Signals to their parliaments?
Governments' strategic use of votes and policy statements in the EU Council

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Abstract

Does parliamentary oversight of governments' decisions in the international arena matter? This paper finds that it does: governments with strong parliamentary oversight behave differently when negotiating policies at the EU level compared to governments with less. Where parliaments have formal powers to oversee and restrict governments' positions, we see a significantly higher use of opposing votes and formal policy statements by those governments. This behaviour intensifies depending on the government's standing vis-à-vis other political parties in the parliament and proximity to national elections. The results hence make it clear that governments act strategically when recording their policy positions: Votes and statements appear as signals to national parliaments and other domestic audiences as much as to fellow EU negotiators.

Introduction

This paper investigates how governments behave when acting in a legislative capacity in the international arena, and to what degree national interests and institutions have an influence on negotiation strategies and policy positions. We look at a case which is particularly topical in Europe at the moment: how governments behave in legislative politics in the Council of the European Union (the Council), where ministers from the 28 member states meet to negotiate and adopt EU policies. A number of national parliaments are currently undertaking, or have recently concluded, investigations into how the EU institutions can be held more accountable for their policy activities. They have also sought to find ways for national parliaments themselves to play a more active role in EU politics and policy decisions, as opinion polls and national parties voice concern about a missing link between domestic preferences and EU level activity.

Our analysis speaks to this debate by exploring the relationship between economic and political interests at the domestic level and governments' voting behaviour and policy statements at the EU level. More specifically, we investigate the extent to which national parliamentary oversight impacts governments' voting behaviour and negotiation strategies in the EU Council. In doing so, we not only contribute to current political considerations over the perceived lack of representation of domestic preferences in EU policy-making, we also add empirical insights into fundamental theoretical questions in the wider political science literature: What can we infer about voting in international organisations, and how do we consider domestic preferences and institutional constraints to influence governments' behaviour and policy outcomes?

Our findings are based on an original dataset covering all legislative decisions made in the Council of the European Union (the Council) since the enlargement to Eastern and Central Europe in 2004. Our analysis focuses on the voting behaviour of the Council members, as well as their use of so-called formal statements. Formal statements are policy statements that the governments can include in decision records when a vote has taken place. Taking into account both the votes and formal statements, our empirical analysis is the most extensive investigation into formal legislative behaviour in the Council of 25+ member states to date. Our findings

highlight that contestation has generally increased in the Council over the past decade, and that governments may not only decide to oppose legislation when voting, but also opt to record concerns and disagreement in their formal policy statements. The results also make it clear that both voting and formal statements are used strategically by the governments, and we investigate whether any patterns exist regarding the governments' behaviour in this regard: to whom is it that governments wish to signal their positions, and what can we infer about the role of domestic actors and interests in the EU setting?

The paper proceeds as follows: The next section discusses recent findings in the political science literature on voting and strategic signalling in international political systems. The third section explains how voting takes place in the EU Council, and outlines the political and institutional context for the governments' negotiations. This section concludes with three hypotheses: 1) governments' legislative behaviour in the EU Council is shaped by domestic interests, including their national parliaments; 2) voting and formal statements in the EU Council are used as strategic signalling tools to these domestic audiences as much as to co-negotiators at the EU level; and 3) Governments in weak bargaining positions vis-à-vis parliament are more likely to oppose in voting and formal statements in order to send signals to their domestic audiences. We then go on to present the research design to test these hypotheses in the fourth section. The fifth section presents the empirical results from our statistical models and text analysis of the Council voting records and formal statements. The final section discusses our results, and concludes with a perspective on their implications for the on-going political debates on national parliamentary oversight of governments' policy negotiations at the EU and international level.

Signals and Voting

We expect governments to engage in policy-making at the international level when it benefits them domestically. Ambitions at the international level stem from considerations of the pay-off for the representatives and the interests they are there to represent, either directly or indirectly. 'Benefits' to domestic constituencies can be either in the form of furthering interests - i.e. welfare or a good - or it may be in the form of protecting a status quo from external intervention. Such incentives can be characterised as 'policy-driven' motivations. Governments'

own motivations – their 'office-driven' ambitions – may relate to benefits they can achieve from co-negotiators in the international setting, or the pay-off they receive at home from a position they take internationally. Hence, the international relations literature often engages with decision-making in international fora as cases of 'signalling games' (Fearon, 1997), where actors seek to communicate to other states or to domestic audiences (Kertzer and Brutger) in order to gain in 'policy'- or 'office' terms from this two-levelled game (Putnam, 1988).

Compared to political signalling at the national level, governments are often at an advantageous position regarding the communication of policy decisions and negotiation processes in the international context: IOs are usually characterised by low levels of transparency, informal and closed-door diplomacy, and multiple layers of government interactions, who frequently enjoy a monopoly of decision-making powers (Keohane, 2002). Government representatives may hence find themselves to be the main linkage between the international negotiation table and their domestic constituencies; it is therefore conceivable that they strategically consider both the means and the message they transmit from the international arena to domestic stakeholders, and vice versa.

Let us in turn consider the signalling to the two target groups - the negotiation partners at the international level and the domestic audiences - that we may expect from government representatives:

Decisions to send signals to international negotiation partners can be motivated by a number of reasons. First, representatives may wish to appear as competent negotiators to their peers in the international setting: they are there to defend their own interests, but also to enable compromises and find solutions. Depending on what will get them furthest, and depending on the decision rules, negotiators may hence decide to solve policy challenges formally or informally. Informal signals can be through e.g. personal meetings and conversations, whereas formal signals may be through voting, by making public commitments, or otherwise recording their positions. The choice of signalling is the expressing of a government's negotiation strategy and can result in different outcomes. For example, governments can make it known to their co-negotiators that they are under pressure 'at home' to achieve a certain outcome, and they may even decide to make these positions publicly

known to increase the pressure for co-negotiators to go along with a certain policy position. They hence consider the so-called 'audience costs' and can use their constrained win-set at the international negotiation table to a negotiation advantage as pointed out in the "paradox of weakness" metaphor (Putnam, 1988; Schelling, 1960). As shown in Hagemann and Lenz (Hagemann and Lenz, forthcoming) , voting and formally recorded policy positions can be used by policy-makers in this way: they send signals of 'trustworthy' commitments which may at times facilitate negotiation processes. They may, however, also higher the costs of negotiation failure, so governments need to take into account the stakes at play by sending signals either formally/publicly or informally/in private.

Conversely, Hagan (1995) explains how governments have incentives to use international platforms to send signals to their domestic audiences: Leaders can bargain to accommodate interests at the domestic and international level to avoid controversy and publicly disputed policies. By communicating to domestic actors what the difficulties in the negotiations were, or what the supposedly actual intention of the government is, a government representative can try to diffuse domestic criticism and address possibly unsatisfied domestic interests (Raustiala, 1997). Indeed, heads of government have been found to choose international treaties with congressional involvement to placate or integrate domestic opposition(Martin, 2005). Correspondingly, it has been found that international dispute settlement is often sought when state leaders are highly accountable to domestic political opposition, as well as when the dispute is highly salient to domestic interests (Allee and Huth, 2006).

Finally, international fora may also be used by government leaders to send signals to their home audiences for the 'office-driven' reasons mentioned above: They may seek to ascertain their own legitimacy, scapegoating foreign policy elements, and showing that they have a special capacity for maintaining the nation's interests. Some of these acts are considered as political theatre - like threats and promises - to gain domestic support. Even the extreme case of (diversionary) war has sometimes been used to deflect from domestic problems and attempts to use international negotiation behaviour for governmental legitimacy.

All of this means that the rewards or punishments that governments anticipate in the domestic arena from their behaviour in international organisations can be significant, and in policy decisions of great saliency may even define governments' electoral prospects. Political leaders hence have strong incentives to control the kinds of communication means that exist for sending signals from international negotiations to domestic audiences, if and when possible. For example, practitioners have often been found to argue against introducing public deliberations or make decision-making subject to public voting in a number of international organisations (cf. Stasavage, 2004). They wish to retain control of the means through which political decisions are communicated. Governments also have incentives to act strategically with regards to the actual substance of the messages they send from the international bargaining stage – when do they want to be seen as 'team players' on the international stage, when does it pay off to abstain, and when will it be beneficial to appears as assertive and defender of national interests by signalling opposition in an international decision process? Clearly, these calculations are not only defined by the policy on the table, but also by the audiences that governments have to cater for domestically.

Voting in the EU Council

In the analysis that follows we focus on governments' behaviour in the EU tCouncil. The existing literature mainly characterises Council decision-making as a case of international diplomacy where governments negotiate and send signals about their policy positions through informal processes in 'corridor bargaining' and closed-door meetings (e.g. Hayes-Renshaw and Wallace, 2006; Kleine, 2013). It also frequently stresses that ministerial meetings and final policy decisions are prepared by a vast bureaucracy of national and EU level officials, resulting in carefully crafted consensuses. Hence, a number of studies have argued that it makes little sense to address issues of voting behaviour and formal legislative activities in the EU Council context (Heisenberg, 2005; 2008).

Yet, a number of significant changes have been introduced to the formal set-up of Council meetings since 1999, when decisions were first implemented to formally regulate and record legislative activities in the Council. Today, Council meetings follow detailed procedural rules, in particular when the Council meets in a legislative capacity (General Secretariat of the

Council of the EU, 2006; 2009). Hence, while closed-door bargaining is still a reality in the preparation of policy proposals, government representatives are now compelled to formally record their positions when finally adopting legislative acts. Information is also made publicly available about agendas, attendance and final conclusions from deliberations in all Council configurations (see www.consilium.europa.eu).

The enlargement to 25, 27, and 28 member states over the past 10 years and the parallel processes of treaty changes have been some of the strong drivers behind these changes: studies have shown that the steep increase in negotiators around the table resulted in changes to internal proceedings and greater formality, simply to keep order and ensure efficiency in the enlarged Council meetings (Hagemann and De Clerck-Sachsse, 2007a). The increased involvement of the European Parliament also seems to have had an impact to this effect (VoteWatch 2013). Hence, today we can observe that the majority of Council decisions are formally recorded and also more extensively reported to external audiences: 'vote intentions' are distributed to journalists ahead of Council meetings in the Council press room, and minutes and final legislative records from the meetings include more information about votes and policy positions by individual member states than was previously the case (Cross, 2013).[1]

As a reaction to this increase in information about formal legislative decision-making between the EU member states, a number of studies have provided insights into the drivers of governments' behaviour in the Council: Bailer, Mattila and Schneider (2015) find that the presence of strong economic domestic interests dictate when a government decided to vote 'No' or 'Abstain' in the Council. Public opinion - in particular the public's attitude towards EU integration - has also been shown to have an effect in a number of core policy areas (Hagemann, Hobolt and Wratil, 2015). Others have found that a North-South or a North-South-East divide exists between the member states in their voting patterns (Mattila 2009), and that a

[1] This is not to suggest that Council documents today provide a complete and comprehensive picture of the Council proceedings. We are still likely to only observe the tip of the iceberg. But, as will be clear from our findings below, more information is available, and the greater reliance of formal voting and processes is evident.

left-right cleavage at times can also be detected (Hagemann, 2008; Hagemann and De Clerck-Sachsse, 2007b; Hagemann and Høyland, 2008; Mattila, 2004). In sum, while the literature at times seems conflicting with regards to the motivators of government behaviour in the Council (c.f. Bailer, Mattila and Schneider, 2015), the conclusion so far is that voting behaviour and coalition formation is an expression of a series of repeated games where patterns do appear, but where no permanent, stable positions are consistently confirmed over time and across all policy domains.

In our analysis below we keep an open mind with respect to all of these possible explanations for the governments' legislative behaviour and include them as independent variables in our regression models. However, in line with our discussion in the previous section, we suggest that as legislative decision records have become publicly available, governments now have an incentive to consider the signals these records may send to their domestic audiences, rather than just the policy positions they wish to convey to negotiation partners at the EU level. Indeed, there is anecdotal evidence that some policy-makers find the policy records particularly useful for both the record keeping and ordering of negotiations internally in the Council, but also in the reporting to actors in the capitals (Hagemann and Lenz, forthcoming). We therefore suggest that votes and policy statements in the Council may be an increasingly relevant signalling tool that governments can make use of when pursuing ambitions in both the EU and domestic political setting. Accordingly, we expect the legislative records - i.e. the voting records and the formal policy statements – to be the expression of two sets of considerations which the Council representatives seek to accommodate: On the one hand, negotiators make a decision about their preferred outcome for the policy question on the table, taking into account the domestic interests they are there to represent. In other words, they consider the 'policy' pay-offs from the outcome, as discussed above. On the other hand, negotiators consider the institutional constraints and opportunities they are presented with both within the Council setting and in their domestic contexts. At the EU level, these constraints include, for example, the formal decision rules, involvement of the European Parliament, etc., while the domestic institutional constraints refer to any institutional requirements that governments have to adhere to, such as parliamentary procedures, committee involvement,

majority requirements, etc. and the costs and opportunities these may cause for the government representatives.

Based on these considerations government negotiators calculate how to position themselves on individual policy proposals. For the majority of cases, governments have a strong incentive in the EU setting to follow the majority and seek to influence a consensus agreement; there are few benefits and several costs in the Council from opposing a carefully crafted majority proposal, and opposition is generally viewed as an obstructive and unwelcome message by cooperation partners (Commons, 2013; Naurin and Wallace, 2008; Novak, 2013). The only benefits governments may expect at the EU level from an opposing position in the Council is the clear and strong signal that such opposition can send to the Commission and other member states for future policy rounds. But for the proposal on the table it simply means that the government is excluded from the deal. Hence, we assume – in accordance with other recent studies (Bailer, Mattila and Schneider, 2015; Hagemann, Hobolt and Wratil, 2015; Toshkov, 2015) – that recorded opposition in the Council is not intended to stop the decision-making process but is instead used strategically to send signals to EU and national stakeholders. We expect this to be the case with regards both to the votes and formal statements in the Council, and can hence formulate our argument as:

H1: Voting and formal statements in the EU Council are used as strategic signalling tools to domestic audiences as much as to co-negotiators at the EU level.

In addition to expanding our understanding about the kinds of signals that governments send from Council negotiations, our analysis also contributes to the existing literature's findings regarding what drives governments' legislative behaviour in the Council by looking into the effect that national parliaments may have on this behaviour. The literature has so far ignored the role of national parliaments and instead focused on the economic and party/geo-political factors that shape government behaviour. Yet, national parliaments are considered to be the losers of the internationalization of politics (Zürn, 2000). More pointedly, due to the pooling of authority and supranational delegation to the EU, national parliaments in the EU have lost decision-making authority, particularly the right to ratify agreements taken at the international

level (Martin, 2000). Majoritarian decision-making at the international level, the delegation to agencies and courts and the power of the European parliament are additional factors which contribute to the ´decline of national parliaments´ claim (Winzen, 2012). So far there are relatively few EU provisions which foresee a substantial role for national parliaments. This leaves space for national parliaments to assert themselves and develop a possible influence at the national level, mostly done through oversight and monitoring procedures. In turn, this means that governments have to consider their positions at the EU level vis-à-vis parliamentary constraints at home, both ex post and ex ante to negotiations in Brussels. Therefore, our second hypothesis argues that:

H2: Governments' legislative behaviour in the EU Council is influenced by domestic interests, including their national parliaments.

It naturally follows from this hypothesis that additional political dynamics within the government and between the government and parliament may impact the position strategies that governments pursue in international decision-making. If a government is in a particularly weak position, e.g. when it is in a minority government, or when power in parliament is particularly dispersed due to a high number of parties in parliament (Nyblade and O'Mahony, 2011), governments might choose to opt for more frequent international signals to placate domestic concerns. So far, there has not been a lot of research on the impact of such domestic constraints on international decisionmaking. For an exception see Kaarbo and Beasley (2008) who found that coalition governments are not necessarily different in policy but that they engage in more extreme foreign policy behaviours (see also Kaarbo, 1997; Kaarbo, Lantis and Beasley, 2012; Oppermann and Brummer, 2013). Thus, we suggest that a more elaborate integration of domestic institutional and political actors is necessary to get a complete picture of the dynamics between the EU and the parliamentary level. A starting point for this is to consider how governments under pressure in their parliaments may make use of signalling in the EU Council, compared to governments under less pressure:

H3: Governments in weak bargaining positions vis-à-vis parliament are more likely to oppose in voting and formal statements in order to send signals to their domestic audiences.

A last point of investigation in our analysis is an attempt to further dissect the signalling game that we assume governments engage in by comparing the voting behaviour with the signals that are transmitted through the formal policy statements. As this study is the first extensive study of the policy statements (yet cf. Hagemann, 2008; Hagemann and Høyland, 2008), we do not know whether formal statements are made following the same logic as voting. Our assumption is that both votes and policy statements come in different categories: A 'no' vote in the Council is costly; an 'abstention' is less costly than a 'no' vote but still unpopular with negotiation partners as it works against the formation of a sufficient majority; 'yes' votes come with no costs and only pay-offs (regardless of the policy content) as it ensures influence on the final consensus agreement. For formal statements, we assume they come with no 'costs' as they do not obstruct or benefit the passing of legislation. But having looked into the content of the policy statements (more below) we see that these also vary in terms of their positions vis-à-vis a majority agreement: Some appear as merely clarifications of a government's reasons for supporting a vote; others clearly demonstrate concern with either part or the whole proposal being voted on; and still others include outright disagreement with the act. In sum, we hence expect to find that 'no' votes and 'abstentions' are more distinct and costly signals than formal statements, and following this, that it may therefore be that they cater to different interests: Votes may turn out to be 'hard signals' which will be picked up by media (Hagemann, Hobolt and Wratil, 2015), while formal statements are 'substantive signals', which include the more elaborate details – and which may only be looked into by actors with a particular interest in following Council negotiations and EU law.

Data Overview and Descriptive Analysis

Our analysis relies on a novel data set that encompasses 1,513 decisions on Council proposals in which yes votes, no votes, and abstentions were taken by the EU governments in the period 2004-2014, for a total of 31,800 observations for 27/28 member states´ decisions on these proposals. In addition, our data includes all formal statements submitted by countries either

before or after a vote was taken, for a total of 872 statements. In the following sections, we first provide a summery of votes and statements by countries, policy areas, and over time, followed by a discussion or our dependent variables and main covariates.

Overview of votes and statements

Table 1 provides an overview of countries' voting behaviour and the number of statements submitted. As shown in previous studies, no votes and abstentions remain a rare event: in only 272 and 296 cases (for a combined 1.8%) did a country abstain or vote against the majority, respectively. Relatively more often are formal statements used. In total, 872 formal statements were submitted. In absolute numbers, most statements (685, 78.6%) accompanied a yes vote. However, statements are most likely when a country abstains or votes against a proposal. In each of these categories, one out of three countries submits a statement – a first indication that statements are used to justify a country's decision to other Council members or outside stakeholders.

Table 1: Voting Behaviour and Formal Statements in the Council, 2004-2014

	Country Made Formal Statement				
Country's Voting Behaviour	**No**		**Yes**		**Total**
Vote in Favour	30,547	*(97.8%)*	685	*(2.2%)*	31,232 *(100%)*
	(98.8%)		(78.6%)		(98.2%)
Abstention	177	*(65.1%)*	95	*(34.9%)*	272 *(100%)*
	(0.6%)		(10.9%)		(0.9%)
Vote Against	204	*(68.9%)*	92	*(31.1%)*	296 *(100%)*
	(0.7%)		(10.6%)		(0.9%)
Total	30,928	*(97.3%)*	872	*(2.7%)*	31,800 *(100%)*
	(100%)		(100%)		

Note: Percentages next to absolute numbers are row percentages; percentages below absolute numbers are column percentages.

Looking at the distribution of opposition votes and formal statements by countries (Figure 1), we find that the UK, Denmark, Sweden, Poland, Netherlands, Germany and, Austria belong to the most frequent naysayers. While most governments use formal statements more frequently than opposing votes, this behaviour is particular distinct for Germany which makes nearly twice as many statements than opposing votes. France, on the other hand, rarely opposes in the Council, and has in fact not voted against a proposal at all since 2009.

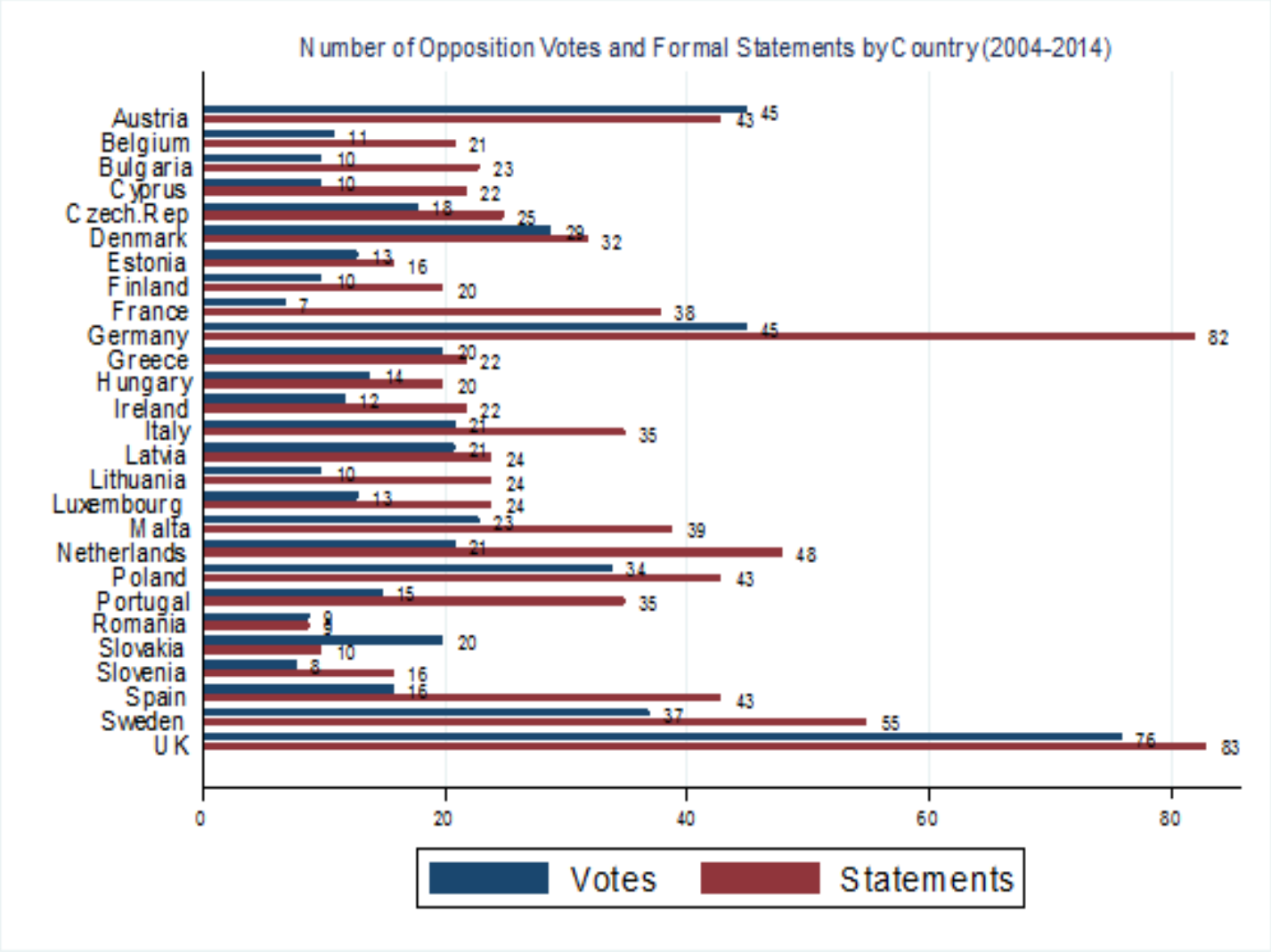


Figure 1: Number of opposing votes and formal statements by country.

When looking whether the use of statements and opposing votes differs across policy areas (Figure 2), we find that the most contested policy areas are agriculture/fisheries, environment/energy and internal market and consumer affairs. While these policy areas are similar in the sense that they have high values of dissenting votes and formal statements, the policy area of environment and energy stands out since many more formal statements are made in this policy area than in others. Obviously, there seems to be a slightly different logic or dynamic in this policy area than in others.

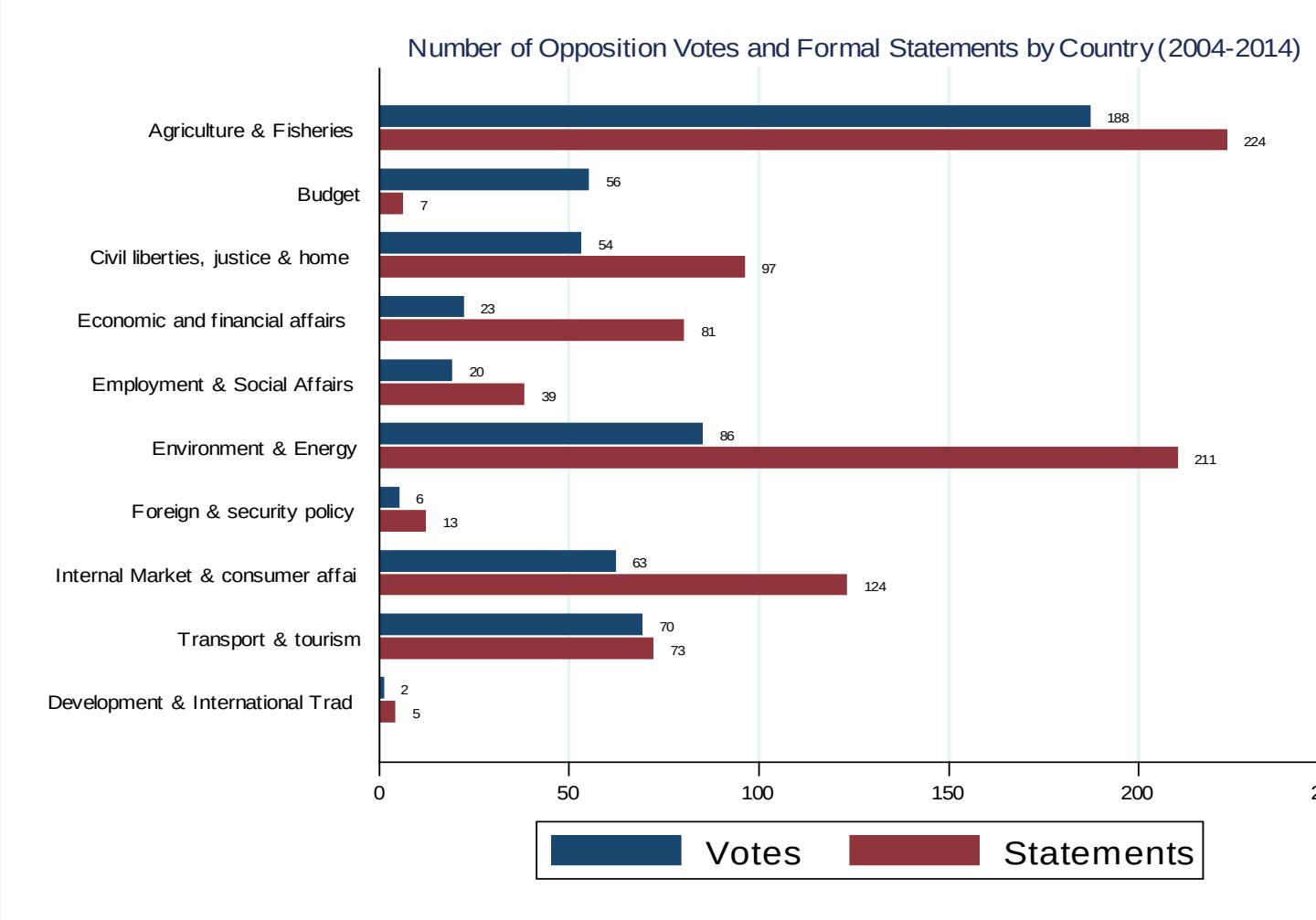


Figure 2: Number of opposing votes and formal statements by policy area.

Finally, we show the share of opposing votes and formal statements over all decisions made in the Council over time (Figure 3). The distribution of formal statements of opposing votes differs quite strongly over the years. We find that the Council becomes contested over time and that

particularly the use of formal statements increased in the last years ranging from 1.8% in 2008 to 6.2% in 2010.

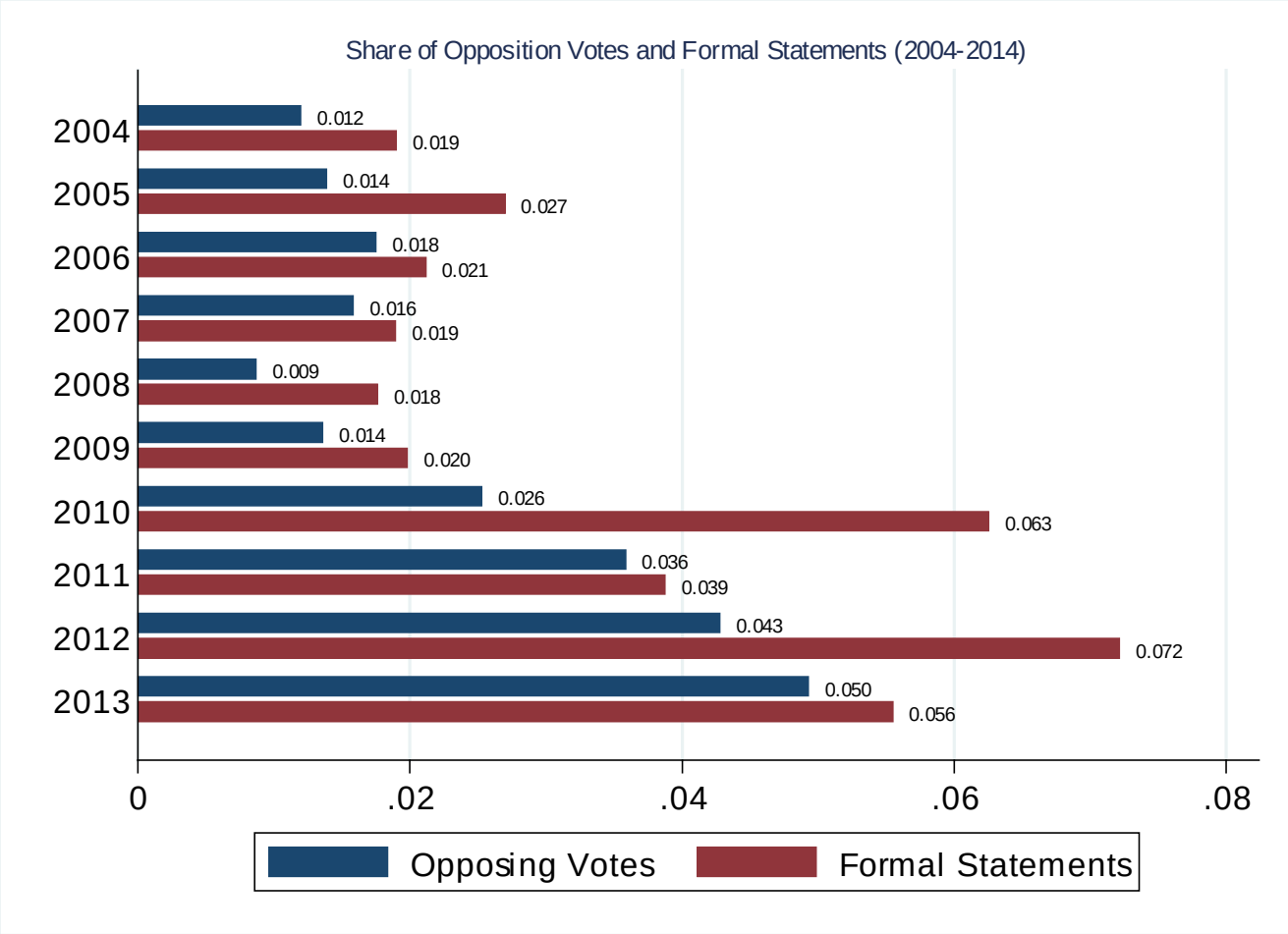


Figure 3: Number of opposing votes and formal statements over time.

Variable coding

We use two dependent variables to capture revealed and expressed opposition in Council negotiations. First, a dummy variable 'rejection' that is coded 1 if a country voted against a proposal or abstained. Second, a categorical variable 'Type of Statement' that captures both whether or not a statement was made (0=No statement) and the sentiment of the statement (1=neutral, 2=positive, 3=concerned, 4=negative). Sentiment was coded by a student research assistant, with random samples of coded statements checked by two co-authors to ensure coding validity. From the 864 formal statements made by the EU governments in the period from 2004-2014, 28% were coded as neutral, only 5.8% as positive, while 31.7% were

concerned and 34.3% in a negative form. Looking at the use of formal statements in combination with the rejection of a proposal (abstention and no vote), we find that formal statements are not only used more often when governments agree with a proposal but that they actually seem to be a weaker form of opposition since concerned and negative statements are most often used when agreeing with a proposal. Apparently, governments use these statements to signal to their co-negotiators and domestic that they do not fully agree but do not want to make a more pronounced rejection of a legislative proposal.

Our main independent variables capture the national parliamentary factors discussed above. The first of these is provided by Winzen (2012), who has developed an impressive encompassing cross-national and longitudinal measure of national parliamentary powers concerning EU legislation. His power index captures *information* (do they have access to EU documents and government memoranda), *processing* (is there an EU committee, is this EU committee a subcommittee or standing committee; are sectoral committees involved in the decision-making process; can parliament express a scrutiny reserve to express its opinion on EU legislation), *enforcement* (how binding are the recommendation of parliament to government: recommendations do not exist, governments can deviate from recommendations in justified instances, there are binding mandates by parliament) (Winzen, 2012). We make use of this thorough instrument to investigate whether governments' positions at the EU level is influenced by these national parliamentary powers. Figure 4 shows the distribution of this index across countries.



Figure 4: Distribution of national parliamentary strength across countries.

Our second independent variable capturing national parliamentary impact on governments' behaviour is the bargaining power fragmentation index. This is a similar measure as the effective number of parties (Laakso and Taagepera, 1979) but not weighted with their relative weights in parliament but with their bargaining power taking majority voting requirements into account (Caulier and Dumont, 2005; Nyblade and O'Mahony, 2011). In this way, the measure accounts for the size and the situations when a party is actually able to influence majority decisions. The number of parties in parliament or fragmentation is a frequently used measure

for the dispersion of power within legislatures, the legislative fragmentation, which leads to more opinions, more conflict and less stability.

Another measure for instability and possible conflict between government and parliament is the situation of government. We could have used a measure for coalition cabinets, however since more than 80% of the governments in our dataset are in a coalition, we decided to control only for minority governments. Minority governments are said to be more unstable; even if they are not necessarily more unstable than governments controlling a majority, it has been shown that they form in situations when competitive elections are expected (Strom, 1990). Thus, minority governments are another variable accounting for tension between governments and parliaments increasing the likelihood for signals directed to domestic parliaments.

Finally, we include in our analysis each government's number of days to the next domestic election. This controls for the possibility that signalling to domestic audiences becomes more important as the next election approaches because governments may see greater need to explain their behaviour and domestic stakeholders may pay greater attention to government behaviour.

Our remaining independent variables for the regression analysis can be grouped into three categories:

1. **Domestic economic interests:** GDP; presence of organised economic interests; whether the country is a net recipient/contributor to the EU budget.
2. **Domestic political interests:** public attitudes to the EU (pro/anti); left/right and pro/anti-EU attitudes of the governments.
3. **A government's 'status' in the Council:** whether a government holds the presidency or not.

A complete summary of all dependent and independent variables is provided in Table 2.

Table 2: Summary of Dependent and Independent Variables

Variable	Obs	Mean	Std. Dev.	Min	Max
Rejection (Abstain and No Vote)	27737	0.018	0.552	0	1
Type of Statement (0=No Statement, 1= Neutral, 2=Positive, 3=Concerned, 4=Negative)	27737	0.075	0.488	0	4
Parliamentary Control Index (Winzen, 2012)	27737	1.82	0.55	0.67	2.67
Government Left Right Position (Comp Manifesto Project)	27737	5.62	1.48	2.9	8.12
Government EU Integr Position (Comp Manifesto Project=	27737	5.87	0.84	2.84	7.51
EU Integration Position of Population (Eurobarometer)	27737	53.35	12.80	23	79
GDP as Rank	27737	41.95	27.24	4	102
Recipient Status of EU budget(www.money-go-round.com)	27737	0.38	0.48	0	1
% Employment in Agriculture (Worldbank)	27737	6.98	6.06	1	34
% Employment in Service(Worldbank)	27737	64.70	8.50	36	79
Unemployment Rate(Worldbank)	27737	8.07	3.41	2.8	21.8
EU Presidency	27737	0.04	0.19	0	1
Codecision Procedure	27737	0.51	0.50	0	1
Total Number of Non Approvals	27737	0.21	0.64	0	6
Minority Government (Andersson, Bergman and Ersson, 2014)	27737	0.24	0.43	0	1
Bargaining Power Fragmentation (Andersson, Bergman and Ersson, 2014)	27737	3.48	1.78	0.74	7.65
Days to next election	27737	6.43	4.34	-1.93	18.27

Multivariate Analysis

To reiterate, we test three explanations of revealed and expressed opposition in Council decisions: the use of votes and statements as signalling tools to domestic audiences and co-negotiators at the EU level (Hypothesis 1); the influence of national parliamentary oversight on governments (Hypothesis 2); the effect of governments' bargaining positions vis-à-vis their parliaments at the domestic level (Hypothesis 3).

In our first model we test these explanations for voting behaviour with our dependent variable 'Rejection' that combines abstains and no votes. Table 1 summarizes the results of a logistic regression model with standard errors clustered at the level of Council votes.

Table 3: Logistic regression model of 'Rejection' (Abstain and No Vote) in EU Council votes, 2004-2014

	Coef. (s.e.)
Parliamentary Control Index	**0.397*** **
	(0.119)
Government Left Right Position	0.0372
	(0.0352)
Government EU Integr Position	**-0.151*** **
	(0.0571)
EU Integration Position of Population	**-0.0209*** **
	(0.00476)
GDP as Rank	**-0.0214*** **
	(0.00353)
Recipient Status of EU budget	**-0.750*** **
	(0.131)
% Employment in Agriculture	0.0285*
	(0.0156)
% Employment in Service	**0.0353*** **
	(0.0117)
Unemployment Rate	0.000899
	(0.0172)
EU Presidency	-0.153
	(0.302)
Codecision Procedure	**-0.488*** **
	(0.142)
Total Number of Non Approvals	**0.947*** **
	(0.0706)
Minority Government	0.0585
	(0.108)
Bargaining Power Fragmentation	**0.132*** **
	(0.0374)
Days to next election (in 100)	-0.00778
	(0.0113)
Constant	-5.113***
	(0.869)
Observations	27,737

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1
Note: Reference category is 'Vote in favor'.

As expected, we find that an increase in parliamentary oversight increases a country's likelihood to reject a proposal. In Figure 5 we illustrate the magnitude of this effect by

calculating predicted probabilities for the outcome variable with all other covariates held at the average values. While the overall probably to reject is relatively small due to the rare nature of the event, all else equal, the probability to reject more than doubles when parliamentary oversight increases from its smallest observed value (parliamentary control in Luxembourg and Belgium) in the sample to the highest value (parliamentary control in Denmark).

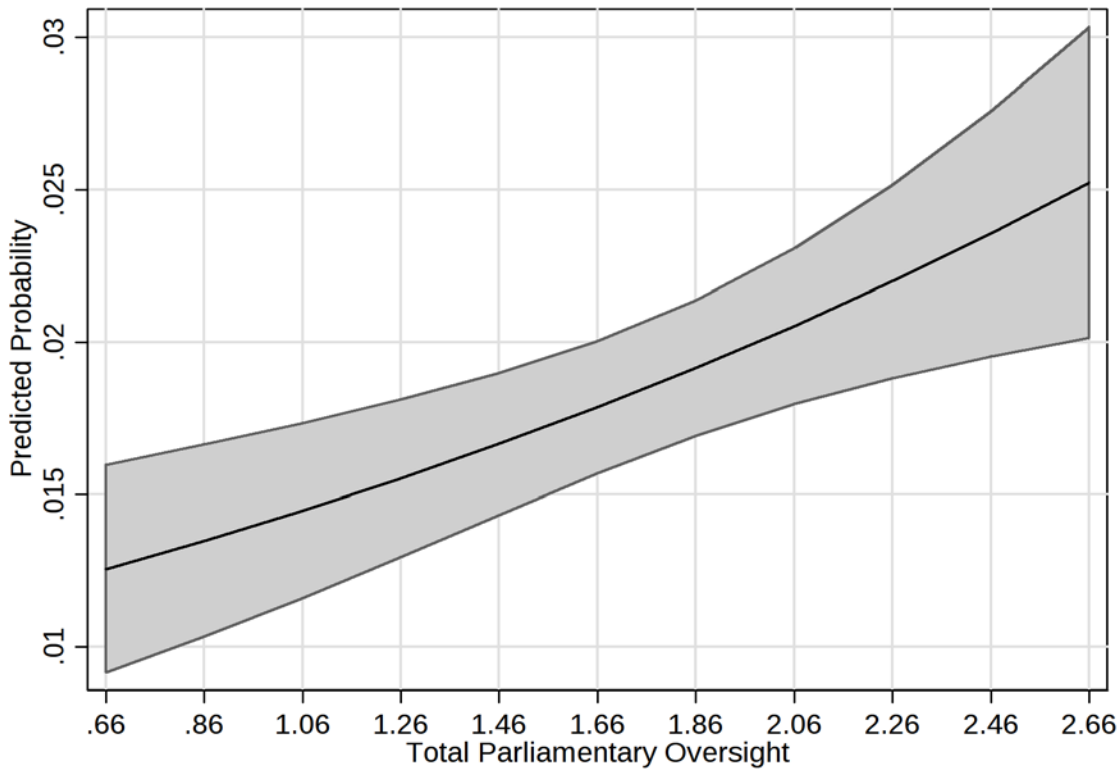


Figure 5: Predicted probabilities for vote rejection conditional on total parliamentary oversight, estimated from logistic regression model with all other variables held at their mean values.

As for the other variables accounting for domestic actors and domestic bargaining environment, the bargaining power fragmentation index has a positive and significant impact on the likelihood to signal discontent towards the domestic arena. This confirms our expectation that a higher number of parties increases the general level of parliamentary contestation and motivates governments to signal to these actors at the parliamentary level. The probability to reject becomes three times higher from the lowest values of the bargaining power fragmentation to the highest values (e.g. in Belgium). The proximity to elections has no

impact in this model. Governments might want to avoid having to appear before national parliamentary committees or might want to explain why they could not achieve what the respective committees had asked them to do in the Council.

For the remaining variables, several findings already discussed in previous studies get confirmed: as for domestic political variables it is rather the pro-anti-EU position of governments and the population which impact the likelihood of rejections than the left-right partisan orientation of the government. Also the overall economic power of the countries (here measured with the ranking order of GDP) and their EU budget recipient status have the expected negative effect: less affluent countries and countries which benefit from the EU budget do not voice opposition in the Council as often as richer countries since they benefit more from the EU system. For more specific domestic economic interests such as employment rates in various economic sectors or the unemployment rate we found only confirmation for the service sector. These results might be due to the high aggregation level of the data over all policy areas so that some of the measures for economic interests are not sufficiently specific. When controlling for more EU institutional and proposal-specific variables we found that the overall level of contestation of a proposal contributes to the likelihood with which a government rejects a proposal. Some proposals might be more contested and thus lead to more no votes but there might also be the effect that the threshold of rejecting gets lowered when other governments are prepared to reject.

To test signalling and domestic influence on formal statements, we estimate a multinomial logit model on our dependent variable that combines whether or not a country submitted a statement and the sentiment of submitted statements (Table 4). As in the above model, we find that parliamentary oversight has a positive and statistically significant effect for submitting a statement – but only for negative statements. We again illustrate the magnitude of this effect by calculating predicted probabilities (Figure 6). Further, we find that closeness to the next election increases the likelihood to submit a negative statement, but not any other type of statement, which supports our hypothesis that governments in weak bargaining positions or under stress are more likely to formulate statements**.**

Table 4: Multinomial Logit Model of Formal Statements and Type of Statement

	Type of Statement			
	Neutral	**Positive**	**Concerned**	**Negative**
Parliamentary Control Index	0.136	0.412	0.202	**0.373****
	(0.162)	(0.438)	(0.139)	(0.174)
Government Left Right Position	-0.0261	-0.0550	-0.0247	-0.0755
	(0.0416)	(0.0881)	(0.0384)	(0.0484)
Government EU Integr Position	-0.0747	**-0.461****	-0.0376	-0.114
	(0.0758)	(0.213)	(0.0744)	(0.0773)
EU Integration Position of Population	0.00618	0.0135	-0.00320	**-0.0109****
	(0.00663)	(0.0104)	(0.00562)	(0.00517)
GDP as Rank	**-0.0154*****	-0.00706	**-0.0145*****	**-0.0185*****
	(0.00517)	(0.0135)	(0.00416)	(0.00474)
Recipient Status of EU budget	-0.195	0.687	**-0.846*****	**-0.765*****
	(0.252)	(0.469)	(0.226)	(0.196)
% Employment in Agriculture	-0.0126	0.0572	-0.0239	**0.0396****
	(0.0185)	(0.0382)	(0.0178)	(0.0182)
% Employment in Service	-0.000939	0.0443	0.0249	**0.0685*****
	(0.0142)	(0.0322)	(0.0154)	(0.0158)
Unemployment Rate	-0.00165	**0.103*****	0.0212	-0.0182
	(0.0289)	(0.0362)	(0.0170)	(0.0212)
EU Presidency	-0.345	0.381	0.175	-0.250
	(0.424)	(0.621)	(0.316)	(0.432)
Codecision Procedure	**0.627****	0.0227	0.440*	0.173
	(0.289)	(0.418)	(0.252)	(0.236)
Total Number of Non Approvals	**0.643*****	**0.509*****	**0.723*****	**0.677*****
	(0.156)	(0.175)	(0.105)	(0.0909)
Minority Government	-0.190	-0.113	-0.0992	0.215
	(0.142)	(0.446)	(0.150)	(0.151)
Bargaining Power Fragmentation	-0.00443	0.124	-0.0154	0.0539
	(0.0428)	(0.120)	(0.0406)	(0.0438)
Days to next election (in 100)	-0.00695	0.0221	-0.00313	**-0.0398****
	(0.0158)	(0.0372)	(0.0150)	(0.0176)
Constant	-4.487***	-9.983***	-5.861***	-7.760***
	(1.338)	(2.647)	(1.388)	(1.316)
Observations	27,737	27,737	27,737	27,737
Number of positive outcomes	225	42	250	258

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1
Note: Reference category is 'No statement'.

Figure 7 shows the predicted probabilities for submitting a negative statement over the observed number of days to the next national election.

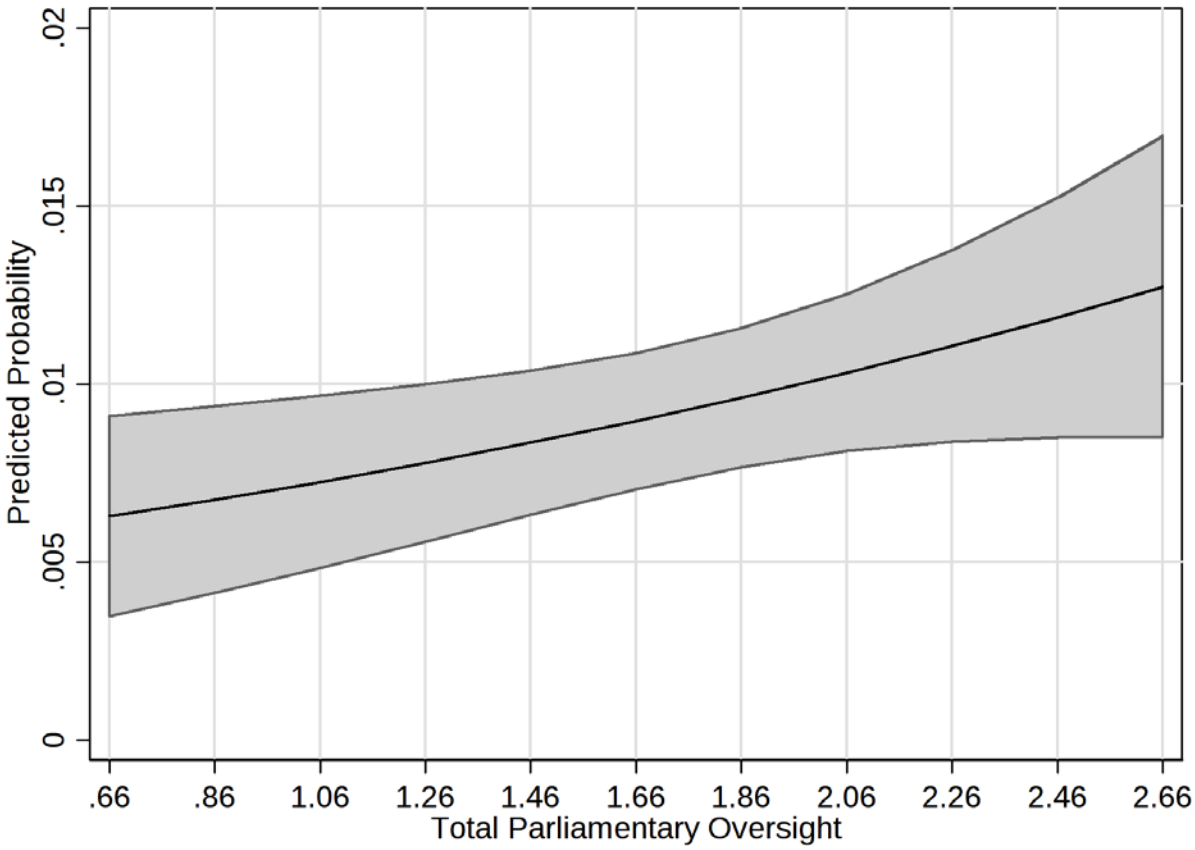


Figure 6: Predicted probabilities for submitting a negative statement conditional on total parliamentary oversight, estimated from multinomial logit model with all other variables held at their mean values.

While governments at the beginning of their term in office with 4-5 years (max 1800 days) away from the next election have the smallest probability to submit a negative statement (compared to submitting no statement), the probability more than doubles for those governments only days or weeks away from the next election.

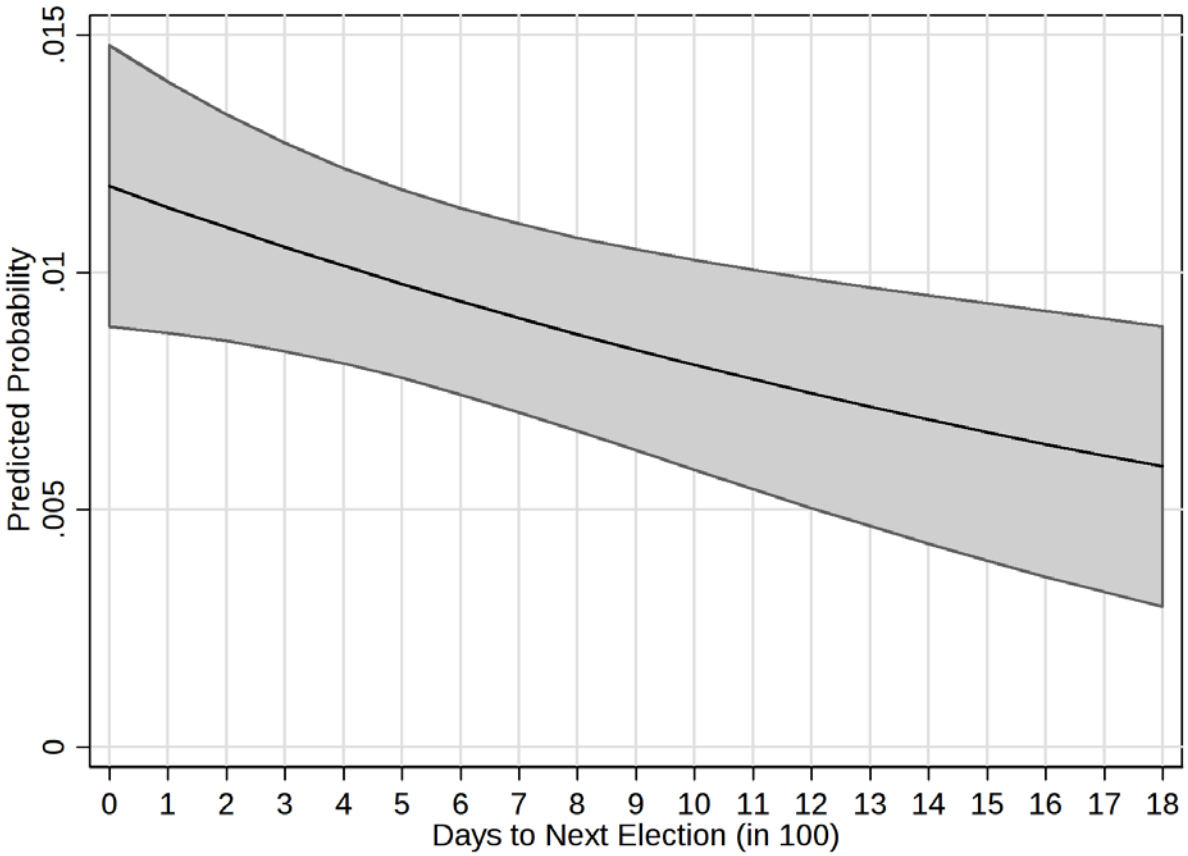


Figure 7: Predicted probabilities for submitting a negative statement conditional on days to next election (in '00s), estimated from multinomial logit model with all other variables held at their mean values.

Most of the relationships demonstrated in the model explaining rejections (abstentions and no votes) also hold for the formal statements: GDP Rank and the EU Budget recipient status are helpful for explaining why EU governments make concerned or negative statements while the neutral and positive statements seem to follow a different logic. For all kinds of statements the overall number of rejections seems to be a good indicator for proposal contestation and the increased desire to explain behaviour at the EU level to actors at the domestic level.

Conclusion

The literature on government behaviour in international organisations pays little attention to the role of national actors and institutions. While a few influential studies have highlighted the two-levelled structure of international decision-making, no systematic evidence has been

presented with regards to how the two levels – domestic and international - in fact impact on each other with regards to governments' policy positions and strategies.

This paper has argued that when acting at the international level, governments have incentives to appear as responsive to domestic audiences while looking to find solutions to the policy challenges on the table. In other words, they do not act in isolation from domestic institutions and political pressures, but may in fact seek to cater to those actors from the international arena. Focusing on the European Union's primary legislative body, the Council of the European Union, our results demonstrate that governments indeed act strategically when considering how to position themselves on legislative proposals. The legislative decision records show that contest has increased in the Council over the past decades, while our analysis also makes it clear that decision-makers use the formal recording of their positions to send signals to external actors rather than solely convey policy preferences to fellow negotiators.

We find that opposition to legislative proposals is – amongst other factors - shaped by the formal powers that national parliaments have in EU affairs. When a national parliament has extensive competences to scrutinise and amend government policies, governments are more likely to oppose the majority in the EU Council and record their positions in formal policy statements following the adoption of an act. Government behaviour in the EU Council is also conditioned by the degree of fragmentation in the parliament, as well as proximity to national elections. Hence, we find support for our hypotheses that formal legislative behaviour in the Council is a strategic 'signalling game' rather than necessarily the expression of sincere policy preferences: Governments are more likely to take a stand against the majority and record formal policy statements when they are constrained in their domestic political arena.

However, we see a difference in the kinds of signals governments appear to send through the legislative records: Rejecting the majority in voting can be considered a 'strong' signal as there may be costs associated with being excluded from influencing the final text of a majority agreement. On the other hand, the recording of policy positions in formal statements may be seen as more 'substantial' signals which do not come with such a cost. Nevertheless, both forms of formally recorded oppositions – votes and formal policy statements – appear to largely cater to the same set of domestic audiences, including their national parliaments.

In addition to expanding our knowledge about government behaviour in the EU Council, these findings provide an important starting point for understanding the link between national parliaments and governments in the European Union by going beyond the received wisdom that EU negotiations are conducted behind closed doors. They point to an important connection between government ministers and national democracies in European affairs which has so far not been explored in the literature. This approach and our resulting findings may very well be relevant to other international contexts too: to what degree should we consider domestic institutional and political constraints as defining for the bargaining space governments operate within at the international level? From a more normative perspective, our findings will also appeal to the many current advocates of greater parliamentary control in international politics: government representatives appear to be responsive when parliamentary control increases over legislative policy decisions taken outside of the domestic sphere.

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