' gains they correctly predict almost 72% of the outcome (Pseudo- $R^2=0.40$). Note that member states' gains become significant when combined with parliamentary pivots' distances to reform proposals. However, the most powerful variable is the sum of median voters' distances to the reform proposal for those member states which prefer the status quo (H2). This variable includes two effects, the number of status quo-prone member states and their median voters' position towards change. Together with the average gains of member states this variable correctly predicts 84% of all cases (Pseudo- $R^2=0.65$). Regarding H3, we include member states' gains and the summed distances for median voters from those member states which announced referendums. This variable turns out highly correlated with our operationalization of H2. Unsurprisingly, we find a very significant negative effect, which is however considerably weaker than for H2. This model correctly predicts up to 79% (Pseudo- $R^2=0.54$).

The full model reveals that the governmental positions and both types of ratifying actors mostly explain reform. Moreover, the summed distances of median voters from status quo-prone member states appear to have the most powerful effect (H2). The model predicts 86% of all cases correctly with Pseudo R^2 (McFadden) of 0.69. These predicted probabilities are highly correlated with our dependent variable (0.83). Nine cases are falsely predicted,¹⁴ and four of them are outliers with a more than 70%-probability for incorrect prediction: '6' (inclusion of full employment objective), '4' (right to withdraw from the Union), '12' (appointment of the

¹⁴ 4 (0.781); 6 (0.77), 27 (0.526), 20 (0.524), 12 (0.962), 36 (0.866), 30 (0.584), 42 (0.606), 47 (0.545); for key to labels please consult Fig. 2; in brackets: probability for wrong predictions.

Commission president) and ‘36’ (voting rule in the Council on tax harmonization). On closer inspection, the reform proposal for these issues is located close to zero suggesting that our operationalization of the issue space may underestimate their importance. While the sequence, the number of categories and the direction of change variables appear slightly significant in the partial models, none of them turns out significant in the full model.

5 Discussion

Our analysis of veto players’ common space, which allows to study the interaction between different types of veto players and to compare their expected gains and distances to the proposed reform, shows that change prevails when (1) the average gains of member state governments are high and (2) either those members located on the status quo are confronted with median voters who prefer reform, or (3) those located on the status quo have parliamentary pivots favoring reform. In other words, governments who prefer the status quo over reform only express their veto if their median voters and/ or parliamentary pivots are also sceptical towards reform. This demonstrates that the cohesive nature of veto players is particularly important for the study of reform. To explain stability and change, domestic constraints can provide an important contribution, but they do not matter in general.

On closer inspection of our results, we find that the null hypothesis is only confirmed in combination with two other covariates: the parliamentary pivots (H1) and median voters (H2) from status quo-prone member states. Our competing hypothesis (H4) could not be tested in the full model because the gains of both supranational actors are highly correlated with the gains of member states. We believe that supranational actors do not form their positions independent from those of member states and their own interests.

Furthermore, our analysis answers the question in how far the choice of ratification instruments impact the outcome. According to our results, sceptical parliamentary pivots decrease the likelihood for reform whenever their governments are sceptical, too. However, the same holds true for sceptical median voters. Interestingly this finding is not restricted to those countries which announced ratification via referendum, but for *all* member states. Accordingly, the sub-set of median voters from *reform sceptical referendum countries* does not hold significantly different positions if compared to median voters from *all reform sceptical countries*.¹⁵ Overall our findings support the Schelling-conjecture (Schelling 1960): Cohesive member states on the status quo achieved higher gains than those member states on the status quo whose voters and/or parliaments held a diverging position.

¹⁵ Using a different operationalization Hug and Schulz (2007) conclude that the correlation between reform sceptic voters and governmental gains is slightly stronger among those member states holding referenda. However, the operationalization suggested by Hug and Schulz (2007) assumes that negotiators are able to identify the ‘voter space’ including all 25 median voters *separately* from the ‘government space’ including all 25 governmental positions. Instead our operationalization suggests that negotiators are able to identify the major conflict dimensions on the basis of voters’ and governments’ positions. In our view, this separation risks a wrong impression of the voters’ positions relative to the governments’ positions, and it might fail to correctly locate the status quo, outcome and draft relative to both, voters and governments.

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