

RATIFYING INTERNATIONAL TREATIES BY REFERENDUM: THE CASE OF THE EU'S CONSTITUTIONAL TREATY

Andreas Dür*and Nikitas Konstantinidis†
University of Salzburg and London School of Economics

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Abstract

What explains a political party's decision to call for or speak out against a referendum on an international treaty? We present a game-theoretic model to address this question. Among the expectations derived from this model are that a party is more likely to call for a referendum if the average voter's policy gains are low, the next election is close, and the party's policy benefits from successful ratification of the treaty are low. Data on the positions of 175 parties in 24 member countries of the European Union (EU) on the appropriate ratification instrument for the EU's Constitutional Treaty allow us to test these expectations against empirical evidence. The results of the multinomial logistic regression model provide solid support for our theoretical reasoning.

1 Introduction

The last two decades have seen a significant number of *facultative* referenda for the ratification of international treaties.¹ The most prominent examples are the referenda on institutional reforms in the European Union (EU). In 2005 and 2006, for example, France, Poland, the United Kingdom and several other countries either held or planned to hold referenda on

*Department of Political Science and Sociology, Rudolfskai 42, 5020 Salzburg, Austria, Andreas.Duer@sbg.ac.at.

†Department of Government, H501, Houghton Street, London WC2A 2AE, UK, +44 (0)20 7849 4686, N.Konstantinidis@lse.ac.uk.

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the EU's Constitutional Treaty (also known as the Treaty Establishing a Constitution for Europe - TECE). Interestingly, other EU member countries, among them Austria, Belgium, and Sweden, decided not to submit the treaty to a popular vote. Even more variation exists when looking at party positions: in Spain, all political parties represented in the national parliament called for a referendum while in Latvia all political parties backed ratification in parliament. In fifteen member states, political parties were split on this issue. What explains this variation across parties with respect to the desirability of a (non-required) referendum on an international treaty?

Our response is that calls for referenda are a tool in the electoral competition between government and opposition. To elucidate this argument, we develop a game-theoretic model that builds on the basic idea that political parties are both policy- and vote-seeking (Strom and Müller, 1999). Since they are policy-seeking, they consider their gains (losses) if an international treaty is implemented and the probability that an international treaty is successfully ratified in a referendum. This success, in turn, depends on two factors, namely voters' welfare gains from the international treaty and voters' approval of the incumbent. The higher voters' aggregate welfare differential, the more likely that they vote in favor of an international treaty. At the same time, the lower voters' approval of the incumbent's record, the more likely they are to treat a referendum as a second-order election, in which they vote to reject the proposed treaty in order to penalize the incumbent (for the second-order election idea, see Reif and Schmitt 1980). The relative importance of the two factors in voters' decision-making depends on the time that has passed since the last election: very early or very late in the electoral cycle voters will not bother about using a referendum to send a signal to the incumbent. Government popularity thus will be of little importance at these times. By contrast, the best time for voters to use a second-order election to show their approval or disapproval of the incumbent is in the middle of an electoral term. It is at this time that voters' "punishment trap" (for this term, see Schneider and Weitsman, 1996) is likely to be most severe.

Parties do not only engage in policy-seeking, however. They also consider the political gains relative to other parties from opting for a specific ratification instrument and taking a specific stance in a referendum campaign. Our model allows for three types of gains/losses that add to or subtract from parties' relative political capital. First, a successful ratification of an international treaty by direct vote of the people benefits parties that supported the treaty in the referendum campaign. Second, the incumbent (or any party that positioned itself against the popular majority on the issue) incurs a loss in relative political capital if

the voters reject the treaty in a referendum. Third, parties that support the holding of a referendum reap a gain, the size of which depends on voters' desire for a direct say on the issue, which in turn is conditioned by the country's previous experience with referenda and voters' welfare gains if the treaty is implemented (the more controversial the policy content of the treaty, the higher the desire for direct popular consultation via referendum).

The model allows us to formulate a series of hypotheses that can be empirically tested. For one, we expect parties' probability of calling a referendum to increase if public opinion is skeptical of the treaty that has to be ratified. Moreover, parties are more prone to support a referendum on an international treaty if elections are close. Furthermore, the larger the policy gains that a party expects from successful ratification of a treaty, the lower the probability of it calling for a popular vote. We test these expectations on a database that includes the positions of 175 parties on whether to support a referendum on the EU's Constitutional Treaty (signed in October 2004) and on whether to back or reject the Treaty. Using multinomial logistic and multinomial multilevel logistic regression analysis, we find solid support for our argument.

In developing this argument, we build on a series of recent studies that speak to the question of why sometimes political parties call for optional referenda on salient issues (in particular, see Schneider and Weitsman, 1996; Hug, 2004; Closa, 2007; Hug and Schulz, 2007; Tridimas, 2007; Finke and König, 2009). While the early literature on this question mainly provided typologies of reasons, Hug (2004) offers a game-theoretic model that stresses variation in the institutional setting of countries. His conclusion is that "the government should never call a referendum on a voluntary basis", a result that he himself calls "disconcerting" (Hug 2004: 344). Tridimas (2007) comes close to the idea behind this paper by modeling referenda as part of the competition between the incumbent and the opposition. However, the real question in his paper is how much effort the government is willing to invest to get a successful referendum outcome, as in his model the opposition is assumed to take a position against the policy agreement under discussion. Making this assumption restricts the range of empirical cases to which his model is applicable. Finke and König (2009) also develop a model that considers domestic party competition. Whereas they aim to predict whether a referendum is convened in a country pure and simple, our interest lies in simultaneously explaining party policy positions and choices of ratification instruments. Dür and Mateo (2011) provide a verbal argument and test it by looking at party positions on whether to hold a referendum on the Constitutional Treaty. In contrast to the current paper, they assume that ideology predetermines a party's position on the treaty that has to be ratified. Moreover, in Dür

and Mateo (2011), the only factor influencing the probability of success of a referendum is popular opinion on the treaty. By contrast, in the current paper we conceptualize referenda as second-order elections, in which citizens also use their vote as a signal to their government about issues not related to the treaty to be ratified.

In the following section, we proceed to elaborate upon the game-theoretic model. Next, we discuss case selection and the operationalization of variables for the empirical examination. Finally, we present the findings of our empirical analysis, stressing the robustness of our findings to a variety of changes to data, operationalization, and estimation.

2 The Model

2.1 Basic set-up

The multi-level process of international treaty negotiation, ratification by the parties involved, implementation at the intergovernmental level, and transposition to the domestic context is remarkably complex and strategically intertwined. In this paper we focus on the ratification subgame seeking to explain variation in party stances with respect to the use of popular referenda as ratification mechanisms. Our interest primarily lies in cases of international treaty ratification where the government may strategically exercise the option of submitting the international agreement to popular vote via referendum. In these cases, opposition parties can use calls for referenda as strategic rhetorical actions, without having referendum initiation powers. Incumbent and opposition then play a valence game of party competition embedded within a probabilistic voting framework. This approach highlights the domestic strategic contours of treaty ratification by allowing for the probabilistic occurrence of failed referenda (as in the case of the French and Dutch rejections of the European Union’s Constitutional Treaty). Following a two-level game logic it also helps us deduce domestic-level predictors (related to the political climate) for the bargaining power and constraints of countries at the negotiation table.

Consider what happens once the negotiation stage of a major (i.e., far-ranging and politically salient)² international treaty has been successfully completed.³ Let $x_c \in X \subset \mathbb{R}$, where

²Political salience in this case implies that the international treaty in question will be eligible for ratification via referendum. The domain of our analysis is thus effectively restricted to treaties that touch on issues that have the potential to play a decisive role in national election campaigns. The successive treaties in the process of European integration and enlargement are obvious candidates.

³We adopt a partial equilibrium analysis approach by abstracting away from the treaty negotiation stage and effectively taking the form of the agreement as given. This allows us to more easily understand and

X is closed and compact, denote the outcome of international treaty negotiations for deeper integration, coordination, or policy centralization. Let the treaty negotiation outcome x_c always be to the right of the *status quo* ($x_c > x_{SQ}$) in terms of further widening and deepening of existing cooperation arrangements. Albeit somewhat of a simplification, collapsing the content of treaties that usually are broad and deep to one single dimension allows us to produce a variety of interesting and testable hypotheses.

In our model, citizens care both about the location of *policy* along the cooperation dimension and the *valence* of parties. Valence refers to the electorate's perception of the capability and overall performance of a party leader - in other words his reputation - and is independent of any specific policy. This set-up is akin to valence models that have been increasingly applied to the study of electoral competition in first-order national elections (e.g., Stokes 1992; Schofield 2005; Ashworth and Bueno de Mesquita 2009). We find it apt to extend a similar framework to the analysis of second-order elections, such as referenda, plebiscites, and European Parliament elections.⁴ In our context, valence is influenced by the *process* and *outcome* of ratification. We assume that party positions and actions in the ratification process are observed both by domestic (voters) and international (treaty cosignatories) audiences. Moreover, we model valence costs and benefits as zero-sum for both the incumbent and the opposition as they accrue to the existing level of *relative political capital* enjoyed by the government. Political capital in this sense connotes the imperceptible quality of trustworthiness and popular approval of the incumbent relative to the opposition.

Plausibly enough democratic political elites are motivated by both office and policy. How important the two objectives are relative to each other depends on the salience of the valence component to voters. This salience factor inheres in the political climate at the time of ratification, namely the level of polarization (both rhetorical⁵ and legislative) and the moment in the electoral cycle.⁶ In other words, we condition the second-order nature of the referendum

analyze the implications of various types of agreements within a two-country framework with a cooperative treaty negotiation solution.

⁴Meirowitz and Tucker (2007) use a valence model to study the signalling properties of second-order voting equilibria. See also Meirowitz, Tucker, and Konstantinidis (2008) for an empirical investigation of such signalling effects in European Parliament elections.

⁵Controlling for the party system and the current level of relative political capital, the second-order status of the referendum (γ) could be derived as the equilibrium of a pre-game of rhetoric between the two main parties in the run-up to the ratification process. The predicted outcome of the ratification subgame for any parametrically given level of relative salience will determine party preferences over different levels of political polarization.

⁶Note that the relative salience variable will also be conditioned by institutional and structural properties of the party system (fixed effects) that make it more *adversarial* (e.g., the United Kingdom) or *consensual*

and the overall relative salience of the valence dimension in the preferences of voters and politicians alike on the exogenous timing of the ratification process and the underlying state of the domestic political scene. Perhaps the most interesting aspect in the study of international treaty ratification is that its timing falls randomly within the domestic electoral cycle of each signatory country,⁷ thus making it more natural to control for domestic explanatory variables in isolation from the international context. In our model, we focus mostly on relative incumbent popularity (or relative valence) and relative political salience and treat them both as state variables following deterministic trends subject to random (i.e., unexplained) shocks (e.g., political scandals, economic crises, etc.).

Save for a high level of infringement upon national sovereignty called for by the integration treaty itself, referenda will remain second-order in nature, meaning that they often evolve into popularity contests or plebiscites (Schneider and Weitsman, 1996). To varying degrees substantial debates over integration policy are shrouded by electoral motivations and strategic posturing with respect to the *audience* costs and benefits of different ratification outcomes. The incumbent’s perceived suitability to handle the exigencies of government is always on the line at every popular vote.⁸ Partisan supporters will welcome every opportunity to reward the incumbent at the ballot, while its discontents will snatch at the chance to voice their disapproval by all democratic means possible. The following probabilistic voting framework illustrates the joint effects of relative government popularity and relative policy salience on the probability that the referendum goes through. It also captures the common uncertainty and converging beliefs among political elites about the outcome of a mass vote. This way voting equilibria are implicitly ‘black-boxed’ into a probability function enabling us to focus on the strategic properties of the ratification subgame.

Let the country’s electorate be represented by a continuum of mass one. Then each voter j will vote for the referendum option that maximizes his or her quasi-linear utility with respect to integration policy and relative government valence. The two dimensions of electoral competition are assumed orthogonal. Integration policy preferences are represented

(e.g., Switzerland).

⁷Of course within reasonable time constraints the incumbent may either choose to a) hold a referendum at the same time as a parliamentary election, b) leave the issue of ratification to a government with renewed political mandate, c) schedule the timing of the referendum ahead of its co-signatory counterparts, or d) procrastinate. These are interesting examples of endogenous timing and electioneering that fall beyond the scope of this paper.

⁸That being said, it remains the case that party positions on foreign affairs and international cooperation do have an impact on national elections (on the electoral effects of European integration see for example De Vries, 2007).

by a quasiconcave Euclidean utility function $u : X \times X \rightarrow \mathbb{R}$ that maps ideal positions x^j (levels of integration) and policy proposals x into real payoffs. This implies that preference profiles over a continuum of policy alternatives $x \in X$ increasing in the depth of integration will be single-peaked.

In the run-up to the referendum, each voter j receives a private and independently distributed signal $\widehat{\delta}^j$ of the incumbent's popularity relative to its main opposition rival at that particular moment in the electoral cycle. We assume that $\widehat{\delta}^j = \delta + \eta^j + \varepsilon$, where $\delta \in \mathbb{R}$ is the true underlying level of relative political capital, η^j is an ideological bias term independently distributed according to a regular distribution function, and ε is an independent white noise disturbance term with mean zero, finite variance and no serial correlation that captures aggregate uncertainty over the true value of the latent and unobservable political capital state variable. The η^j variable captures the fact that political information is subjectively perceived, distorted, and filtered through individual ideological prisms. Arguably the conscious choice by voters of partisan media outlets that often present biased surveys and polls illustrates the point well. Voters will base their decision both on the merits of the issue at hand and the weighted popularity of the incumbent responsible for the negotiation of the agreement. The relative weight parameter $\gamma > 0$ captures the relative salience of the orthogonal valence dimension and depends on the prevailing characteristics of the political system at hand. Politicians across the spectrum then arrive at the common belief that voter j will vote in favor of treaty ratification *if and only if*

$$\Delta u(x_c, x_{SQ}; x^j) + \gamma \widehat{\delta}^j = \Delta u(x_c, x_{SQ}; x^j) + \gamma (\delta + \eta^j + \varepsilon) > 0, \quad (\text{Yes})$$

where $\Delta u(x_c, x_{SQ}; x^j)$ (henceforth shortened by Δu^j) denotes the relative desirability for voter j of the policy content of the treaty *vis-à-vis* the *status quo*.⁹ Since the decision is dichotomous and no individual vote can be pivotal, voting will be sincere.

As is typical in probabilistic voting models, politicians are only aware of the (twice continuously differentiable and of full support) joint distribution function¹⁰ $F(\cdot, \cdot)$ of private types

⁹For reasons of parsimony, voter abstention is ruled out as a possibility, even though realized aggregate levels of abstention could be viewed as indicators of the relative salience of the integration dimension.

¹⁰Let $f(\cdot, \cdot)$ be the corresponding joint density function and $f_x(\cdot), f_\eta(\cdot)$ the respective marginal density functions. Assuming that ideal policy types x^j and ideological bias types η^j are *independent* across the population would simplify the calculation of a closed form solution for the probability of a 'Yes' vote, as marginal densities would be separable and multiplicative. However, this assumption would not be necessary for our results. In fact, the observation that Eurosceptics tend to be clustered in the two extremes of the spectrum should make it more apposite to assume correlated types across the traditional ideological (left/right)

(x^j, η^j) across the population but not their individual realization. Hence individual types are treated as random variables and the referendum outcome becomes probabilistic. To arrive at the probability of a successful referendum in such a model, we first need to define the vote share in each country as the fraction of votes in favor of the treaty (given populations of mass one) barring abstentions. This is equivalent in our model to the total fraction of joint voter types (x^j, η^j) that satisfy condition ‘??’ above. Formally, *expected* vote share is given by

$$VS = \iint_{(Yes)} f(x^j, \eta^j) dx^j d\eta^j = \int_{-\infty}^{+\infty} \int_{-\frac{\Delta u^j}{\gamma} - \delta - \varepsilon}^{+\infty} f(x^j, \eta^j) d\eta^j dx^j$$

Note that the vote share remains a random variable subject to the ‘aggregate uncertainty’ disturbance term ε . Winning a referendum by majority vote is tantamount to a vote share at least as high as the 50% threshold (where ties are assumed to happen with zero probability). Hence the probability P of the referendum passing is calculated as follows:

$$P = \Pr\left(VS > \frac{1}{2} \mid \varepsilon \text{ is independent white noise with zero mean and finite variance}\right).$$

In the simple case where all three variables are independently and uniformly distributed, i.e., $x^j \sim U[0, 1]$, $\eta^j \sim U[-\frac{1}{2\theta}, \frac{1}{2\theta}]$, and $\varepsilon \sim U[-\frac{1}{2\mu}, \frac{1}{2\mu}]$, where θ and μ capture the levels of ideological dispersion (or else the instantaneous volatility of political capital around its trend) and aggregate uncertainty respectively, calculations are simplified in the following manner:

$$VS = \int_0^1 \int_{-\frac{\Delta u^j}{\gamma} - \delta - \varepsilon}^{\frac{1}{2\theta}} \theta d\eta^j dx^j = \int_0^1 \theta \left(\frac{1}{2\theta} + \frac{\Delta u^j}{\gamma} + \delta + \varepsilon \right) dx^j = \frac{1}{2} + \theta \left(\frac{\Delta W}{\gamma} + \delta + \varepsilon \right)$$

$$P = \Pr\left(VS > \frac{1}{2} \mid \varepsilon \stackrel{i.i.d.}{\sim} U\left[-\frac{1}{2\mu}, \frac{1}{2\mu}\right]\right) = \Pr\left(\varepsilon > -\frac{\Delta W}{\gamma} - \delta\right) = \frac{1}{2} + \mu \left(\frac{\Delta W}{\gamma} + \delta \right)$$

As it turns out, the probability of successful ratification by referendum is decreasing in the relative salience of valence (γ) and increasing in the relative popularity of the incumbent (δ), the utilitarian aggregate welfare differential of achieving a higher level of international cooperation (ΔW), and the volatility of political capital (μ). Note that for continuous populations of size one, this Benthamite aggregate welfare function effectively amounts to (un-

and the integration dimensions.

weighted) average policy-derived utility in country j , i.e., $W(x) = \int_X u(x; x^j) f_x(x^j) dx^j = u(x; \bar{x}) = \bar{u}(x)$. Average utility will be generically distinct from the utility of the *median* voter $\left(\int_X f_x(x^j) dx^j \neq F_x^{-1}\left(\frac{1}{2}\right) \right)$. However, as political parties pursue both policy-seeking and office-seeking objectives, their policy preferences can be identified with some form of weighted aggregate utility, which again by the ‘continuum of mass one’ property of the model would be equivalent with the preferences of some particular individual generically distinct from the average voter. One can thus capture interparty ideological divergence along the integration dimension through distinct partisan-weighted welfare functions as follows:

$$W^i(x) = \int_X u(x; x^j) g^i(x^j) f_x(x^j) dx^j = u(x; x^i) = u^i(x), i = I, O$$

Throughout the model we make use of the following intuitive assumption relating to the nature of the negotiated agreement in light of unanimity requirements and veto rights:

Assumption 1 $\Delta u(x_c, x_{SQ}; \bar{x}) \geq 0$ and $\Delta u(x_c, x_{SQ}; x^I) > 0$.

This effectively restricts the *zone of acceptable agreements* at the intergovernmental negotiation table to those that are weakly preferred to the *status quo* by both the incumbent and the average voter. This implies that neither the office-seeking (interested in aggregate welfare maximization) nor the policy-seeking (weighing particularistic interests more heavily) factions of the governing party will have reason to object to the treaty. However, in the case of multi-party coalition governments different possibilities arise with respect to partisan constraints on the government’s bargaining position. Hence, the complexity of such considerations may give rise to seemingly anomalous cases of coalition government splits over integration policy and choice of ratification instrument.¹¹

Opposition policy preferences along the international cooperation dimension are presumably not constrained by such conditions. Opposition rhetoric is on the most part assumed to be simultaneously consistent and reflective of the underlying preferences of the party base. For the purposes of the benchmark model laid out below, we consider the case of an opposition party with relatively moderate views on integration, i.e., $x^O \in [x_{SQ}, x_c]$. Further down

¹¹In the Netherlands, for example, the party of the Prime Minister (Christian Democratic Appeal) opposed a referendum on the EU’s Constitutional Treaty. The party’s coalition partners joined parts of the opposition in voting in favor of a referendum.

we also discuss the cases of extremist (pro- or anti-) opposition views on integration and their implications for the behavior of the model.

We introduce some new notation for the *salience*-weighted utility differential from adopting the proposed treaty:

Notation 1 Let $G(x^j) = \frac{\Delta u(x_c, x_{SQ}; x^j)}{\gamma}$, where $j = I, O$, $x_c > x_{SQ}$, and $\gamma > 0$.

We then consider the strategic interaction between the incumbent government (I) and the main opposition party (O) with respect to the process of treaty ratification.¹² What our game-theoretic approach captures quite clearly is the strategic interplay between incumbent constitutional prerogatives and opposition rhetorical actions (even though government and opposition prerogatives in relation to referendum calling differ among countries).¹³ We start with a normal form specification where the incumbent needs to decide whether to *call* (C) a *binding* referendum for treaty ratification or *not call* (NC), i.e., $A^I = \{C, NC\}$.¹⁴ If the government calls, then it essentially opts for a lottery outcome where the treaty may be ratified by a majority of the electorate with some probability specified by a probabilistic voting subgame. Failure to pass implies that the whole ratification process is stalled and the agreement has to be renegotiated at the intergovernmental level. Hence the *status quo* level of integration and cooperation (x_{SQ}) would be the *reversion point*. If the incumbent does not call, then the treaty is surely ratified by a parliamentary majority commanded by the government. Of course, levels of party cohesion and parliamentary voting thresholds vary across political systems, but our assumption here of certain parliamentary ratification is quite natural within the context of parliamentary European democracies.¹⁵ Even though

¹²Since this formalization appears more pertinent to two-party systems, we also examine the strategic complexities of the ratification game allowing for coalition governments and multi-party systems.

¹³In particular, in Slovenia one third of the members of Parliament can call a referendum on an international treaty. By contrast, holding a referendum on an international treaty is (or until recently was) not provided for in the constitutions in several countries (e.g. Germany and the Netherlands). In most of these countries, the government alone could not decide on the holding of a referendum, as supermajorities were required to amend the constitution.

¹⁴In many countries, referenda on international treaties are not formally binding. However, the distinction between *consultative* and *binding* referenda seems irrelevant *de facto*, as it is hard to imagine a government acting against the will of the people as expressed in a referendum. That is, the audience costs of overruling a majority of voters are prohibitive. See also Setälä 1999, 338; Tridimas 2007, 677; Trechsel 2010, 1062.

¹⁵Tridimas (2007) on the other hand dispenses with the party cohesion assumption and models parliamentary ratification as a vote-getting game between a pro-treaty incumbent and an anti-treaty opposition. Such an approach does not seem very germane to the European context, where for example stable majorities in favor of ratification of the Treaty Establishing a Constitution for Europe (TECE) prevailed in most countries and parliamentary ratification was successful in all cases.

the incumbent naturally always comes out in favor of the treaty agreement it negotiated itself multilaterally, the opposition's position is more nuanced as it needs to decide where it stands both with respect to the treaty itself and the mechanism of ratification. It may choose to *endorse* a referendum and come out *against* the treaty (E/N), to *endorse* and come out *in favor* (E/Y), and *not to endorse* a referendum in the first place (NE), i.e., $A^O = \{E/N, E/Y, NE\}$. Note that failure to endorse a referendum need not be qualified by a specific stance with respect to the content of the treaty as it implies tacit consent to the ratification of the treaty.¹⁶ In light of our assumption on party cohesion and simple majority rules and the assertion that voters only care about policy outcomes insofar as they are excluded from the ratification process, the debating posture and intensity of the main opposition party in parliament has no effect on the payoffs of the game.

Let us now lay out the payoff structure along the valence (political capital) dimension. In the event of successful ratification by referendum, the incumbent derives a relative gain $b \in (0, 1)$ in political capital for reflecting majority will through a process of direct democracy. The same applies to the opposition (O) assuming it came out in favor of the treaty. On the other hand, c (normalized at one) denotes the relative loss in political capital and popularity for going against the popular will of the (*ex post*) majority. It will be borne by either of the mainstream parties as long as they position themselves *ex ante* on the opposite side of the referendum outcome. Finally, $d \in (0, 1)$ reflects the audience net reward (or punishment) of giving (not giving) voters a say in the treaty ratification process by way of a popular consultation. We surmise that the magnitude of parameter d can be broken down to two dimensions. First, it can be viewed as a direct function of a country's constitutional tradition in direct democracy (measured for example by the total number of past referenda on national and international issues). On a second dimension, there is a treaty-specific aspect to the d variable, whereby its magnitude is contingent upon the popularity of the proposed international agreement. The electorate will be a lot more eager to be directly consulted on an agreement viewed as highly controversial, politicized, and unpopular. When the electorate does (not) expect to be directly consulted on grave issues of foreign policy orientation, then we expect d to be relatively high (low). Note that while parameters b and c are contingent upon the outcome of the popular vote, parameter d is not. Moreover, the asymmetry be-

¹⁶However, if supermajority rules are in place for parliamentary ratification (depending on the assessed compatibility of the treaty with a country's constitution), then the opposition party's action space has to be qualified even further in order to account for its position *vis-à-vis* the treaty in the parliamentary ratification process.

tween reputational or valence gains and losses ($b < 1$) is justified for two reasons: (a) failure of ratification will cause negative integration externalities on the other member states or treaty cosignatories, so that the disapproval of international audiences (directed primarily against the incumbent government) may weigh in on the government's decision-making calculus in the shape of negative reputation costs, and (b) standard *loss aversion* arguments apply (losing hurts more than winning helps).¹⁷

The probabilistic nature of referenda gives rise to risky alternatives (lotteries) that depend on the outcome of the vote. The *lottery* associated with the policy component of the utility function is $\Pi = (x_c, P; x_{SQ}, 1 - P)$, whereby the treaty is implemented (subject to successful ratification in all countries) at point $x_c \in X$ with probability P of a 'Yes' vote and the *status quo* level of integration prevails with probability $1 - P$ of a 'No' vote.¹⁸ Lotteries over the orthogonal valence payoffs will depend on the pure strategy response of the opposition to the incumbent's choice to initiate a referendum ($\alpha^I = \{C\}$): (i) if the opposition chooses to endorse a referendum publicly calling for a 'No' vote ($\alpha^O = \{E/N\}$), then the incumbent is faced with the *lottery* over valence payoffs $\mathcal{L}_{E/N}^I = (1 + b, P; -(1 + b), 1 - P)$ with expected value $EV(\mathcal{L}_{E/N}^I) = (2P - 1)(1 + b)$, (ii) if the opposition chooses to endorse a referendum publicly calling for a 'Yes' vote ($\alpha^O = \{E/Y\}$), then the incumbent is faced with the *lottery* over valence payoffs $\mathcal{L}_{E/Y}^I = (0, P; 0, 1 - P)$, where $EV(\mathcal{L}_{E/Y}^I) = 0$, and (iii) if the opposition chooses not to endorse a referendum publicly ($\alpha^O = \{NE\}$), then the incumbent is faced with the lottery over valence payoffs $\mathcal{L}_{NE}^I = (b, P; -1, 1 - P)$ with expected value $EV(\mathcal{L}_{NE}^I) = P(1 + b) - 1$. Since competition along the orthogonal dimension of political capital accumulation is modeled as zero-sum, then the corresponding valence *lotteries* confronted by the opposition are simply the same with the sign of payoffs reversed,

¹⁷For loss aversion see, in particular, Kahneman and Tversky 1979.

¹⁸In this workhorse model we examine the domestic context of ratification in isolation, using a partial equilibrium approach. It remains to be the case, however, that a new integration agreement may only take effect once it has been successfully ratified by all countries involved. While the utility losses of failed ratification in any one country are certain, since the whole agreement falls through, the domestic policy gains of successful ratification are diluted by the risk of international agreement failure. Let $r \in (0, 1)$ denote the exogenous probability of successful ratification by all treaty members. Since ratification by popular vote is an inherently riskier mechanism, we surmise that the probability r from the incumbent's perspective is decreasing in the number of scheduled referenda remaining in other countries. The analysis of the domestic ratification game remains the same with the only difference that the utility differential from treaty implementation needs to be discounted by the exogenous probability of international agreement failure. In other words, function $G(x^j) = \frac{\Delta u(x_c, x_{SQ}; x^j)}{\gamma}$ has to be replaced by $H(x^j) = \frac{r \Delta u(x_c, x_{SQ}; x^j)}{\gamma}$. We may also make use of this extended framework to analyze the strategic timing of ratification, that is under what conditions would governments have the incentive to expedite or delay the process.

i.e., $\mathcal{L}_{\alpha^O}^O = -\mathcal{L}_{\alpha^O}^I, \forall \alpha^O \in \{E/N, E/Y, NE\}$. Note that in the case of $\alpha^O = \{E/Y\}$ the electoral fortunes of the two mainstream parties are tied together as relative gains and losses depending on the outcome of the vote cancel each other out.¹⁹ Finally, the linearity of the valence utility component implies risk neutral party preferences under uncertainty. However, risk aversion could come into play depending on the functional form specification of utility along the policy dimension.

		“O”		
		E/N	E/Y	NE
“I”	C	$Eu(\Pi; x^I) + \gamma EV(\mathcal{L}_{E/N}^I),$ $Eu(\Pi; x^O) - \gamma EV(\mathcal{L}_{E/N}^I)$	$Eu(\Pi; x^I) + \gamma EV(\mathcal{L}_{E/Y}^I),$ $Eu(\Pi; x^O) - \gamma EV(\mathcal{L}_{E/Y}^I)$	$Eu(\Pi; x^I) + \gamma (EV(\mathcal{L}_{NE}^I) + d),$ $Eu(\Pi; x^O) - \gamma (EV(\mathcal{L}_{NE}^I) + d)$
	NC	$u(x_c; x^I) - \gamma d,$ $u(x_c; x^O) + \gamma d$	$u(x_c; x^I) - \gamma d,$ $u(x_c; x^O) + \gamma d$	$u(x_c; x^I),$ $u(x_c; x^O)$

Table 1: Ratification game with simple majority referendum initiation

The normal form of the ratification game shown in Table ?? encapsulates all the basic features of the model, while remaining agnostic about the sequencing of political moves by the major political actors (as opposed to the sequential game in Finke and König, 2009). Quasi-linear utility with respect to integration policy and valence implies that parties I and O will be risk neutral with respect to changes in political capital (hence the expected value calculation of the valence gambles), while risk attitudes towards changes in policy remain ambiguous. It also becomes more clear what we mean by the ‘strategic interplay between incumbent constitutional prerogatives and opposition rhetoric’. Essentially the policy component of utility is determined by the incumbent’s choice of ratification mechanisms while the political ‘stakes’ of the referendum are set by the opposition’s strategic posturing. If O opts for the polarizing strategy of endorsing a referendum in support of a negative outcome (E/N), then it does so with the intention of upping the stakes (or else widening the spread of lottery outcomes). At the other end, the strategy of supporting treaty ratification by referendum (E/Y) neutralizes the stakes, since $EV(\mathcal{L}_{E/Y}^I) = 0$. The lottery \mathcal{L}_{NE}^I resulting from no

¹⁹We make the assumption of symmetric valence payoffs mainly for reasons of notational parsimony, which can also be rationalized by the fact that this is a partial equilibrium setting whereby the incumbent has no control over the content of the new treaty and, therefore, is not judged on its ability to negotiate a favorable agreement. Presumably, however, the incumbent party should be expected to incur higher costs (benefits) of being on the losing (winning) side of a popular vote, as it reflects badly (well) on a) the popular approval of its performance to date and b) its reputation for ‘getting things done’, i.e., its ability to mobilize its party resources and rank-and-file with the goal of ‘selling’ the treaty. Luxemburgian PM Juncker for example threatened to resign in the event of a ‘No’ vote. Choosing either assumption has no bearing on the qualitative nature of the results.

endorsement (NE) lies in the middle in terms of its spread of potential payoffs. In sum, we postulate that in the process of treaty ratification the main opposition party is in control of the political stakes of the zero-sum valence dimension of electoral competition. Note that for very high values of salience γ the game essentially amounts to one of pure conflict as the policy-seeking component becomes less relevant.

To solve for the Nash equilibria of the strategic-form game in Table ?? we derive the pure-strategy best-response correspondences with respect to the probability of popular ratification $P(\gamma, \delta, \Delta W) \in (0, 1)$. Define such correspondences as $BR^i : A^j \times (0, 1) \rightrightarrows A^i, i = I, O, i \neq j$, where the A s denote the action sets of each player. Then for each action taken by the opposition, the incumbent's best response as a function of the probability of a 'Yes' vote is the following:

$$BR^I(\alpha^O) = \left\{ \begin{array}{ll} \{C\} & \text{iff } P(\gamma, \delta, \Delta W) > \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)} \\ \{NC\} & \text{iff } P(\gamma, \delta, \Delta W) < \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)} \\ \{C, NC\} & \text{iff } P(\gamma, \delta, \Delta W) = \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)} \\ \{C\} & \text{iff } P(\gamma, \delta, \Delta W) > \frac{G(x^I) - d}{G(x^I)} \\ \{NC\} & \text{iff } P(\gamma, \delta, \Delta W) < \frac{G(x^I) - d}{G(x^I)} \\ \{C, NC\} & \text{iff } P(\gamma, \delta, \Delta W) = \frac{G(x^I) - d}{G(x^I)} \\ \{C\} & \text{iff } P(\gamma, \delta, \Delta W) > \frac{G(x^I) + (1-d)}{G(x^I) + (1+b)} \\ \{NC\} & \text{iff } P(\gamma, \delta, \Delta W) < \frac{G(x^I) + (1-d)}{G(x^I) + (1+b)} \\ \{C, NC\} & \text{iff } P(\gamma, \delta, \Delta W) = \frac{G(x^I) + (1-d)}{G(x^I) + (1+b)} \end{array} \right. , \alpha^O = \{E/N\} \quad (1)$$

The above probability threshold values make use of the notation $G(x^j)$ for the salience-weighted utility differential from adopting the proposed treaty. Similarly for given incumbent

pure strategies, the opposition's best responses are:

$$BR^O(\alpha^I) = \begin{cases} \{E/N\} & \text{iff } P(\gamma, \delta, \Delta W) \in \left(0, \min\left\{\frac{d+b}{1+b}, \frac{1}{2}\right\}\right) \\ \{E/N, NE\} \\ \text{or } \{E/N, E/Y\} & \text{iff } P(\gamma, \delta, \Delta W) = \min\left\{\frac{d+b}{1+b}, \frac{1}{2}\right\} \\ \{NE\} & \text{iff } P(\gamma, \delta, \Delta W) \in \left(\min\left\{\frac{d+b}{1+b}, \frac{1}{2}\right\}, \max\left\{\frac{1-d}{1+b}, \frac{1}{2}\right\}\right) \\ \{E/N, NE\} \\ \text{or } \{E/N, E/Y\} & \text{iff } P(\gamma, \delta, \Delta W) = \max\left\{\frac{1-d}{1+b}, \frac{1}{2}\right\} \\ \{E/Y\} & \text{iff } P(\gamma, \delta, \Delta W) \in \left(\max\left\{\frac{1-d}{1+b}, \frac{1}{2}\right\}, 1\right) \\ \{E/N, E/Y\} & \end{cases} \quad , \alpha^I = \{C\} \\ \hspace{15cm} , \alpha^I = \{NC\} \\ \hspace{15cm} (2)$$

Note that in this benchmark version of the ratification game, where the opposition has moderate policy preferences ($x^O \in [x_{SQ}, x_c]$) and no referendum initiation prerogatives *per se*, its policy stance along the integration dimension ($G(x^O)$) has no strategic relevance. In other words, the opposition's strategic posturing in the process of international treaty ratification is invariable with respect to its intrinsic policy preferences. Even if O is negatively predisposed towards the new integration agreement, i.e., $\Delta u(x_c, x_{SQ}; x^O) < 0$, it may well choose to come out in favor of its ratification by referendum (E/Y), as long as the average voter is sufficiently pro-integration and the overall political climate is conducive enough for popular ratification. This apparent paradox is a direct implication of the constitutional allocation of referendum initiation prerogatives, which in this case rest wholly with the majority party.

Define pure-strategy Nash equilibria as pairs of pure strategies that are mutual best responses, i.e., $(\alpha^{I*}, \alpha^{O*})$ such that $\alpha^{I*} \in BR^I(\alpha^{O*})$ and $\alpha^{O*} \in BR^O(\alpha^{I*})$. Then the best-response correspondences in (??) and (??) give rise to the following pure-strategy Nash equilibria profile with respect to the exogenously determined probability $P(\gamma, \delta, \Delta W)$:

$$(\alpha^{I*}, \alpha^{O*}) = \begin{cases} (C, E/N) & \text{iff } P(\gamma, \delta, \Delta W) \geq \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)} \text{ and } P(\gamma, \delta, \Delta W) \leq \min\left\{\frac{d+b}{1+b}, \frac{1}{2}\right\} \\ (C, E/Y) & \text{iff } P(\gamma, \delta, \Delta W) \geq \frac{G(x^I) - d}{G(x^I)} \text{ and } P(\gamma, \delta, \Delta W) \geq \max\left\{\frac{1-d}{1+b}, \frac{1}{2}\right\} \\ (NC, E/N) & \text{iff } P(\gamma, \delta, \Delta W) \leq \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)} \\ (NC, E/Y) & \text{iff } P(\gamma, \delta, \Delta W) \leq \frac{G(x^I) - d}{G(x^I)} \end{cases} \quad (3)$$

A close examination of the above profile reveals the existence of multiple equilibria at

various points in the parameter space.²⁰ Whenever pure-strategy Nash equilibria do not exist, there are always corresponding mixed-strategy Nash equilibria. Note that (C, NE) can never arise as a pure-strategy Nash equilibrium as there is no feasible parameter configuration that satisfies both $P(\gamma, \delta, \Delta W) \geq \frac{G(x^I) + (1-d)}{G(x^I) + (1+b)}$ and $\frac{d+b}{1+b} \leq P(\gamma, \delta, \Delta W) \leq \frac{1-d}{1+b}$, given that $G(x^I) > 0$. The same applies for (NC, NE) , i.e., the outcome where neither the government nor the opposition favor popular ratification, since for any parameter configuration O will want to rhetorically endorse a referendum, in order to reap the strictly positive reputational reward of appearing more democratic ($d > 0$).

Overall the expectation derived from this model is that the incumbent party is more like to initiate a referendum (C) and the opposition more prone to positively endorse it (E/Y) when the commonly perceived probability of a ‘Yes’ vote is relatively high. Whenever the domestic political climate appears to be highly polarized (i.e., high γ) and the incumbent’s gains from closer international cooperation relatively low, (i.e., low $\Delta u(x_c, x_{SQ}; x^I)$), then the main opposition party is more likely to adopt a more confrontational and polarizing stance by calling for a negative popular vote (E/N), thereby inducing a midterm assessment of government performance through a second-order type of election. However, it rarely appears to be the case that such interparty policy confrontation takes place at the ballot box rather than the parliamentary arena. The adversarial outcome $(C, E/N)$ arises as an unlikely equilibrium prediction, supported by a small range of parameter configurations that eventually vanishes for decreasing levels of the reputational gain from reflecting majority will. Finally, the possibility of pure strategy randomization (i.e., the section of the parameter space that only supports unique mixed-strategy Nash equilibria) is decreasing in b relative to d , becoming non-existent for $b \in [1 - 2d, 1)$.

2.2 Extreme policy positions and consistency costs

Even for prior ideological commitment to a stated and commonly known pro- or anti- integration stance, we assume that moderate opposition parties ($x^O \in [x_{SQ}, x_c]$) may freely and costlessly switch from a ‘Yes’ to a ‘No’ position as dictated by the strategic contours of the game, since voters are only aware of openly stated positions, i.e., ideal points x^j , not the full ranking of policy alternatives, i.e., utility functions $u(\cdot, \cdot)$. However, when parties have an established reputation of extremist views with respect to say European integration, then

²⁰In this case, the equilibria are not *strict*, which means that they do not consist of *strict* best responses. For at least one player not all possible deviations leave him strictly worse off.

a directional assessment on the part of voters allows them to impose *rhetorical consistency costs* on the opposition in the shape of dwindling political capital. This implies that a position in favor or against the new treaty that runs counter to the party's established reputation becomes non-credible and thus strictly dominated. In the remainder of this subsection, we consider the following two cases: i) Euro-sceptic parties ($x^O < x_{SQ}$) and ii) pro-integration parties ($x^O > x_c$). In both cases, we make the simplifying assumption of infinite rhetorical costs (which discontinuously drop to zero within the interval of moderate ideological preferences $[x_{SQ}, x_c]$).

Hence, for anti-integration opposition parties relative to the *status quo* ($x^O < x_{SQ}$), it is no longer a credible option to come out in favor of the new treaty (E/Y) because of the irreparable damage done on their long-term reputation. That essentially locks them in an anti-integration ideological position, which they may either choose to defend in a popular vote (E/N) or in parliamentary debate (NE). In game-theoretic terms, the elimination of a strictly dominated strategy renders ratification a 2×2 normal form game. A straightforward recalculation of best responses gives rise to the following set of pure-strategy Nash equilibria:

$$\begin{aligned}
(NC, E/N) & \text{ iff } P(\gamma, \delta, \Delta W) \in \left[0, \frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)}\right] \\
(\alpha^{I*}, \alpha^{O*}) = (C, E/N) & \text{ iff } P(\gamma, \delta, \Delta W) \in \left[\frac{G(x^I) + (1+b-d)}{G(x^I) + 2(1+b)}, \frac{b+d}{1+b}\right] \\
(C, NE) & \text{ iff } P(\gamma, \delta, \Delta W) \geq \max \left\{ \frac{G(x^I) + (1-d)}{G(x^I) + (1+b)}, \frac{b+d}{1+b} \right\}
\end{aligned} \tag{4}$$

Note that, in contrast to the equilibrium correspondence in equation ?? of the 2×3 game, it is now possible for a high enough probability of successful ratification by referendum that (C, NE) becomes a pure-strategy Nash equilibrium. This refers to cases where the Euro-sceptic opposition would rather fight out its cause in parliament (thus pandering to its base) than lose a highly skewed popular contest.

Using a similar approach for the case of strongly pro-integration opposition parties ($x^O > x_c$), we argue that coming out against the new treaty becomes a strictly dominated strategy. This leads to the following set of pure-strategy Nash equilibria in equation ??:

$$\begin{aligned}
(NC, E/Y) & \text{ iff } P(\gamma, \delta, \Delta W) \in \left[0, \frac{G(x^I) - d}{G(x^I)}\right] \\
(\alpha^{I*}, \alpha^{O*}) = (C, E/Y) & \text{ iff } P(\gamma, \delta, \Delta W) \geq \max \left\{ \frac{G(x^I) - d}{G(x^I)}, \frac{1-d}{1+b} \right\}
\end{aligned} \tag{5}$$

Note that strongly pro-integration opposition parties never favor parliamentary ratification as part of a pure-strategy NE. Of course, mixed-strategy equilibria may arise for a certain range of probabilities *if and only if* $G(x^I) < \frac{d(1+b)}{b+d}$.

2.3 Alternative constitutional provisions for referendum initiation

As explained before, the strategic interplay between the incumbent party's prerogatives for referendum initiation and the opposition's rhetorical powers should be examined within the context of specific legal rules for ratification. The benchmark model is predicated on the presumption that only the government has referendum initiation prerogatives, which is the most common rule amongst parliamentary democracies in Europe. In a few countries, however, government majority in parliament is either oversufficient (minority provisions) or insufficient (supermajority provisions).

In countries like Denmark and Slovenia the parliamentary vote threshold for referendum initiation is low enough such that even minority opposition parties have such prerogatives. In this case, the main difference from the benchmark model in Table ?? is that the incumbent no longer possesses full control over the policy component of the ratification gamble, even though the opposition retains its influence over the political stakes of the valence component. Certain parliamentary ratification of the treaty now only ensues when both mainstream parties opt against the referendum option.

On the other hand, the political systems of countries such as Germany and Belgium contain supermajority parliamentary provisions for referendum initiation. This implies that both the incumbent and the main opposition party (depending on seat allocation) need to concur for an international treaty to be submitted to a popular vote.²¹

2.4 Comparative statics and electoral cycles

Our analysis so far highlights the role of the domestic political context in the process of international treaty ratification. The equilibrium prediction is a direct function of the underlying domestic-level parameters γ and δ , namely the relative salience of the orthogonal valence dimension and the relative popularity of the government of the day, and the policy content of the new integration agreement x_c as determined in the international context of intergovernmental bargaining. Monotone comparative statics (Ashworth and Bueno de Mesquita, 2006)

²¹A special case is Estonia, where a failed referendum leads to the dissolution of parliament and new elections. This increases the stakes for all parties of calling a referendum.

may apply.

We argue that a substantial part of the cross-country variation in party-level ratification strategies is explained by the timing of the process as it falls randomly within the electoral cycle of each country. Assuming that domestic-level political variables follow stochastic trends within the cycle, then the time elapsed of the exogenous treaty agreement from the previous and the next scheduled parliamentary elections is a crucial predictor of ratification equilibrium outcomes.

In a discrete-time setting, assume elections take place at time-period $\tau = 0$. Let T denote the length of the electoral cycle, i.e., the constitutionally fixed maximum term of government. We postulate that the underlying stochastic process of relative political capital accumulation is subject to a downward stationary trend, i.e.,

$$\delta(\tau) = \delta(0) - \rho\tau + \sum_{t=0}^{\tau} \varepsilon(t), \tau \in \{0, \dots, T\},$$

where $\{\varepsilon(t)\}$ is an independent white noise process and the initial value $\delta(0)$ is a function of the electoral margin of victory. The downward trend ρ reflects the natural erosion (depreciation) of a party's political capital whilst in government. The stochastic white noise component of the process captures unexamined positive or negative shocks to a government's popularity as a result of external events. We further assume that $\gamma(\tau)$ is increasing throughout the cycle ($\frac{d\gamma}{dt} > 0$), the reason being that electoral competition along the valence dimension gains in significance the closer is the next electoral campaign. This intuitively explains why in the empirical section we choose to proxy for relative valence salience (γ) by the number of days left until the next national election. In other words, reputational gains and losses are less heavily discounted as their electoral impact carries increasingly more weight towards the end of the cycle.

In order to formally derive the comparative static predictions of the model, one needs to examine the behavior of utility differentials for both parties I and O. They may thus be derived from the normal form of the simple majority ratification game depicted in Table ??

as follows:

$$\begin{aligned}
\Delta U^I (C, NC|E/Y) &= \Delta u (x_c, x_{SQ}; x^I) P (\gamma, \delta, \Delta W) \\
&\quad - [\Delta u (x_c, x_{SQ}; x^I) - \gamma d] \\
\Delta U^I (C, NC|NE) &= [\gamma (1 + b) + \Delta u (x_c, x_{SQ}; x^I)] P (\gamma, \delta, \Delta W) \\
&\quad - [\gamma (1 - d) + \Delta u (x_c, x_{SQ}; x^I)] \\
\Delta U^O (E/N, NE|C) &= -\gamma (1 + b) P (\gamma, \delta, \Delta W) + \gamma (b + d) \\
\Delta U^O (E/Y, NE|C) &= \gamma (1 + b) P (\gamma, \delta, \Delta W) - \gamma (1 - d) \\
\Delta U^O (E/Y, E/N|C) &= 2\gamma (1 + b) P (\gamma, \delta, \Delta W) - \gamma (1 + b) \\
\Delta U^O (E/N, NE|NC) &= \gamma d \\
\Delta U^O (E/Y, NE|NC) &= \gamma d \\
\Delta U^O (E/Y, E/N|NC) &= 0
\end{aligned}$$

In accordance with the multinomial logistical model to be employed in the empirical section of the paper, we seek to predict the partial effect of each parameter of the theoretical model on the relative odds between any two actions for each player of the game by deriving its effect on that player's utility differentials for all other actions by the opponent. If the sign of the utility differential partial derivatives remains weakly the same across the opponent's action space, then one can unambiguously predict the parameter effect on the relative odds between any pairs of actions. Note that it is quite trivial to extend the model to a 3×3 symmetric game by adding a strictly dominated option of calling a referendum and rejecting the treaty to the incumbent's action space.

The first parameter whose effect on the model we seek to examine is the aggregate welfare differential of treaty ratification *vis-à-vis* the *status quo*, i.e., ΔW . We postulate that this variable affects the above utility differentials in two ways. First, higher utility gains from treaty ratification imply a higher probability of a 'Yes' vote, i.e., $\frac{\partial P(\gamma, \delta, \Delta W)}{\partial \Delta W} > 0$. This would tend to suggest that incumbent parties would be more likely to call for a referendum and opposition parties to endorse one. On the other hand, the more controversial and unpopular the proposed treaty, the higher is the public's demand to be directly consulted on the issue. Bypassing popular consultation through parliamentary means on highly controversial international issues may prove quite costly for politicians across the board. Therefore, we postulate that the magnitude of the democratic legitimacy variable d is an inverse function

of the average popularity of the treaty ΔW , i.e., $d'(\Delta W) < 0$.

Taking the partial derivatives of the above utility differentials for both the incumbent and the opposition leads us to the theoretical prediction that the net effect of ΔW on the relative odds of endorsing a referendum and supporting the treaty vs. not endorsing a referendum for opposition parties (or calling vs. not calling a referendum for incumbents respectively) is ambiguous. On the other hand, the net effect on the relative odds of endorsing a referendum and opposing the treaty vs. not endorsing a referendum is negative for opposition parties (trivially so for incumbents). Finally, the net effect of public support for the treaty on the relative odds of endorsing a referendum and supporting the treaty vs. endorsing a referendum and opposing the treaty is positive (again trivially so for incumbents). It should be noted that all the above partial effects are contingent on the relative salience variable γ .

By means of comparative statics, government popularity δ is also expected to raise the probability of a 'Yes' vote, i.e., $\frac{\partial P(\gamma, \delta, \Delta W)}{\partial \delta} > 0$. By the same reasoning as above, we expect the following: i) a positive net effect on the relative odds of endorsing a referendum and supporting the treaty vs. not endorsing a referendum for opposition parties (or calling vs. not calling a referendum for incumbents), ii) a negative net effect on the relative odds of endorsing a referendum and opposing the treaty vs. not endorsing a referendum, and iii) a positive net effect on the relative odds of endorsing a referendum and supporting the treaty vs. endorsing a referendum and opposing the treaty. The magnitude of these effects is also contingent on the variable γ . All in all, mainstream opposition parties will not want to position themselves against popular incumbents, so they will either choose to wage their battle in the parliamentary arena or, unless locked in an anti-integration stance, they will openly endorse both the treaty and its ratification by popular vote.²²

Formally deriving the comparative static predictions of the model with respect to the relative salience parameter γ , proxied by timing within the electoral cycle, is much more complicated. The fact that γ enters as a multiplicative factor in the above utility differentials implies strong monotonicities even more so as the referendum success probability function remains unspecified. Within the above probabilistic voting framework, variable γ is assumed to be the same from the point of view of both voters and parties, given that it is exogenously

²²Extending this argument to multi-party systems like most in Europe entails qualifying the concept of relative government popularity by the number of effective parties. The political stakes of the reputational gamble inherent in the ratification game very much depend on the extent to which it applies to an adversarial two-party system or a more consensual multi-party system. Undoubtedly the valence dimension of this political contest will be more pronounced in the former setting, where it is more clear who the two main party rivals are.

determined by both the structural features of the party system (adversarial vs. consensual) and the timing of the electoral cycle. This commonality assumption, however, comes at the cost of masking the variegated perspectives of different actors. On one hand, it captures the degree to which voters seek to signal their (dis)satisfaction with the government’s performance to date *ex ante* (before the outcome of the vote is known), thereby inducing favorable changes in government policy, while from the perspective of parties it reflects the present discounted value (in terms of future electability) of their relative political capital *ex post* (after the outcome of the vote is known).²³ Intuitively, we expect these two effects to operate at different intensity levels throughout the electoral cycle thus giving rise to strong non-monotonicities; more specifically, voter signalling will tend to be stronger towards the middle of the electoral cycle while political capital tends to be discounted less the closer the next national election. In the empirical section we seek to fit this type of curvilinear effect of γ by adding a quadratic term and adding interactions terms with both δ and ΔW .

In terms of parties’ ideological preferences along the integration dimension, the ratification game in Table ?? would lead us to expect that the more valuable the proposed new treaty along the policy dimension relative to the *status quo*, i.e., the higher $\Delta u(x_c, x_{SQ}; x^j)$, the more hesitant parties are to risk failure of ratification by submitting it to popular vote. This in turn implies lower relative odds of endorsing a referendum and supporting the treaty vs. not endorsing a referendum, lower relative odds of endorsing a referendum and opposing the treaty vs. not endorsing a referendum, and finally higher relative odds of endorsing a referendum and supporting the treaty vs. endorsing a referendum and opposing the treaty. Note that in cases where referendum initiation prerogatives only lie with the incumbent holding the majority of seats in parliament, opposition policy preferences are expected to have no effect on equilibrium outcomes, while this is no longer the case under alternative constitutional provisions, whereby either a minority or a parliamentary supermajority is required for a referendum to take place.

Finally, in countries where instruments of direct democracy are more highly valued, i.e., with higher values of d , we should expect both incumbent and opposition parties to be more eager to endorse ratification by referendum regardless of their position on the issue at hand.

In Table 2 we present a list of the proposed variables of our model along with their predicted effects on the relative odds between any two pairs of actions with respect to choice of ratification instrument and positioning on the proposed treaty.

²³Again this reasoning only applies to mainstream parties with reasonable prospects of attaining office. Relative salience may well vary across more extreme, non-electable or purely policy-driven fringe parties.

Parameter	Variable	Predicted effect		
		E/N vs. NE	E/Y vs. NE	E/Y vs. E/N
ΔW	Aggregate welfare gains of ratification	-	+/-	+
δ	Relative political capital	-	+	+
γ	Relative valence salience		Non-monotonic	
$\Delta u(x_c, x_{SQ}; x^j)$	Integration policy party preferences	-	-	+
d	Democratic legitimacy benefits of referendum	+	+	0

Table 2: List of model parameters, variables, and predicted effects

3 Empirical Analysis

We test our argument with respect to political parties' decisions both to endorse or not a referendum on and to support or not the EU's Constitutional Treaty. This treaty offers a unique opportunity to test our argument in a large-N study, as political parties in all but one EU member countries simultaneously had to decide whether or not to support a referendum. While a substantial number of referenda on other international treaties have been held²⁴, the case of the Constitutional Treaty has the advantage that we do not only select cases in which a call for a referendum can be observed, but all cases in which potentially such a call could be observed. Our database includes information on 175 parties that were represented in the national parliaments of 24 EU member countries in 2003 and/or 2004. We exclude Irish parties from the analysis as referenda on EU treaty changes have been considered mandatory in Ireland since a ruling of the Supreme Court in 1987. In all other countries, parties could make a strategic decision on whether or not to call for a referendum.

²⁴No fewer than 47 referenda have been held on European integration. Going beyond the EU, in 2010 Slovenia convened a referendum on a border deal with Croatia and Iceland one on loan agreements with the Netherlands and the United Kingdom. Several countries also convened referenda on membership in the North Atlantic Treaty Organization (NATO), amongst them Spain (1986), Slovenia (2003), and Georgia (2008). A further group of countries, including Croatia, Lithuania, Serbia, and Ukraine have staged debates about referenda on NATO membership. Outside of Europe, Costa Rica held a popular vote on the ratification of the Central America Free Trade Agreement and Taiwan one on membership in international organizations in 2008.

3.1 The data

Our dependent variable (*party position on referendum and Constitutional Treaty*) is coded 1 for parties that did not support a referendum (NE), 2 for parties that supported a referendum and opposed the treaty (E/N), and 3 for parties that supported both a referendum and the treaty (E/Y). The data for this variable comes from Dür and Mateo (2011), who used a variety of sources, including party websites and direct contacts with parties to gather the necessary empirical data on party positions. According to that dataset, of the 175 parties included in the analysis, 75 (42.9 percent) opposed a referendum, 46 (26.3 percent) supported a referendum but opposed the treaty, and 54 (30.9 percent) supported both a referendum and the treaty.

A first variable that is emphasized by the model is aggregate welfare gains of ratification (ΔW). The proxy we use to capture this variable is public support for the treaty as measured by a Eurobarometer poll from January 2004 that asked respondents to state whether they supported or opposed the Constitutional Treaty (Eurobarometer, 2004). We picked the January 2004 poll because it is the first that provides comparable data for both the old and the new member states.²⁵ The model assumption that $\Delta W \geq 0$ is corroborated by the fact that the minimum value of public support for the Treaty was reported to be 51 percent in the UK.

Moreover, our model draws attention to the decision-makers' relative political capital (δ) when deciding whether or not to back a referendum. We use two proxies for this variable. On the one hand, we rely on Eurobarometer data on trust in government from a survey carried out in February and March 2004. The assumption is that responses to the question on trust in government are highly influenced by respondents' evaluation of the current government.²⁶ We have also tried to use data from the European Election Study from June 2004 (European Election Studies, 2004). This survey included a question asking respondents whether they "approve or disapprove the government's record to date." Unfortunately, we are missing this data for Lithuania, Malta, and Sweden. Moreover, the fact that this survey was carried out in June 2004, and thus after many parties had made up their position on the desirability of a referendum, is problematic.

A second proxy for relative political capital is the timing of the choice for or against a

²⁵As with all public opinion data, the reliability of this one can be questioned. However, the Eurobarometer poll is the only one that provides data that can be compared across all EU member countries.

²⁶The results do not vary significantly when using the change in this variable between Spring 2003 and Spring 2004.

referendum in the election cycle. We measure this variable in days remaining in the electoral term as of 1 January 2004. While in some countries governments can decide (or are forced) to call elections early, in general the length of the electoral term as written down in the constitution seems to be a good proxy for the actual length of term. The 1 January 2004 cut-off date is based on the reasoning that it was around that time that most parties took a decision on whether to support a referendum (the parties moving first took a decision in mid-2003, those moving last in mid-2004). In most models, we also include an interaction term between days to next election and public support for the treaty, as the impact of the public support variable should depend on the timing of the referendum decision in the electoral cycle.

Days to next election also partly captures the idea of relative valence salience (γ), that is, the relative salience of government popularity in voters' choice in a referendum. We take account of the expectation of a non-monotonic influence of this variable on parties' decision-making by including the square of the timing variable in our empirical model.

According to our argument, a party's positioning on whether to request a referendum and on which position to take in a referendum campaign also depends on the party's policy benefits from ratifying the treaty ($\Delta u(x_c, x_{SQ}; x^j)$). In most models below, we used a party's general stance towards European integration as provided by the Chapel Hill expert survey from 2002 as a proxy for this variable (Hooghe et al., 2010). We imputed values for some parties that were not included in the 2002 Chapel Hill survey by relying on the 2006 survey (which includes more parties), and, if the party also was not included in the 2006 survey, by using the mean for the European party family. We cross-checked the results obtained in these models using data from Hug and Schulz (2007). Hug and Schulz established a two-dimensional bargaining space using information from an expert survey on the positions of member state governments relative to the *status quo*, the Draft Constitution produced by the European Convention, and the final outcome of the Intergovernmental Conference. They then used computer-assisted coding of the manifestos produced by parties in the run-up to the 2004 European Parliament elections to locate parties in this two-dimensional bargaining space. For our purpose, we only use the scores for parties on the first of the two dimensions reported by Hug and Schulz, as there is little variation across parties on the second dimension (which, according to Hug and Schulz, mainly captures parties' position with respect to the role of the European Parliament in the EU's institutional set-up). For 26 parties, for which data was missing, we used the median for the European party family as the value of the individual party. Alas, some of the results obtained by Hug and Schulz seem problematic, for

example that the British conservatives are one of the more pro-European parties in Europe while the Labour party is one of the most Euro-sceptic. In fact, the correlation between the Hug and Schulz and Hooghe et al. data is only 0.11.

Finally, we operationalize the democratic legitimacy benefits of a referendum (*d*) through the number of national referenda celebrated on the EU before 2004. The idea behind this operationalization is that voters' desire to have a referendum should be higher in countries with a tradition of direct democracy. In some variations of the models reported below, we also use the number of national referenda (on any issue) in a country since 1990, converted into an ordinal variable with three values to get rid of a few extreme values (in particular, Italy with 43 referenda in this period). We also tried a completely different measure for this variable, namely public demand for a referendum as measured by way of a Eurobarometer poll from spring 2003 (Eurobarometer, 2003a).²⁷ The respondents to this poll were asked whether they considered it essential, useful but not essential or useless "that all citizens of the European Union could give their opinion, by referendum, on the draft Constitution." The disadvantage of the wording of this question is that it refers to "*all* citizens" (emphasis added), suggesting a response on the desirability of a Europe-wide referendum (which is different from the need for a national referendum on a treaty). Given that most respondents probably were not aware of this distinction, and that the only alternative data that we found is available only for the 14 old member countries of the EU, we still decided to stick to this data.²⁸ The variable is measured as the percentage of respondents that considered a referendum essential divided by the sum of the percentages that considered a referendum essential and useless.

3.2 Control variables

The models reported below also include several control variables. First, the variable *minority* takes the value 1 for parties in countries in which a minority in parliament could force the holding of a referendum on the Constitutional Treaty. This variable is coded 1 for the Czech Republic, Denmark, and Slovenia, countries in which a minority of parliament could force the holding of a referendum, either by refusing to accept parliamentary ratification of by using

²⁷The fact that this poll is from spring 2003, and thus before most political parties decided on whether to back a referendum, allows us to avoid a potential endogeneity problem that arises if parties' public support for a referendum influences public opinion on that question.

²⁸A Eurobarometer poll from fall 2003 asked respondents in the pre-2004 accession member states whether they considered a referendum on the prospective Constitutional Treaty essential, useful but not essential, or useless (Eurobarometer, 2003c). For the overlapping cases, the two variables are highly correlated ($r=0.73$, $p < 0.01$).

constitutional provisions that allow a minority of parliament to call a referendum. Second, we include a dummy variable that controls for parties in the countries that newly acceded to the EU in May 2004 (*new member*). The reason for including this variable is that several of the new EU member countries held referenda on accession to the EU in 2003, which may have had the effect of making parties in these countries less likely to call for another referendum just two years later.

Third, in some models we add a variable measuring the degree of internal divisions in parties with respect to European integration (*cohesion*). The reason for doing so is that parties can use a call for a referendum to maintain party unity in the face of internal disputes. Tor Bjørklund (1982: 248) calls referenda that serve this purpose a “mediation device”. By contrast, internal divisions may make a party also more reluctant to call a referendum, because of fears that the issue may tear apart the party (Morel, 2001). While ideally we would have data on internal divisions on the Constitutional Treaty itself, the best data that we could find is the variable “internal dissent on European integration” from the 2002 Chapel Hill expert survey (Hooghe et al., 2010). The data is measured on a range from 1 (no dissent) to 10 (extremely divided). We used values from the 2006 expert survey to reduce the number of missing values (leaving us with 35 missing values). Fourth, we include a control variable that captures the competitiveness of a political system (*competitiveness*); it is measured as the number of effective parties at the electoral level in the last elections prior to the start of the intergovernmental conference (Gallagher and Mitchell, 2008).

Finally, a referendum may be a policy that is pursued by parties that are ideologically committed to direct democracy. For these parties, a referendum on a European treaty is not an instrumental tool but an aim in itself. Especially left-wing and liberal parties tend to be more supportive of direct democracy and by extension of referenda than right-wing ones. To measure this variable, we relied on a dichotomous distinction between left and liberal (precisely, far-left, green, liberal, and social democratic parties), and all other party families, drawing on the classification given on <http://www.parties-and-elections.de/>. In the Appendix, we present a summary of the variables and data sources used.

3.3 Testing the Argument

As our dependent variable is nominal with three categories (not endorse; endorse, treaty no; and endorse, treaty yes), we use multinomial logit regression to estimate our models.²⁹ Multinomial logit models calculate the probability of the dependent variable taking the value of one outcome category relative to the probability of it assuming another value, in our case for example the probability of coming out in favor of a referendum and saying no to the Constitutional Treaty relative to the probability of coming out against a referendum (Long and Freese 2006 provide an excellent introduction). The coefficients that are estimated in such a model capture the increase or decrease in the log odds of being in a specific outcome category given a one-unit change in the predictor. We included a cluster term to take account of clustering of parties in countries.

The results are summarized in Table 3. In Model 1, we only include the subset of control variables without missing observation. The results provide strong support for the expectations derived from our argument (as set out in Table 2). The more favorable public opinion to the treaty, the less likely is a party to call for a referendum. Moreover, the greater government approval, the higher the probability of parties supporting the treaty. Also closeness to the next election increases the probability of a party speaking out in favor of a popular vote. Of interest, days next election squared is positive and highly statistically significant. This finding supports our argument that parties are also concerned about second-order election effects, which should be highest in the middle of the electoral cycle. Equally intuitive and in line with our model is the finding that the larger the benefits of the treaty for the party, the less likely it is to support a referendum and the more likely it is to come out in favor of the treaty in a referendum campaign. The only finding that does not support our intuition is that the number of previous national referenda does not have an effect on a party's positioning with respect to the choice of ratification mechanism.³⁰

The effects of the two control variables are also as expected, with minority initiation rights slightly increasing the probability of parties endorsing a referendum and parties in the new member countries showing a slightly smaller probability of supporting a referendum.

In Model 2, we include further control variables, for some of which we have missing observations. Nevertheless, the main findings are robust. The only variable that fares worse in this model is government approval, with the coefficient for this variable no longer statistically

²⁹A Wald test shows that no pair of alternatives in the dependent variable can be combined. That is, our hunch of using a multinomial model is confirmed by the data.

³⁰This does not change when using the number of national referenda on any issue instead.

significant in the E/N vs. NE and E/Y vs. NE comparisons. Of interest, the weakly significant coefficients for the ideology variable indicates that left and liberal parties were more likely to support the treaty than other parties.

3.4 Substantive effect

The overall explanatory effect of the models is reasonable, increasing the percentage of cases correctly predicted from a chance result (based on the modal category) of 42.9 percent to 59.8 percent. We correctly predict the positions of 101 parties on both the desirability of a referendum and the treaty. Evidently, these percentages are lower than in binomial logit models, as predicting one among three categories is more difficult than one between two. In Table 4, we report changes in the predicted probabilities of different outcomes for different levels of key independent variables. A move from a country with minimum support for the Constitutional Treaty to a country with maximum support reduces the probability of a party coming out in favor of a referendum from 100 percent to 50 percent. The changes in predicted probabilities when moving from a low to a high value on the days left to next elections variable are equally impressive. Here, the probability of opposing a referendum increases from 0 percent to 43 percent.

We also show the substantive effects of our model graphically (see Figures 1a and 1b). In the first of the two graphs, we show the effect of timing on the probability of the three outcomes. The most important finding from this graph is that the probability of a party not endorsing a referendum comes close to zero in the last year before an election. While the likelihood of a party choosing to endorse a referendum and come out in favor of the treaty increases throughout the first years of the electoral cycle, it also declines in the last year. The second of the two figures illustrates the effect of public opinion on parties' positioning. Most obviously, the probability of a party not endorsing a referendum strongly increases together with public support for the treaty. That means that parties were more likely to endorse a referendum on the Constitutional Treaty in countries with a skeptical public opinion.

3.5 Robustness checks

We carried out a series of tests to check the robustness of our results. First, we estimate a model with random intercept to take account of the multilevel structure of our data, namely parties nested in countries.³¹ The results from this model are very similar to those from the

³¹For a detailed discussion of multilevel models with random intercept, see Gelman and Hill 2007.

	Model 1			Model 2		
	<i>E/N vs. NE</i>	<i>E/Y vs. NE</i>	<i>E/N vs. E/N</i>	<i>E/N vs. NE</i>	<i>E/Y vs. NE</i>	<i>E/Y vs. E/N</i>
<i>Public opinion treaty</i>	-0.74** (0.36)	-1.11*** (0.37)	-0.37** (0.18)	-0.82** (0.33)	-1.03*** (0.29)	-0.21 (0.26)
<i>Government approval</i>	-0.07** (0.03)	-0.01 (0.02)	0.05** (0.03)	-0.04 (0.06)	-0.08 (0.06)	-0.04 (0.04)
<i>Days election</i>	-0.08* (0.04)	-0.11*** (0.04)	-0.04* (0.02)	-0.09** (0.04)	-0.12*** (0.03)	-0.03 (0.03)
<i>(Days election)2</i>	0.00*** (0.00)	0.00* (0.00)	0.00 (0.00)	0.00*** (0.00)	0.00*** (0.00)	0.00 (0.00)
<i>Public opinion:days election</i>	0.00 (0.00)	0.00*** (0.00)	0.00** (0.00)	0.00* (0.00)	0.00*** (0.00)	0.00*** (0.00)
<i>Party benefit from treaty</i>	-1.67*** (0.27)	-0.02 (0.23)	1.65*** (0.30)	-1.67*** (0.32)	0.20 (0.23)	1.87*** (0.32)
<i>Legitimacy benefits</i>	-0.45 (0.58)	-0.45 (0.64)	0.00 (0.28)	-0.53 (0.55)	-0.06 (0.41)	0.47 (0.47)
<i>Minority</i>	0.92 (1.71)	2.07* (1.13)	1.15 (0.95)	-0.46 (1.58)	1.99* (1.02)	2.45** (1.22)
<i>New member</i>	-1.05 (0.88)	-1.69** (0.73)	-0.64 (0.67)	0.65 (0.99)	-1.08* (0.65)	-1.73* (0.97)
<i>Cohesion</i>				-0.97 (1.12)	-0.22 (0.96)	0.75 (1.63)
<i>Competition</i>				-1.70 (1.52)	-3.04*** (0.60)	-1.35 (1.38)
<i>Ideology</i>				-0.07 (0.59)	1.26* (0.65)	1.34* (0.80)
<i>Constant</i>	83.47** (33.17)	104.35*** (34.68)	20.88 (17.53)	89.72*** (30.24)	98.92 (26.19)	9.20*** (23.24)
<i>N (clusters)</i>		165 (24)			139 (20)	
<i>Pseudo R2</i>		0.42			0.51	

Note: estimated coefficients from a multinomial logistic regression with standard errors (adjusted for clustering) in parentheses.

Table 3: Explaining Party Positions on the Ratification of the Constitutional Treaty

	<i>Referendum no</i>	<i>Ref. yes & treaty no</i>	<i>Ref. yes & treaty yes</i>
<i>Minimum public support for CT</i>	0.00 [-0.01,0.01]	0.58 [0.19,0.97]	0.42 [0.03,0.80]
<i>Maximum public support for CT</i>	0.50 [0.30,0.70]	0.20 [0.06,0.33]	0.30 [0.12,0.48]
<i>Days left = 300</i>	0.00 [-0.01,0.01]	0.34 [0.04,0.64]	0.66 [0.36,0.96]
<i>Days left = 1200</i>	0.43 [0.24,0.63]	0.32 [0.15,0.49]	0.25 [0.09,0.41]

Note: predicted probabilities based on Model 1 while holding all other variables at the mean and new member country and minority at 0. The 95 percent confidence intervals are in brackets.

Table 4: Predicted probabilities of party stances

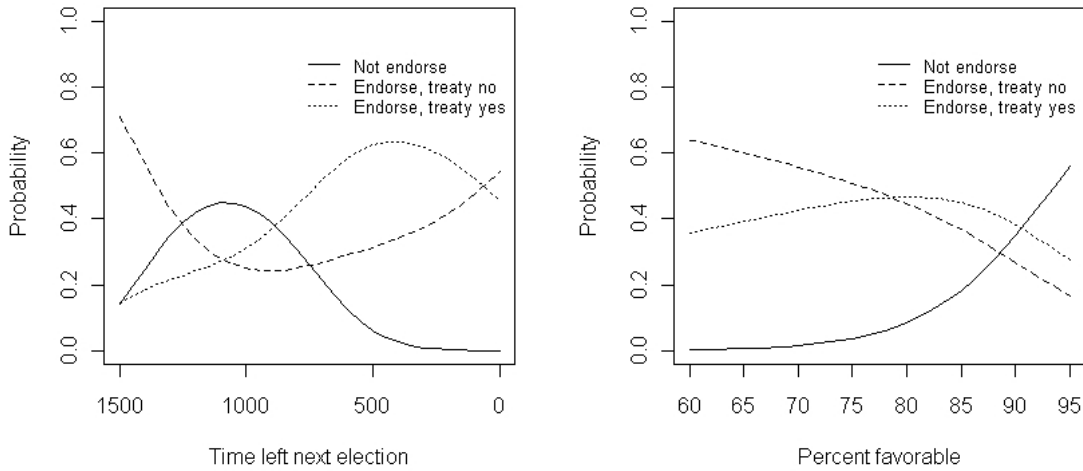


Figure 1: Partial effects for electoral cycle and public opinion

model without random effect. Second, we substituted the data from Hug and Schulz (2007) for a party's general position on European integration (Hooghe et al., 2010). Doing so does not change most of the results reported above, but the coefficient for party support is no longer statistically significant in the E/N vs. NE comparison. This is not astonishing given the low degree of correlation between the two sets of data. Third, using the alternative measure for government approval (approval of the government's record to date) does not change most of the results, but the coefficient for government approval is no longer statistically significant.

Fourth, we tried a series of additional interaction terms. For one, we included an interaction effect between public support for the treaty and the square of days to next election. The resulting coefficient is not statistically significant, however, and the other effects stay the same. We get the same result when including an interaction effect between government approval and days to next election or one between public support for the treaty and the number of previous referenda. Fifth, we dropped all 62 government parties from the model. The reason for doing so is that according to our theoretical model, government parties only have two options available to them, namely to back or to reject a referendum; their stance on the treaty itself is predetermined by the fact that they negotiated it. Including them in the multinomial model with three options thus may bias our results. However, the results remain very stable even when dropping government parties.

Finally, we checked whether the results are robust to dropping 70 parties with extreme positions on the European integration question. We operationalized "extreme" position as having a value of no more than two or equal or higher than six on the Hooghe et al. (2010) scale. The reason for dropping these parties is the same as for government parties: realistically, they do not have the option of taking a stance on the treaty itself, as this stance is predetermined by their ideological orientation. Again, the results are very stable, with only few exceptions.

4 Conclusion

We have presented a game-theoretic model of the process of ratifying an international treaty with the aim of explaining parties' simultaneous decision on whether to call for a referendum and what position to take on the treaty under discussion. The empirical examination has supported most of the model's predictions with respect to the role of the timing of the decision, the public's support for the treaty, the policy gains that parties expect from the treaty, and the public's desire for a referendum. These findings are robust to variations in

data sources and estimation approach.

The results have implications for a variety of debates. For one, our findings run counter to fears that parties may use popular votes mainly as plebiscites. On the contrary, uncertainty and concerns about second-order voting contribute to a situation in which parties are most likely to call for a referendum on an international treaty when public opinion is rather skeptical. The results also speak to the literature on second-order elections. While there has been a debate about the extent to which voters use referenda to send signals to their government (for a critical view see for example Svensson, 2002), our data indicates that parties base their decision on whether to call for a referendum on the assumption that voters engage in second-order voting.

Finally, for the specific case of European integration, the paper's findings suggest that having the decision on whether to call for a referendum on treaty changes (or issues such as the accession of Turkey) taken at the national level is problematic. Given that factors such as the timing in the national electoral cycle have an influence on whether we see a national referendum in a country, whether or not a population gets a veto right over a European treaty is the result of a process that can hardly be considered fair. It will always be hard to insulate the international policy debate and decision-making process from domestic-level factors and contingencies that often end up distorting popular preferences with respect to integration policy *per se*, obfuscating the interpretation of the ratification outcome, and, in cases of failure, derailing the overall ratification process.

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Appendix Overview of variables and data sources

Variables	Description	Source
<i>Party support referendum and Constitutional Treaty</i>	Did the party oppose a referendum (1); support a referendum and oppose the treaty (2); or support both a referendum and the treaty (3)?	Dür and Mateo, 2011
<i>Public support treaty</i>	Percentage that stated that they supported the Constitutional Treaty in January 2004 [favorable/(favorable + opposed)*100]	Eurobarometer, 2004
<i>Government approval</i>	1.) Trust in government 2.) Percentage approving of the government's record to date, as of June 2004	Eurobarometer, 2004 European Election Studies, 2004
<i>Days next election</i>	Calculated as length of parliamentary term in days minus days since last election as of 1 January 2004	www.electionguide.org
<i>Party benefit from treaty</i>	1.) Party position on European integration, measured from 1 (strongly opposed) to 7 (strongly in favor) 2.) Party position with respect to salient issues in the treaty	Hooghe et al., 2010 Hug and Schulz, 2007
<i>Legitimacy benefits</i>	1.) Number of previous referenda in the party's country on European integration 2.) Percentage that stated that it was essential that "all citizens of the European Union could give their opinion, by referendum, on the draft Constitution" in June 2003 [essential/(essential + useless)*100]	http://www.sudd.ch/ Eurobarometer, 2003a
<i>Minority</i>	Dummy variable that takes the value of 1 for the Czech Republic, Denmark, and Slovenia.	Based on information from http://www.servat.unibe.ch/
<i>New member</i>	Is the party from a member state that acceded in 2004?	Own data
<i>Cohesion</i>	Degree of internal divisions in parties with respect to European integration, from 1 (very cohesive) to 10 (highly divided)	Hooghe et al., 2010
<i>Competitiveness</i>	Number of effective parties at the electoral level in the election just prior to the start of the intergovernmental conference	Gallagher and Mitchell, 2008

<i>Ideology</i>	Dummy variable that takes the value of 1 for far left, green, liberal, and Social Democratic parties and 0 for agrarian, centre, Christian Democratic, conservative, ethnic, national, regional, and separatist parties	www.parties-and-elections.de
<i>Government</i>	Coded 1 if the party was in government during the IGC of 2003-2004, and 0 otherwise	www.parties-and-elections.de
