ORIGINAL PAPER

Why risk popular ratification failure? A comparative analysis of the choice of the ratification instrument in the 25 Member States of the EU

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Abstract Following the European integration history, referenda are a risky ratification strategy. Despite establishing a convention and intense treaty negotiations, an unprecedented number of eleven member states announced a referendum for the ratification of the constitutional treaty in 2004, two of them finally failed and stalled the ratification process. This study examines the choice of the ratification instrument by an empirical analysis of the strategic interaction between government, opposition parties and the electorate in the 25 ratification countries. Our analysis considers country-specific conditions and correctly predicts most of the ratification choices in countries which announced referenda (65%) and almost all parliamentary ratification cases (93%). The results reveal that governments choose referenda when they expect low gains from a treaty reform or are confronted with a Euro-sceptical parliamentary opposition. We also find that governments are eager to separate popular votes from domestic electoral campaigns.

Keywords European integration · Ratification · Referenda · Comparative politics · Institutional reform

JEL Classification D72

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1 Introduction

Despite a 2 year period of intense debates in the European Convention and signing the "Treaty Establishing a Constitution for Europe" by all 25 heads of state or governments in 2004, an unprecedented high number of eleven[1] member states announced ratification via referendum. With regard to the deliberative prehistory of the constitution-building process and the relatively high percentage of previously failed referenda on Europe (roughly 35% from 32 referenda),[2] this number is striking—in particular when compared to the history of parliamentary ratification which only documents a single failure when the French parliament rejected the European Political Community in 1954. From this perspective and the insights into the increasing volatility of electoral voting behaviour in popular votes (i.e., Franklin et al. 1995; Crum 2007), the Dutch and French referenda on the constitutional treaty unsurprisingly failed in June 2005. As a consequence the process of European treaty reforms came to a halt until member states signed a slightly modified version of the constitutions, the Lisbon Treaty, which was rejected in the Irish referendum in 2008. This raises the question on why so many countries preferred this risky ratification strategy—did parliamentary ratification eventually beg similar risks in these countries or did other factors motivate their decision to ratify the constitutional treaty by popular vote?

The answer can shed light into the more general question on the choice of the ratification instrument when facing international cooperation tasks. Today, it remains unclear whether countries take a risky strategy when little is to gain from international cooperation, or, whether they sacrifice such cooperation for "second order"-gains which may help them to consolidate their powers in domestic party competition. For answering these questions, this study introduces a strategic model on the choice of the ratification instrument which considers the interaction between government, opposition and the voters in the member states. In our view, the ratification of the constitutional treaty is an ideal example for the empirical evaluation of our strategic model, because we find several countries which preferred popular over parliamentary ratification, from which two were successful and two failed. Some of the countries preferring parliamentary ratification have a long direct democracy-tradition, while others favoured popular vote without having much experience on referenda.

Empirically, referenda are still rare events outside Switzerland which make their comparative study difficult (Altman 2007; LeDuc 2003; Scarrow 2003). More recently, the EU experienced several referenda on accessions and treaty reforms

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[1] These are Belgium, Czech Republic, Denmark, Ireland, Luxemburg, the Netherlands, Poland, Portugal, Spain and the United Kingdom, and only France announced the referendum after the signing of the treaty.

[2] List of failed referenda: France (Constitution, 2006), Netherlands (Constitution, 2006), Denmark (Maastricht, 1992; EMU, 2000), Ireland (Nice, 2001), Norway (membership, 1972, 1994), Sweden (EMU, 2003). List of successful referenda: Ireland (membership, 1972; SEA, 1987; Maastricht, 1992; Amsterdam, 1998), Denmark (membership, 1972; SEA, 1986; Amsterdam, 1998), France (enlargement, 1972; Maastricht, 1992), Great Britain (continued membership, 1975), Austria, Sweden, Finland (membership, 1994), Luxemburg, Spain (constitution, 2006), Malta, Hungary, Slovenia, Lithuania, Slovakia, Poland, Czech R, Estonia, Latvia (membership, 2003).

which are raising the attention of scholars with normative, empirical and game-theoretical background (i.e., Franklin et al. 1995; Schneider and Weitsman 1996; Hug 2002; Svensson 2002; Hug and Tsebelis 2002; Kaufmann and Waters 2004; Garry et al. 2005; Steenbergen et al. 2007; Crum 2007; Closa 2007). Currently research is focusing on the outcome of referenda, in particular when ratification was challenged by negative popular votes. For example, Svensson (2002) and Garry et al. (2005) claim that voters expressed their sincere preferences in the previously failed referenda in Denmark on the Maastricht treaty (1992) and in Ireland on the Nice treaty (2001). Others argue that these popular votes were made on domestic short-term rather than on European long-term considerations (Franklin et al. 1995, p. 470). According to Schneider and Weitsman (1996), European voters are often in a punishment trap because they may either merit a disliked or punish a popular government which negotiated and signed a treaty reform. Contrary to this voter-oriented research on failed referenda, we analyze the choice of the ratification instrument taking into account country-specific variation of decisions on the same object of choice.

The literature on failed referenda points to several important characteristics besides tradition, such as the role of voters, the type of the party system and the domestic provisions for referenda. Steenbergen et al. (2007) conclude that referenda are conducive to party-voter similarity because they force party elites to pay closer attention to their supporters. Their findings suggest that party elites not only influence the voters according to the top down-model, but that elites are also influenced by the supporters in terms of a bottom up-effect. Furthermore, Crum (2007, p. 67) proposes to distinguish between political parties in competitive and collusive systems which provide the opposition with the power conditional upon the perception of the voters: if the opposition collusively joins the government, the anti-agreement campaign is left to protest parties, while a competitive party system replicates the ideological rather than the strategic differences between the two sides in the referendum campaign. Other studies on these failed referenda emphasise the features of the European constitution-building process, such as the Convention method, the sceptical attitude of some countries to constitutional issues and the high level of national party competition respectively mobilisation of voters by opposition in some domestic arenas during this period.

More generally, Morel (2001) argues that parties only favour referenda if they are not divided on the matter because they are eager to avoid internal divides to become public, while Bjørklund (1982) conceives referenda as a means to overcome intra-party divides. According to Hug (2002, p. 32), governments may initiate a non-mandatory referendum for gaining popularity and closeness among their party supporters. The work of Hug (2002, 2004), Matsusaka and McCarty (2001), Matsusaka (2004) and Schneider and Weitsman (1996) suggests a strategic background of referenda, but there exists—to our knowledge—neither a general strategic framework nor an empirical evaluation of the ratification choices which considers the country-specific conditions and tests the implications of the strategic interaction between government, opposition parties and voters in a comparative empirical analysis. A major reasons is, the country-specific conditions of popular votes usually render the comparative evaluation of this interaction and the identification of the factors which promote the decision to initiate a referendum difficult.

For the comparative analysis of the ratification instrument choices, we introduce a multi-stage strategic model that correctly predicts the announcement of seven of the eleven referenda (65%) and the choices of almost all remaining thirteen countries which opted for parliamentary ratification (93%). Our results suggest that the expected benefits from the constitutional treaty are particularly relevant for our understanding of these choices. In essence, when governments hardly expect benefits from a treaty reform, they are more likely to choose the risky popular vote. Unsurprisingly, governments also prefer a referendum when they expect high benefits from a treaty reform but are faced with a Euro-sceptic party opposition at home. However, the volatility of domestic voting behavior generally reduces the electorate's influence on the government's choice to initiate a referendum. On closer inspection of the prediction error of our model, it turns out that governments prefer separating their own re-election campaign from a referendum in order to avoid electoral costs.

2 The strategic choice of the ratification instrument

With the exception of Ireland, the domestic ratification provisions for treaty reforms do not prescribe popular votes, but these provision might themselves be subject of reform (Pahre 2006). In addition to amending their ratification provisions, governments and/or opposition parties can impact the ratification process by selecting the date of the event and the exact wording of the question (for "agenda-setting", see Romer and Rosenthal 1979; Hug and Tsebelis 2002; Schulz 2006). Furthermore, they can interpret the result of a referendum and, in case of non-binding referenda, decide whether to accept or overrule the popular vote (Binzer Hobolt 2006, p. 158). All of these options can influence the motivation of governments' and/or opposition parties' strategic choice for the ratification instrument. On closer inspection of the instrument, the literature distinguishes between mandatory and non-mandatory referenda (Suksi 1993; Hug 2002, 2004; Hug and Tsebelis 2002), binding and non-binding popular votes (Suksi 1993; Luthardt 1994) and the rules for initiating a referendum which range from a minority of MEPs in one chamber (e.g., Italy) to two-thirds of the MEPs in both chambers (e.g., Germany). These country-specific conditions can alter the structure of the game and, accordingly, influence the choice of the ratification instrument too. For example, when the government knows that the opposition is willing to call for a referendum, it can anticipate this move and initiate a referendum by its own, while it would have chosen parliamentary ratification otherwise. To capture these various effects we introduce a strategic model that considers the entire ratification process and accounts for these country-specific conditions. Figure 1 illustrates our general strategic model, which will be adapted to the country-specific conditions of each member state:

Our general model is divided into four stages:

Stage 1: The government can either announce a referendum or follow parliamentary ratification.
Stage 2: The opposition parties can agree with the proposal of the government. If not, they can in some countries veto a referendum which has been initiated by the
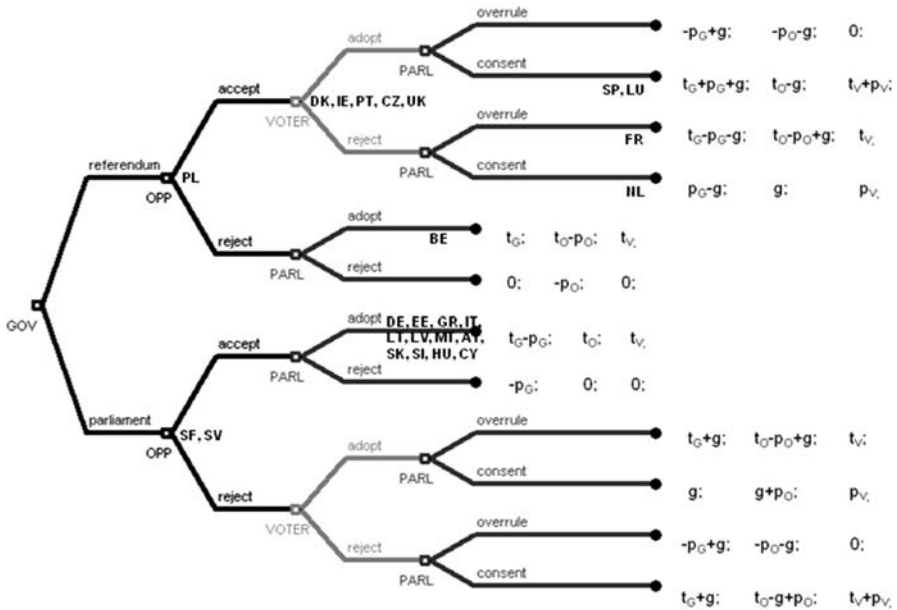
Fig. 1 Stylized game tree of the ratification process. The actual progress and additive payoffs for government (G), opposition (O) and voters (V). (Note: Parliament is modeled as either government or opposition depending on voting threshold and distribution of actual seats)

government, whilst in other countries they can initiate a referendum when the government favoured parliamentary ratification.

Stage 3: At this stage the ratification actors (median voter or parliamentary ratification pivot) can either accept or reject the proposal.

Stage 4: Finally, parliament can overrule a popular vote, but this is a costly choice. However, since voters have a short-term commemoration, the government/or opposition parties can—after a certain delay—initiate a parliamentary vote on a slightly modified version.

Theoretically, our model rests on the following four assumptions:

(1) The proposal is given exogenously.
(2) Other actors, i.e., courts, interest groups etc. are deemed irrelevant.
(3) The parliament is dominated either by the governmental majority or by opposition parties.
(4) All actors hold complete and perfect information.

For the sake of lucidity we reduce the number of actors in our strategic model by assuming that parliament is dominated by the government or the opposition. While in the UK, Sweden, Malta, the Netherlands, Latvia, Finland, Estonia and Cyprus the governments held the necessary parliamentary majority to ratify the constitutional proposal in the period under study, in all other countries the governments had to rely on the support of the opposition. Before solving the game by backward induction,

we briefly discuss actor's pay-offs. Here, we only consider the general model, but the reader can find the country-specific applications in the appendix.

For the empirical identification of the model, we relax assumption (4) and estimate the size and the impact of these parameters statistically by assuming probabilistic choices with logistically distributed decision errors (McKelvey and Palfrey 1995). We include three types of payoff-parameters, namely an actor's utility expected from treaty reform as compared to the status quo, the consolidation/impairment of governmental power and the satisfaction of voters' desire for direct participation.

3 The payoffs of the government, opposition and voters

A large number of studies point to the implications of referenda on outcomes. Most often, it is argued that referenda move governmental policies towards the median voter (Pommerehne 1978; Matsusaka 2004). Because governments attempt to anticipate voters' choice, referenda can also have an indirect impact on these outcomes (Gerber 1996, 1998; Garry et al. 2005; Widtfeld 2004). Based on this implication, Hug and Tsebelis (2002) conceive a referendum as an additional veto player who is usually decreasing the potential for policy change (Hug 1995, 2002 for the EU; Gerber 1999; Hug 2004; Matsusaka 2004; Lupia and Matsusaka 2004 for American politics, Pommerehne 1978; Feld and Kirchgässner 1999; Mueller 2005, p. 62 for a constraining impact of referenda on Swiss public finances). Another view concerns their implications for the negotiation outcome of treaties. Empirical studies on the two-level game of EU treaty negotiations found that status quo-prone governments increased their bargaining leverage at IGCs when credibly referring to Euro-sceptic voters (Hug and König 2002; König and Hug 2000; Slapin 2006). In other words, governments may tie their hands by domestic constrains and accept higher risks of ratification failure by initiating a referendum (Ilda 1996). Overall, it is argued that the choice of the ratification instrument is a function of the expected benefits of governments from a treaty reform, which we will consider by the parameter t_g.

Furthermore, other studies focus on voters' referendum behaviour which can also influence the outcome of a proposal (i.e., Schneider and Weitsman 1996; Kaufmann and Waters 2004; Qvortrup 2002). Briefly summarised, a major question is whether voting behavior can be explained by voters' evaluation of the proposal ("issue-voting"), or, whether it is subject to domestic party competition ("second order-voting") (i.e., Franklin et al. 1995; Binzer Hobolt 2006; Crum 2007). Because issue-and second order-voting are not exclusive, the process of opinion formation is central in these studies, in particular the role of political parties and elites in campaigning (Lupia 1992; Bowler and Donovan 1998; Gallagher 1988; Pierce et al. 1983; Steenbergen et al. 2007). Garry et al. (2005) find that issue-voting (unlike second order-voting) increases with the intensity of the campaign. When voters expect to gain from treaty reform, they are more inclined in participating in the decision-making process. We capture voters' evaluation of the proposal by t_v.

With regard to the constitutional proposal, most ratification provisions of the member states prescribed parliamentary super-majorities. These super-majorities

include 5/6-majorities in the Danish parliament and bicameral two-thirds majorities in Germany, which necessitated the support by opposition parties. Only in Ireland, a referendum is always required for the adoption of a treaty reform, while all other countries leave open the choice of the ratification instrument for government and opposition parties. Thus, reform-friendly governments may use a referendum to bypass a treaty-sceptic opposition and to save audience costs, while opposition parties might be tempted to initiate a referendum against a government (Closa 2007). On the other hand, a supportive opposition for treaty reform may reduce the risk of domestic audience costs for the government. To consider this effect, we refer to the opposition's evaluation of the proposal by t_o.

Altering the outcome of a proposal directs the attention to the expected gains from a treaty reform by different types of actors. In addition to actors' expected benefits from a treaty reform—whether these concern the government, the opposition parties or the voters—several authors suggest that the choice of the ratification instrument is also determined by domestic party competition rather than an evaluation of the treaty reform itself. According to Franklin et al. (1995); Binzer Hobolt (2006) and Crum (2007), referendum campaigns on EU treaties are often dominated by domestic issues, in which the incumbent government can profit from a successful referendum. Analogously, a failed referendum will impair governmental power in the domestic arena. Such "second order"-voting should be a function of domestic party competition, which is intensifying by upcoming elections. To consider the effect of referenda on domestic party competition we propose to measure the competition between incumbent government and opposition parties by g. We expect that a successful referendum strengthens the incumbent government (and weakens the opposition), while the opposition usually profits from a failed referendum (weakening the government).

The literature on direct democracy suggests that voters/citizens benefit from the opportunity to participate in the decision-making process, which corresponds to the "pleasure of voting"-idea (Satz and Ferejohn 1994; Frey and Stutzer 2000, 2002).[3] This pleasure (p_v), respectively disapproval of the voters in case of exclusion from decision making also relates to the direct democracy-tradition of a country because countries with a long tradition of direct democracy are likely to impose a "de facto mandatory"-referendum (Binzer Hobolt 2006, p. 159). In these countries, an initiator may profit from conducting a referendum, while the decision makers will have to pay audience costs when they veto a referendum or overrule voters' choice in a non-binding referendum (Satz and Ferejohn 1994). Because these audience costs might also impact the choice of the ratification instrument, we refer to the government's benefits from letting the people decide as p_g. Analogously, p_o describes this pay-off parameter for the opposition.

In sum, the literature points to several elements which might influence the choice of the ratification instrument. Our overview suggests that these elements comprise the idea of altering the outcome which is mainly determined by actors' expected

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[3] In case voters' desire for participation is very strong a referendum might turn out "de facto mandatory" (Binzer Hobolt 2006, p. 159f.). This is more likely in member states which have a tradition of referenda with respect to certain issues.

benefit from a reform—whether these actors belong to the government (t_g), the opposition (t_o) or the voters (t_v). A second element includes the attempt to consolidate or impair governmental power, which refer to the extent of domestic party competition (g) and the dissatisfaction of voters with the incumbent government (p_v) as a consequence of voters' exclusion from decision making. Moreover, government and opposition may take domestic audience costs into account (p_g, p_o). We assume that these parameters determine actors' linear additive utility function which we depict in Fig. 1. These elements have usually played a separate role in the analysis of referenda—even in the literature on the strategic background of referenda these elements are discussed separately (see Schneider and Weitsman 1996; Matsusaka and McCarty 2001; Hug and Tsebelis 2002 as well as Hug 2002, 2004).

On closer inspection of these parameters, the general model grants powers to the opposition which can either unilaterally initiate or veto a referendum that has been initiated by the government. Briefly summarised for the reader less interested in the technical solution, this model shows that the governments' equilibrium strategy is independent from the anticipated outcome of either parliamentary or popular vote. It solely depends on the audience cost/benefits and the ratification instrument. Government's evaluation of the treaty itself (t_g) gains in importance if country-specific conditions constrain the action set of the opposition at stage 2 (see Appendix 1). Hence, government's choice of the ratification instrument is mainly determined by the expected utility of the opposition. In more detail:

At stage 4, the government will overrule a positive vote if the expected losses under a treaty reform are larger than the audiences costs of such an unpopular move ($t_g + p_g < 0$). Likewise, the government will overrule a negative vote if the expected gains are larger than the audience costs of the unpopular move ($t_g > p_g$).

At stage 3, voters or parliament ratify the treaty reform. For parliamentary ratification, this is the last stage of the game because it will adopt the proposal if t_o *or, depending on the distribution of seats*, $t_g > 0$. In the event of a referendum, we assume that the electorate behaves sincerely, which means that the outcome of a popular vote does not depend on the likelihood for overruling it in stage 4. Here, the voters' choice is considered as a function of second (p_v) and first-order voting (t_v).

At stage 2, when a government's best choice is to comply with the outcome of a popular vote, this can be considered as a de facto binding referendum. In this case, the opposition compares the expected outcome of the popular vote to the expected decision from parliament. If both ratification actors will adopt the proposal, opposition opts for a referendum if the audience benefits outweigh the losses in domestic party competition ($p_o > g$). In case both would reject the reform, the opposition prefers a referendum only if it can gain from domestic party competition and audience benefits ($p_o + g > 0$). If, however, voters would adopt but the parliament reject the proposal, the opposition only prefers a referendum if the sum of the treaty reform gains and audience benefits is higher than the losses in domestic party competition ($t_o + p_o > g$). Finally, if voters would reject but parliament adopt the proposal, the opposition favours a referendum if the sum of the gains in domestic party competition and the audience benefits is larger than the treaty reform gains ($g + p_o > t_o$).

However, when a government's best choice is to overrule a popular vote at stage 4, the equilibrium strategy of the opposition will change. If parliament would accept and government overrule a positive popular vote, the opposition only prefers a referendum if the audience benefits outweigh the losses of both domestic party competition and unrealized treaty reform gains ($p_o > t_o + g$). If, on the other hand, parliament would reject the proposal and government would overrule the negative popular vote, the opposition prefers a referendum if the sum of the treaty gains, audience benefits and gains in domestic party competition is positive ($t_o + p_o + g > 0$). This would be a perfect situation for an integration-friendly opposition because it could force the government to overrule a popular defeat and still realize treaty reform gains. If parliament would reject and government has to overrule a positive referendum, the opposition prefers a referendum if the audience benefits outweigh the damage in domestic party competition ($p_o > g$). Finally, if parliament would accept and government would overrule a negative referendum, the opposition favours a referendum if the gain in domestic party competition plus the audience benefits are positive ($g + p_o > 0$).

If the opposition would vote for parliamentary ratification at stage 2, the government is always indifferent at stage 1 because it does not have a real choice on the ratification instrument. If, however, the opposition would prefer a referendum, the government's choice of the ratification instrument depends on whether it is better to overrule or to accept the popular vote. If overruling is not possible, the government announces a referendum whenever such a move promises audience benefits ($p_g > 0$). However, if it considers overruling the popular vote at a later stage, these audience benefits will never be realized. This again leaves the government indifferent between ratification by referendum or parliament (with the exception of discounting audience benefits).

In most member states, the ratification game for treaty reforms differs from the complete game. According to Table 1, we see that the opposition can neither initiate a referendum unilaterally nor can it veto a referendum once initiated by the government in 17 member states. Only in Belgium, Poland and Germany the consent of the opposition is necessary to initiate a referendum (by means of a constitutional amendment). In contrast, the Slovakian, Hungarian, Italian and Greek constitutions provide for a referendum initiated by a minority of the parliament. Moreover, the mandatory referendum in Ireland is a special case among the member states. In order to cope with these country-specific rules, we solve the ratification game for three groups with similar ratification conditions (see Appendix 1).

4 Tracing strategic choices: the ratification process in 25 countries

In January 2007, 13 of the 25 member states ratified the constitutional treaty by parliamentary vote. The Belgian government had originally announced a referendum, but it finally followed parliamentary ratification because the opposition parties were signalling their unwillingness to support an amendment of the Belgian constitution. Among the countries which had announced parliamentary ratification, only Sweden was pending at this time. On closer inspection of the countries with

Table 1 Political and legal constraints in the member states in December 2004

Country	Past EU referenda?	Is refer-endum binding?	Who can initiate?	Threshold for initiation?	Does govern. majority suffice?	Threshold for parl. Ratification	Does govern. majority suffice?
Austria	Yes (A)	Yes	Gov	–	–	66.6/66.6	No
Belgium	No	Yes	Parl	66.6	No	50/50/R	No
Cyprus	Yes (A)	No	Parl	50	Yes	50	Yes
Czech R	Yes (A)	No	Parl	50	Yes	60	No
Denmark	Yes	Yes	Gov	–	–	83.33 (50)	No
Estonia	Yes (A)	No	Parl	50	Yes	50	Yes
Finland	Yes	No	Gov	–	Yes	60	Yes
France	Yes	Yes	Gov(pres)	–	–	60 (JS)	No
Germany	No	Yes	Parl	66.6/ 66.6	No	66.6/66.6	No
Greece	No	Yes	Parl	40	Yes	50	Yes
Hungary	Yes (A)	Yes	Gov/Parl	33	Yes	66.66	No
Ireland	Yes	Yes	Oblig	–	–	50/50	Yes
Italy	Yes	No	Parl	20	–	50/50	Yes
Latvia	Yes (A)	Yes	Parl	50	Yes	50	Yes
Lithuania	Yes (A)	Yes	Gov/People	–	–	50	Yes
Luxemburg	No	No	Parl	50	Yes	50	No
Malta	Yes (A)	No	Parl	50	Yes	50	Yes
Netherlands	No	No	Parl	50/50	Yes	50/50	Yes
Poland	Yes (A)	Yes	Parl	50/50	No	66.6/66.6	No
Portugal	No	Yes	Parl	50	Yes	50	Yes
Slovak R	Yes (A)	Yes	Gov/Pres	50	Yes	60	No
Slovenia	Yes (A)	Yes	Gov/Pres	33	Yes	66.6	No
Spain	No	No	Parl	50	Yes	50/50	No
Sweden	Yes	No	Gov	–	Yes	50	Yes
UK	Yes	No	Parl	50	Yes	50	Yes

A accession referendum, *gov* government, *pres* president, *parl* parliament, *JS* joint session, *R* regional parliaments, *oblig* obligatory

referenda, we observe two successful popular votes in Luxembourg and Spain—the former was carried out after the two popular votes failed in France and the Netherlands, while the Spanish voters approved the treaty after governmental change in 2004. Six countries announced referenda (Denmark, Czech Republic, Ireland, Portugal, Poland, and UK) and immediately stopped their ratification processes after the French and the Dutch popular failure. For Poland, it still remains unclear whether the Polish opposition would have supported the government's ratification announcement of a popular vote.

On closer inspection of these processes, Table 2 lists the dates of announcement, ratification and forthcoming national elections. Except for Lithuania, Spain and the Netherlands, we find an announcement of the ratification instrument at least 1 year after the last, and more than one year ahead of the next national election in 22 of the

25 member states.[4] In 14 of 18 member states, the voters (Spain, France, Luxembourg and the Netherlands) or the parliaments already voted on the constitutional treaty. The fact that governments could also decide on the date of a popular vote suggests that they were interested in keeping the ratification issue separate from their electoral campaign. Accordingly, the election date might be important for the choice of the ratification instrument and interpreted as an interaction effect: The closer the next election, the more intense partisan competition (g) and the more likely is second order-voting (p).

To empirically assess our theoretical model along the observed choices of the ratification instrument we must specify the seven payoff parameters of the government, opposition parties and voters (t_g, t_o, t_v, p_g, p_o, p_v, g). Ideally, these parameters are measured on the same utility scale, but because such indicators are not available we propose using the following independent (proxy) variables:

(t_g): To calculate the governmental expected gains from the constitutional treaty, we use data of the DOSEI project[5] that gathered the national positions on the 65 reform issues which were negotiated at the IGC 2003/4 (König and Finke 2007). Instead of calculating the total distance of all reform issues, we use item response analysis to reduce the set of issues to a latent two-dimensional conflict space (Finke 2009). To calculate governments' expected gains in this two-dimensional space, we determine the distances between positions of the member states, the location of the status quo and the constitutional proposal.[6] We find that Denmark (-0.085) and Hungary (0.003) will face the smallest (even losses) and France the largest gains (0.602).

(t_o): Although our information on the preferences of the larger number of opposition parties is less accurate, our two-dimensional analysis suggests that the constitutional treaty has been generally perceived as a step towards more European integration—for which data on party positions has been gathered via expert interviews in 2002 (Hooghe et al. 2002).[7] We use these data and measure the

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[4] The Lithuanian government announced parliamentary ratification right after the general elections in 2004. In Spain the referendum has been announced by the Aznar government in June 2003, elections took place in March 2004 and the referendum has been conducted under the Zapatero government in May 2004. In January 2003 the Dutch elected a new government which announced referendum in September 2003.

[5] The project Domestic Structures and European Integration (DOSEI) has been funded under the 5th framework programme of the European Commission (for more information please consult: http://dosei.dhv-speyer.de).

[6] The gains of government i are defined by the following equation, where ip defines the ideal position of the government, sq defines the status quo (Treaty of Nice) and out defines the constitutional treaty: $U_i = \sqrt{\sum_{j=1}^{2} s_{ij}(ip_{ij} - sq_j)^2} - \sqrt{\sum_{i=1}^{2} s_{ij}(ip_{ij} - o_j)^2}$. The parameter s describes the relative salience the government attaches to one dimension as compared to the other. It has been operationalized as the relation of those summed item discrimination parameters which had been of vital interest for the respective government (König and Finke 2007; Hug and König 2002).

[7] The Chapel Hill 2002 dataset is based on 238 expert interviews conducted between September 2002 and April 2003. The dataset includes positions on European integration for 171 parties in 21 countries. The positions for Cyprus, Malta, Luxembourg and Estonia have been imputed with the means of the respective party families. Our operationalization uses the answers from question 1: "Overall orientation of the party leadership towards European integration in 2002" (Hooghe et al. 2002).

Table 2 Date of national elections, date of announcement, date of ratification

Country	Date of closest general elections	Date of decision for/against referendum	Date of ratification
Austria	November 02; October 06	*implicit—P*	May 05
Belgium	May 03; June 07	June 04 (veto by opposition in November 04)—P	April 05
Cyprus	May 01; May 06	May 2005—P	June 05
Czech R	June 02; June 06	October 03—R	
Denmark	November 01; February 05	August 03—R	
Estonia	March 03; March 07	September 04—P	May 06
Finland	March 03; March 07	May 05—P	
France	President: May 02; May 07; Parliament: June 02; June 07	July 04—R	May 05
Germany	September 02; September 05	January 04—P	May 05
Greece	March 04; March 08	April 05—P	April 05
Hungary	April 02; April 06	*implicit—P*	December 04
Ireland	May 02; before July 07	mandatory—R	
Italy	May 01; April 06	*implicit-P*	April 05
Latvia	October 02; October 06	October 03—P	June 05
Lithuania	October 00; October 04	November 04—P	November 04
Luxemburg	June 04; June 09	June 03—R	July 05
Malta	April 03; Summer 2008	June 04—P	July 05
Netherlands	January 03; November 06	September 03—R	June 05
Poland	September 01; September 05	March 04—R	
Portugal	March 02; February 05	October 03—R	
Slovenia	October 04; October 08	*implicit–P*	February 05
Slovak Republic	September 02; June 06	April 04—P	May 05
Spain	March 04; March 08	June 03—R	February 05
Sweden	September 02; September 06	December 04—P	
UK	June 01; May 05	April 04—R	

—P announced parliamentary ratificaiton, *—R* announced referendum

positions of the opposition by parties' average position weighted by their seat shares in the first chamber. The Czech opposition led by the Euro-sceptic ODS turns out least integrationist (3.32), followed by the Tories (3.96), where the Euro-friendly opposition in Lithuania marks the other end of the scale (6.65).

(t_v): Regarding the voters' positions, we calculate the median position by using 40 questions on European integration asked in Eurobarometer 60.1 and Candidate Country Eurobarometer 2003.4 (Hug and Schulz 2005, p. 40). We also code the status quo with reference to the treaty of Nice and the location of the constitutional treaty for each of the 40 questions. Reducing the multiple questions to a latent conflict space by applying item response analysis, we find the positions of the 25 median voters for a one-dimensional solution. Plotting the two treaties into the one-dimensional issues space allows calculating the gains/losses for each of the 25

median voters. The British voters are most sceptical towards the constitutional proposal (-0.01), while the Spanish voters are most favourable (0.51).

(g): For measuring the intensity of partisan competition between government and opposition, we use the left versus right variable provided by the Comparative Manifestos Project (Klingemann et al. 2006).[8] We identify the position of the government and the opposition by the mean position of all coalition (or opposition) parties weighted by their seat share in the first chamber. We then calculate the intensity of the party competition by the distance between government and opposition. Assuming that a low distance between both groups on the left-right scale indicates a higher level of electoral competition, the Belgian Social democratic government has the largest distance to its opposition (35.68), while the Danish Conservative-liberal government reveals a relatively small distance to its opposition (2.66).

$p_{o,g,v}$: We assume that the bonus for the initiator and the pleasure of voting depends on voters' expectations: If a referendum is very likely (due to a long referendum tradition), voters are likely to be frustrated when they cannot directly participate and vice versa. Kaufmann and Waters (2004, p. 28) list an expert score on the likelihood for a referendum at the end of 2003.

To provide an exploratory insight into these data, Table 3 shows results of a standard logistic regression, which does not consider the country specific constraints and the strategic interaction between government, opposition and the voters (the mean of all independent variables for the ratification process is explored in Appendix 2). The bivariate estimates suggest that governments are more likely to risk popular ratification when they face a Euro-sceptic opposition and when voters expect a referendum. However, although the full model explains 60% of the variance and more than 80% of the choices, it only reveals a significant effect for the expected gains of the (Euro-sceptic) opposition. In the last column, we regress a model which exclusively refers to different type of actors' gains from the constitutional treaty. This model seems to confirm the importance of treaty gains for all type of actors. Here, governments initiate a referendum when they face a Euro-sceptic opposition, in particular when they and the voters expect to gain from treaty reform.

In order to account for the country-specify constraints and the strategic interaction between government, opposition and the voters, we use Quantal Response (QR) estimation and take a closer look on the residuals of the governmental choices. The QR model—developed by McKelvey and Palfrey (1995)[9]—assumes logistically distributed decision errors which render the model probabilistic. A major advantage of this approach is that we can interpret the results according to the standards of the regression framework while preserving the underlying strategic considerations (Signorino 1999). Another advantage is that it distinguishes estimated probabilities

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[8] Unfortunately, the CMP data does not include information on Cyprus and Malta. The respective party positions have been imputed on the basis of survey data provided by Benoit and Laver (2006) using AMELIA.

[9] The standard approach to cooperative game theory assumes that actors always chose the best option (best response). The Quantal Response approach breaks with this assumption and allows for decision errors (quantal response). These decision errors follow a logistic distribution. The degree of rationality follows the distribution parameter λ (McKelvey and Palfrey 1995). For reasons of model identification the lambda is equal for all actors and has been fixed beforehand.

Table 3 Standard logistic regression on governments' choice of referenda

	M1	M3	M4	M5	M6	Full	First order
Constant	−0.264	−0.275	−0.229	−0.247	−0.317	−0.672	−0.261
Expected gains for the government (t_g)	0.267					1.779	1.993**
Expected gains for the opposition (t_v)		0.743				−2.646**	−2.605**
Expected gains for the voters (t_o)			−1.313**			1.057	1.151*
Party competition (g)				−0.313		0.430	
Pleasure of voting audience costs) (p)					1.284**	1.542	
Pseudo R^2	0.02	0.08	0.20	0.03	0.20	0.60	0.48
2*[LL(N)-LL(0)]	0.41	2.78*	6.73**	0.56	6.83**	20.69***	16.62***
% Correct (referenda)	44%	50%	57%	45%	58%	82%	75%
% Correct (parliament)	56%	61%	66%	56%	67%	85%	80%

for each of the four decision stages, namely the government's choice to announce a referendum, the opposition's choice to accept the government's decision, the voters' choice to reject the constitutional treaty and, finally, the choice of the parliamentary majority to overrule this. This allows us to evaluate our findings for each stage, starting with the choice of the ratification instrument and ending with the observed outcome. On closer inspection of these stages and our prediction error, we draw attention to the country-specific residual of a referendum.

In the cases of country-specific political or legal constraints (see Appendix 1), we set the probability for the respective stage of choice to "1" respectively "0". This means that an actor has no choice at this stage due to country-specific constraints. Accordingly, the number of possible outcomes shrinks with the number of country-specific restrictions. This number ranges between four (in the Slovak Republic, Lithuania, Latvia, Austria, Portugal, France) and ten in Italy.[10]

Our strategic analysis mainly confirms our predictions (see Table 4): if governments expect high gains from treaty reform, but the opposition takes a considerably less positive attitude towards changing the status quo, the government attempts to bypass the opposition via referendum. Although the opposition could also use this strategy in order to outwit a treaty-sceptic government the explorative analysis has already revealed that governments were generally treaty-friendly (see Appendix 2). Furthermore, the significant coefficient for p underlines that government and opposition are more likely to announce referenda if voters expect them to do so. Hence, voters expectation increases the risk of audience costs for the government and opposition parties. In contrast to our explorative regression results, the findings of the strategic model do not confirm the relevance of voters' preferences on the constitutional treaty (t_v) for the choice of the ratification instrument. With respect

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[10] Note that the estimates are based on the assumption that referenda do not cause any other costs than implied by t_r, t_o, t_v, p_r, p_o, p_v and g. Furthermore, for the sake of model identification, the decision error is assumed to be identical and positive for all actors ($\lambda = 25$).

Table 4 The Strategic choice of referenda quantal response estimation includes country-specific political and institutional constraints

Parameter	Beta	s.d.s
Expected gains for the government (t_g)	2.586*	1.811
Expected gains for the opposition (t_o)	1.198*	0.825
Expected gains for the voters (t_v)	−1.326	1.374
Party competition (g)	0.058	1.155
Pleasure of voting (resp. audience costs) (p)	1.165*	1.233
lambda = 25		

* Indicates statistical significance at the level of 90%

to a "second order"-effect, this is hardly surprising because domestic party competition (g) does not influence the choice of the ratification instrument. These findings demonstrate the importance of expected gains of the government (t_g) and opposition (t_o) for the choice of the ratification instrument. If a treaty-friendly government depends on the support of a Euro-sceptic opposition, it tries to circumvent parliamentary ratification by initiating a referendum.

5 Discussion of findings

The results of our strategic model answer our central research question on why governments risk popular failure. The median voter's position towards European integration has no significant impact on governments' choice of ratification instrument because referendum outcomes can hardly be anticipated. On the other hand, it is much easier to predict the outcome of parliamentary ratification which turns out having a positive and significant impact on the choice of the ratification instrument. Governments prefer parliamentary ratification whenever this strategy maximizes their probability for saving the treaty gains (see for more information on these probabilities, Appendix 3).

Table 5 depicts the observed choice of the government (stage 1), the estimated probability of the government to announce a referendum and the difference in expected utility which the government associates with choosing either parliament or referendum.[11] Unsurprisingly, the expected gains of the government and the opposition are very powerful predictors for this choice. Restricting our model to t_o and t_g we correctly predict 19 of the 25 choices. Only in the Netherlands and Spain, the expected gains of the government suggest parliamentary ratification instead of the observed referendum. Neither of the two cases has a long standing referendum tradition (p). In Spain, the surprising electoral success of the opposition might have motivated the newly elected government to carry out the referendum promptly, while

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[11] Governments expected utility is the product of the anticipated probability for ratification success and its treaty gains (t_g). The probability of successful parliamentary ratification has been taken from the results of our QR estimation (see Table 4). The probability of successful referendum has been set equal to 0.5 because our main indicator for voters' treaty gains (t_v) turns out entirely insignificant.

Table 5 Choice of the government at stage 1: observed choice, predicted probability for announcement of referendum and difference in expected utility (EU) of each ratification instrument

Country	Observed choice (1 = referendum; 0 = parliament)	Predicted prob. for announcement of referendum by the government	EU(Parliament) − EU(Referendum)
Austria	0	0.28	0.141
Cyprus	0	0.02	**−0.015**
Estonia	0	0.15	0.012
Finland	0	0.38	0.092
Germany	0	0.17	0.178
Greece	0	0.54	0.065
Hungary	0	0.39	0.001
Italy	0	0.37	0.007
Latvia	0	0.50	0.015
Lithuania	0	0.28	0.104
Malta	0	0.23	**−0.016**
Slovak R	0	0.50	**−0.070**
Slovenia	0	0.42	0.051
Sweden	0	0.12	**−0.016**
Belgium	1	0.57	−0.035
Czech R	1	0.87	−0.039
Denmark	1	0.87	−0.042
France	1	0.81	−0.230
Ireland	1	0.71	−0.121
Luxemburg	1	0.77	−0.210
Netherlands	1	**0.39**	**0.056**
Poland	1	0.72	−0.030
Portugal	1	**0.36**	−0.015
Spain	1	**0.34**	**0.139**
UK	1	**0.25**	−0.165
Referendum (mean)		0.60	−0.064
Parliament (mean)		0.31	0.039

Bold numbers indicate false prediction

the unpopular Dutch government ceded the referendum campaign to oppositional parties (De Vreese and Boomgaarden 2006). Both cases point to the necessity of a more precise measurement of audience costs as well as voters' evaluation of the proposed reform treaty. This is also supported by our wrong prediction of a referendum in Cyprus, Malta, the Slovak Republic and Sweden. Neither of these countries has a long standing referendum tradition, which also suggests a significant effect of audience costs (p). Furthermore, the Swedish discussion on whether or not to hold a referendum was not yet finished at the time of the French and Dutch No.

Finally, a minority of MPs can initiate a referendum in Hungary, Italy, Slovenia and Greece. In order to pocket audience benefits for a popular vote, these governments will avoid parliamentary ratification when anticipating that the opposition is going to

initiate a referendum. Due to the high hurdles for amending the German, Polish and Belgian constitution, the opposition would have to agree on initiating a referendum. It is very likely that both the Polish and Belgian government announced a referendum knowing that their opposition would never agree on amending the constitution.

Figure 2 offers a closer look at the predictive power of our strategic model for each decision stage (see appendix for the predicted probabilities for the observations at each decision). The first cell lists the estimated likelihood for a correct prediction; the middle cell reports the chance and the lower cell the ratio of correct predictions for each stage. Regarding the first stage, eleven governments announced a referendum and fifteen decided to ratify by parliament. Unsurprisingly, the predictive power for parliamentary ratification is very high with an average likelihood for correct prediction of about 70%. Only for Greece, the model predicts a referendum, but the Greek government finally favoured parliamentary ratification. The predictive power for the referendum countries is less convincing and the model fails to predict the (announced) referenda in the Netherlands, Portugal, Spain and the UK. However, the average likelihood for a correct prediction is still about 61%, while two of these were finally carried out. In total, seven of the eleven referenda are predicted correctly (65%).

At the second stage, only the Belgian and Polish opposition could veto a referendum when initiated by the government. The Belgian veto is correctly predicted and we would also expect a Polish veto—a decision which remains unknown. From those member states in which the government abstained from announcing a referendum, only the opposition in Greece, Hungary, Italy and
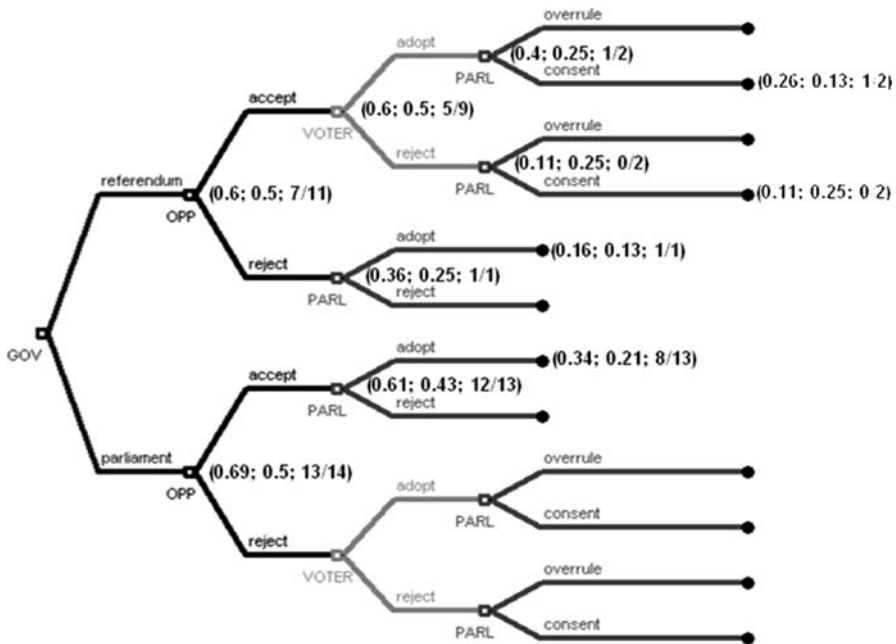

Fig. 2 Predicted probability for observed decisions (left number). Probability for observed decision according to chance (middle) and ratio of correct prediction ("correct"/"all observation")

Slovenia did not initiate a referendum. Here, the average percentage of correct prediction still outperforms chance by 61% to 42% at this stage.

At the third stage, only four (Luxembourg, Spain, France and the Netherlands) of the ten remaining referenda have been carried out. We correctly predict the successful referendum in Luxembourg, but we would expect parliamentary ratification in Spain and the Netherlands as well as a successful referendum in France. Considering the six "pending" referenda, the model predicts two positive votes (in the Czech Republic and Denmark), three negative outcomes (in the UK, Ireland and Portugal) and a tie in Poland.

At the final stage, the model does not expect an overrule in the Netherlands and Luxemburg, and we consider the French referendum to be binding. Regarding those thirteen member states which successfully ratified the constitutional treaty in parliament, the model predicts a negative outcome in Hungary, Malta and Slovak Republic, while the chance for success and failure are almost identical in Cyprus and Estonia.

While the QR estimates of our strategic model reveal a high predictive power for almost all stages, it mostly fails to consider the anticipation of the voters' decisions in a potential referendum. This is also reflected in the small beta coefficient for t_v pointing to the difficulty to anticipate the final stages of the ratification process. Some authors refer to the instability of voters' preferences, which are often formed during the campaigning process (De Vreese and Boomgaarden 2006), while the instability of parliamentary voting is usually interpreted by fragmented opposition parties (Crum 2007, p. 62). The strategic model thus underestimates the probability for a referendum in the Netherlands, Spain, Portugal and the UK where other country-specific costs might have reduced the payoffs for both government and opposition (for a residual analysis, see Appendix 4). Three of these countries experienced a period of political change (Spain, Portugal, the Netherlands), whereas the Blair government had to face considerable losses in British public support.

6 Conclusion

Why did many countries prefer the risky ratification strategy of a popular vote? Did parliamentary ratification eventually beg similar risks in these countries or did other factors motivate their decision to ratify the constitutional treaty by popular vote? In our view, there is strong evidence that treaty-friendly governments seek to circumvent a potentially treaty-sceptic parliamentary opposition by initiating a referendum. Even if it is almost impossible to predict electoral voting behaviour, the risk of popular ratification failure might be lower than the risk of being vetoed in parliament. From this perspective referenda are not "additional veto players" which reduce the policy change as suggested by Hug and Tsebelis (2002), but rather an alternative to parliamentary vote which in turn increases the policy change. This logic corresponds to the high number of Italian referenda during the 1990s—a time when the Italian parliament was almost deadlocked due to its highly instable coalitions (Scarrow 2003, p. 48).

Government's incentives to circumvent the parliamentary arena increase when voters consider referenda to be the appropriate ratification instrument in their country:

their high standard on direct democracy induce audience gains for the initiator and costs for refraining from carrying out a popular vote. Finally, even when government and opposition parties have similar preferences, or, when the opposition is irrelevant for parliamentary ratification, the absolute size of government's expected gains from treaty reform explains the choice of the ratification instrument. When governments expect little gains from treaty reform, they simply care less about the risk of popular ratification failure. According to this perspective, the answer for the popular failure in France and the Netherlands would be that

(1) There was no alternative to a referendum because the governmental majority did not have the parliamentary majority for ratification and the opposition was opposed to the constitutional treaty. According to our findings this is a plausible explanation for the French case, while it is less convincing for the Netherlands.

(2) A second reason might have been imperfect information triggering involuntary defection. The government might have overestimated its popularity and the voters' attitude towards the reform proposal, but underestimated the likelihood of the opposition to agree on parliamentary ratification. For the Netherlands, this suspicion is nourished by the impact of campaigning on the final vote (De Vreese and Boomgaarden 2006).

Our statistical results provide no support for the impact of domestic party competition on the choice of the ratification instrument. However, given the timing of announcements and of ratification, it turns out that governments were eager to separate ratification from their national election campaign. The findings reveal a strategic mechanism that is more relevant in some than in other countries. Furthermore, our results suggest that studies on the choice of the ratification instrument must pay careful attention to the country-specific institutional and political constrains. Further improvement of the measurement of the expected voting behavior as well as allowing for variation of decision errors across actors may render the results even more accurate.

Finally, with the exception of the mandatory referendum in Ireland all other governments abstained from announcing a referendum on the Lisbon Treaty. In the light of our analysis some governments may have learned from previous ratification failure. However, others may have anticipated to be awarded a second chance in the first place. Meanwhile the treaty gains of government and mainstream opposition parties have risen significantly because further delay in ratification would damage the Union's internal decision making capacity and its international reputation. Furthermore, as the referendum option was ruled out from the very beginning and the Constitution was downgraded to an ordinary treaty, many voters did no longer expect to be asked on the matter.

Appendix 1

Adaptation 1: Government's choice (applicable to 17 member states)

In this version, the last two stages of the game resemble those of the general model. The second stage is missing because the opposition has no choice to decide on a

referendum. At *stage 1*, when government knows that it has to *accept a popular vote*, the choice will depend on the expected outcome of the popular and parliamentary vote. If both ratification actors will accept the proposal, the government votes for a referendum when the audience benefits plus gains in domestic party competition are positive ($p_g + g > 0$). If, on the other hand, both will reject the proposal, the government only prefers a referendum if the audience benefits outweigh the losses in domestic party competition ($p_g > g$). In the event of voters' support and parliamentary rejection, the government is in favour of a referendum whenever the sum of the audience benefits, treaty gains and gains from domestic party competition is positive ($t_g + p_g + g > 0$). Finally, when voters reject and parliament adopt the proposal, the government will only propose a referendum if the audience benefits outweigh the sum of unrealized treaty gains and damage in domestic party competition ($p_g > t_g + g$).

If the government knows that it will *overrule a popular vote*, the choice for the ratification instrument is independent from audience benefits (with the exception that p_g is discounted). In case of both ratification actors will accept the proposal, the government prefers a referendum whenever the gains in domestic party competition are higher than the treaty gains ($g > t_g$). If, however, both ratification actors will reject the proposal, the government only favors a referendum if the treaty gains are higher than the losses in domestic party competition ($t_g > g$). If voters will adopt but parliament reject the proposal, the government prefers a referendum if this promises gains in domestic party competition ($g > 0$). Finally, if voters will reject but parliament adopt the proposal, the government only prefers a referendum in the highly unrealistic event where it could benefit from a popular No-vote in domestic party competition ($g < 0$).

Overall, the likelihood for a referendum increases with p_g if the referendum is either de facto or legally binding. The effects of g and t_g depend on the government's expectation about the parliamentary and popular vote. If t_g is relatively large as compared to g and p_g, the government will always choose a less risky ratification strategy. However, the model also suggests that a government will even accept treaty losses if this causes (or avoids) benefits (or costs) in domestic party competition.

Adaptation 2: Opposition can veto (applicable to Belgium, Germany, Poland)

Another class of institutional provisions applies to countries which require supermajorities in order to initiate a referendum. As a result, neither opposition nor government can initiate a referendum unilaterally. In this version, stages 4 and 3 are identical to the general model. *Stage 2* is similar to the general model when the government prefers a referendum, while the opposition has no choice in the event of parliamentary ratification. At *stage 1,* when the opposition will veto a referendum, the government is indifferent between announcing a referendum and parliamentary ratification. But when the opposition agrees on initiating a referendum, the government is behaving as described in stage 1 of adaptation 1.

Adaptation 3: Opposition can initiate (applicable to Greece, Italy, Slovakia, Hungary)

In some countries, the opposition can unilaterally initiate a referendum. In these cases, stages 4 and 3 are identical to the complete model. This also holds true for stage 2 which, however, is only relevant when the government prefers parliamentary ratification; otherwise the opposition has no choice. At *stage 1*, when the opposition will prefer a referendum, the government has little choice. If the referendum is either de facto or legally binding, the government will announce a referendum whenever the audience benefits are positive ($p_g > 0$). If the government must overrule a popular vote, it is indifferent between popular and parliamentary ratification. However, if the opposition would agree on a parliamentary ratification, the government is confronted with the same choice between referendum and parliament as described in stage 1 of adaptation1.

Appendix 2

The Ratification progress (mean of explanatory variables for the cases observed at each decision stage in January 2007).
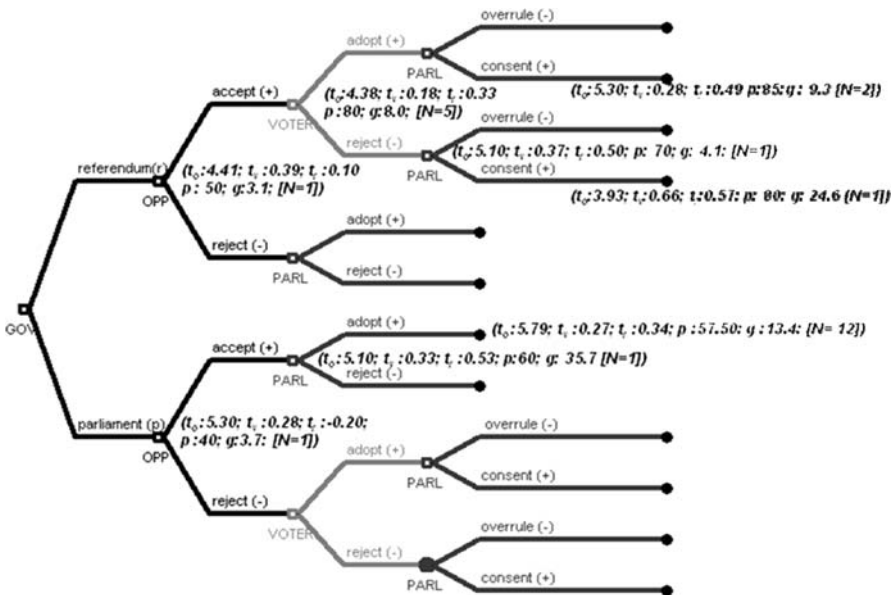
Appendix 3

Predicted probabilities for each of the four stages

Country	Gr	Gp	O0/+- if Gr	O— if Gr	O0/+- if Rp	O— if Rp	V+ - if Gr, O0/+	V- - if Gr, O0/+	V+ - if Gp, O-	V- - if Gp, O-	P— if Gr, Oo/+, V+	P+- if Gr, Oo/+, V+	P— if Gr, Oo/+, V-	P+- if Gr, Oo/+, V-	P— if Gr, O-	P+- if Gr, O-	P— if Gp, O0/+	P+- if Gp, O0/+	P— if Gp, O-, V-	P+- if Gp, O-, V-	P— if Gp, O-, V+	P+- if Gp, O-, V+
Austria	0.28	0.72	0.28		0.72		0.14	0.14			0.14	0.14					0.10	0.62				
Cyprus	0.02	0.98	0.02		0.98		0.01	0.01			0.01	0.00	0.00	0.01			0.56	0.43				
Estonia	0.15	0.85	0.15		0.85		0.12	0.03			0.12	0.00	0.00	0.03			0.47	0.38				
Finland	0.38	0.62	0.38		0.62		0.23	0.15			0.01	0.22	0.13	0.02			0.20	0.42				
Germany	0.17	0.83	0.04	0.13	0.83		0.03	0.01			0.03	0.01			0.02	0.11	0.13	0.70				
Greece	0.54	0.46	0.54		0.45	0.02	0.12	0.42	0.01	0.00	0.12	0.42					0.17	0.28	0.01	0.00	0.00	0.00
Hungary	0.39	0.61	0.39		0.26	0.35	0.08	0.31	0.27	0.07	0.08	0.31					0.20	0.06	0.27	0.00	0.00	0.07
Italy	0.37	0.63	0.37		0.26	0.37	0.11	0.26	0.24	0.13	0.01	0.10	0.24	0.02			0.13	0.14	0.18	0.06	0.03	0.11
Latvia	0.50	0.50	0.50		0.50		0.16	0.34			0.16	0.34					0.23	0.27				
Lithuania	0.28	0.72	0.28		0.72		0.11	0.17			0.11	0.17					0.23	0.48				
Malta	0.23	0.77	0.23		0.77		0.19	0.04			0.18	0.01	0.00	0.04			0.50	0.27				
Slovak R	0.50	0.50	0.50		0.50		0.14	0.35			0.14	0.35					0.34	0.16				
Slovenia	0.42	0.58	0.42		0.24	0.34	0.21	0.21	0.17	0.17	0.21	0.21					0.08	0.16	0.17	0.00	0.00	0.17
Sweden	0.12	0.88	0.12		0.88		0.05	0.07			0.05	0.00	0.00	0.07			0.57	0.31				
Belgium	0.57	0.43	0.21	0.36	0.43		0.15	0.06			0.15	0.06			0.20	0.16	0.24	0.19				
Czech R	0.87	0.13	0.87		0.13		0.59	0.28			0.52	0.07	0.28	0.00			0.13	0.00				
Denmark	0.87	0.13	0.87		0.01	0.13	0.70	0.16	0.02	0.10	0.70	0.16					0.01	0.02	0.00	0.00		0.10
France	0.81	0.19	0.81		0.19		0.64	0.17			0.64	0.17					0.17	0.02				
Ireland	0.71	0.29	0.71		0.29		0.26	0.45			0.26	0.45					0.29	0.00				
Luxemburg	0.77	0.23	0.77		0.23		0.68	0.09			0.27	0.42	0.08	0.00			0.20	0.03				
Netherlands	0.39	0.61	0.39		0.61		0.34	0.04			0.00	0.34	0.04	0.00			0.24	0.38				
Poland	0.72	0.28	0.09	0.64	0.28		0.05	0.04			0.05	0.04			0.52	0.12	0.23	0.05				
Portugal	0.36	0.64	0.36		0.64		0.12	0.24			0.12	0.24					0.36	0.28				
Spain	0.34	0.66	0.34		0.66		0.11	0.23			0.00	0.10	0.08	0.15			0.08	0.57				
UK	0.25	0.75	0.25		0.75		0.06	0.19			0.06	0.00	0.10	0.09			0.68	0.07				
all possible — mean	0.44	0.56	0.39	0.37	0.51	0.24	0.22	0.18	0.14	0.10	0.11	0.17	0.16	0.04	0.25	0.13	0.27	0.25	0.13	0.01	0.01	0.09
only observed — predict	0.60	0.69	0.60	0.36	0.61	-	0.40	0.11	-	-	-	0.26	0.11	-	-	0.16	-	0.34	-	-	-	-
chance	0.50	0.50	0.50	0.25	0.43	-	0.25	0.25	-	-	-	0.13	0.25	-	-	0.13	-	0.21	-	-	-	-

Predicted probabilities according to decision stage and country (Note: hatched cells = wrong predictions; blank cells = impossible option due to legal or political constraints; bolt numbers = prediction beats chance; Labels follow appendix 2, where G = government; O = opposition; V = voters; P = parliament)

Appendix 4

Results of Country-specific residuals

Country	Optimal "c"	Probability of observed outcome	Country	Optimal "c"	Probability of observed outcome
Austria	−0.30	0.86	Lithuania	−0.40	0.67
Belgium	0.30	0.25	Malta	−0.60	0.35
Cyprus	−0.00	0.45	Netherlands	0.45	0.11
Czech R	0.20	0.98	Poland	0.10	0.75
Denmark	0.20	0.98	Portugal	0.60	0.99
Estonia	−0.22	0.43	Slovak R	−0.60	0.33
Finland	−0.40	0.98	Slovenia	0.04	0.16
France	0.15	0.20	Sweden	−0.50	0.99
Germany	−0.40	0.84	Spain	0.50	0.30
Greece	−0.18	0.43	UK	0.60	0.99
Hungary	0.00	0.06			

Results of Country-specific residuals

Country	Optimal "c"	Probability of observed outcome	Country	Optimal "c"	Probability of observed outcome
Ireland	0.40	0.99			
Italy	0.05	0.14			
Latvia	−0.60	0.54			

The Cost parameter ("c") is simulated on the basis of QR estimates and maximizes the probability for the Observed Outcome

It is added to the each of the pay-off functions displayed in Fig. 1 right non-Referendum Countries; left Referendum Countries

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