

Voter choice in EU referendums – a status quo-oriented issue-voting model of voting behavior

Abstract What explains voter behavior in EU referendums? We argue that voters, although not necessarily having full information, are rational and have the ability to make a competent decision on a treaty. Theoretically, we revisit the issue-voting versus second-order election debate by elaborating on the issue-voting conjecture, providing a more comprehensive and coherent analytical model. We develop a status quo-oriented, utility model of voting behavior in EU referenda. After we provide evidence that the assumption of voter competence is plausible, we undertake a comparative case study of five EU referendums utilizing our model. Our findings show that the basic idea of investigating voter perceptions of the benefits of the treaty and costs of no is sound, although further data is needed to be collected in future EU referendums in order to develop better measures of our independent variables so that the model can be tested in a more stringent manner.

Derek Beach
Associate Professor
Department of Political Science
University of Aarhus, Denmark
derek@ps.au.dk

Rasmus Leander Nielsen
Ph.D. scholar
Department of Political Science
University of Southern Denmark
rln@sam.sdu.dk

DRAFT – PLEASE DO NOT QUOTE WITHOUT PERMISSION

Paper to be presented to the EUSA Tenth Biennial International Conference, Montreal, Canada, May 17-19, 2007.

1. Introduction

The rejections of the Constitutional Treaty in referendums in France and the Netherlands in May/June 2005 shocked the EU, resulting in a deep crisis and sense of malaise. Most commentators and analysts have since argued that these two no votes were not based upon a rejection of the Constitutional Treaty, but were instead protests against unpopular governments in both countries, and against the prospect of Turkish accession (Ivaldi 2006; Taggart 2006; Moravcsik 2006, 2007; cf. Franklin et al. 1994; Franklin 2002; Schneider and Weitsman 1996; de Vreese and Boomgarten 2005). In other words, Dutch and French voters did not answer the question they were posed in the referendum; instead they treated the referendums as ‘second-order’ elections to express their dissatisfaction with poor domestic economic performance and unpopular leaders. Underlying the second-order election thesis is the assumption that voters are not competent to evaluate the costs/benefits of an EU treaty, and therefore make decisions based upon the only criteria that they understand; whether the government has performed well or not. Implicit in this is the argument that if voters were actually competent and had the necessary information and cognitive skills to process it, they would have voted differently and endorsed the Constitutional Treaty.

Yet are voters really so ignorant that they treat EU referendums as merely votes on the popularity and performance of their government? Would voters with complete information vote differently than they have in past EU referendums? In a refinement of the issue-voting thesis (Svensson 1994, 2002), the argument of this paper is that while voters do not have *full* information, they do possess the cognitive skills to be able to utilize the available information in a campaign to make a reasonably informed estimation of whether a proposed measure is in their interests or not. However, in contrast to the existing literature on issue-voting that posits that voter choices are determined by voter attitudes towards EU integration *in general*, we argue that voters actually do vote on the *issue itself*; i.e. the EU treaty being sent to ratification in a referendum. Moreover, the issue-voting school has so far presented a descriptive and sometime normative framework for analysis. Here we develop a more comprehensive theoretical model, where we argue that voters are able to calculate the perceived benefits of the treaty and the costs of no vis-à-vis the perceived status quo by using a variety of low-cost cognitive short-cuts and heuristics; what we term a ‘status quo-oriented issue-voting model’.

The first part of the paper will introduce the literature on voting behavior in EU referendums and develop our rational, status quo-oriented issue-voting model that posits that voters rationally

weigh the perceived cost/benefits of the status quo against the cost/benefits of the proposed change. We develop the hypothesized theoretical model that first details the behavioral assumptions that form the microfoundations of our model. This is followed by an elaboration of how voters calculate the benefits of a treaty and costs of no vis-à-vis their perceptions of the status quo. Based upon our model, we should expect yes votes when the median voter perceives that either 1) the benefits of the treaty are clear and sizable in relation to the status quo; and/or 2) the costs associated with a ‘no’ vote are sufficiently clear and credible that they outweigh the inclination of voters to keep the status quo. No votes can be expected when the status quo is perceived as stable, and the benefits of change or the costs of no are seen as relatively low.

The third part of the paper will deal with operationalizing our model; in particular finding valid indicators for perceptions of the status quo and proposed changes. After providing data that attempts to empirically validate the assumption of voter competence, we undertake a plausibility probe of our status quo issue-voting model on four referendums. The selection of cases is based upon ensuring as representative a population of cases as possible in order to avoid potential idiosyncrasies of particular national polities, while also ensuring a maximum of variation in values of the two explanatory variables (benefits of treaty and costs of no). The method selected is primarily qualitative, as the data that would be necessary to develop a quantitative measure of the explanatory variables does not exist.¹ We do utilize opinion polling data, but also recognize the often severe methodological problems that plague such sources. In particular, we are skeptical about whether voters sincerely answer the questions posed to them in lengthy telephone interviews, and whether the same question actually means the same thing in polling by Eurobarometer in different national contexts.

In the conclusions we summarize the findings of our empirical case studies, and point towards further research necessary to undertake a more satisfactory test of the theoretical model.

1 - In order to create a quantitative measure such as an index of perceptions of the benefits of a treaty, one would need to ask a series of relevant questions in exit polls and other types of opinion polling immediately after the referendum. Existing polls from past referendums do not include items that would be sufficient to validly measure the explanatory variables, but could be done in future referendums.

2. Voting Behavior in EU Referendums - the state of the art

Since the early 1970s 47 referendums in 25 states have been convened in relation to European integration (see appendix 1). Early referendum studies suggested that it might prove cumbersome to disentangle more than some dubious comparative generalizations to cross-national referendums (e.g. Smith 1976; Butler and Ranney 1978, see Hug 2002 for further discussion). Nevertheless, especially since the mid-1990s, a growing number of referendum studies have provided theoretical and comparative frameworks for analysis in relation to European integration. The two most prominent models of voting behavior in EU referendums are the issue-voting thesis – primarily promoted by Palle Svensson and co-authors - and the second-order election thesis, also known as the Franklin thesis. The former argues that EU referendums are decided by voters' attitudes towards European integration (Svensson 1994, 2002, 2005), mainly by extrapolating findings in the Danish case, while the latter poses that attitudes towards the domestic political and economic situation and the incumbent governments are decisive (Franklin et al. 1994; Franklin 2002; Reif and Schmitt 1980, see Garry et al. 2005 for an excellent discussion of the empirical merits of the two models).

While these two hypotheses constitute the most well-established theoretical debate, other referendum-studies offer additional conceptualizations and convey other key independent or intervening variables to explicate voting motivation. Several studies have introduced (socio-) economic variables to explain voting behavior (and variation in EU-support/Euroskepticism in general), arguing that individual or national gains from European integration marshals positive attitudes towards the EU (e.g. Dalton and Eichenberg 1993; Gabel, 1998; Anderson 1998). Analytically, attitudes are linked to European integration (akin to 'issue-voting'), but only pitted in relation to utilitarian calculation and not the overall content of the treaty to be voted on or the EU's *aquis communautaire* in general - thus, sharing the 'second-order' argument of voters' economic evaluation of current conditions when voting in referendums. But in this model it is based on reflections of the utilitarian gains provided by the EU and not the government's domestic economic performances.²

² Economic gains from integration have also been utilized to explain variance in public support in general and this has become a cornerstone Euro-skepticism studies. However, these studies are often plagued by the ecological fallacy, i.e. the discrepancy between micro and macro analyses, when e.g. testing aggregate-level explanations on the individual level. Economic variables show only weak confirmation or worse when testing aggregate-level explanations on the individual level (Janssen et al. 2004). We do not discuss, or control for, this problem in the paper, but this has to be included in future studies of the proposed model.

Still others stress the importance of nationalistic variables, either in relation to national identity or towards anti-immigration sentiments (Oscarsson and Holmberg 2004; Hooghe and Marks 2005; de Vreese and Boomgarden 2005; Schuck and de Vreese *forthcoming*). Recently, national identity has been found as a significant independent variable in assessing public EU-support or skepticism, accentuating group feelings and territorial loyalties, as well as perception of cultural threats to the nation-state and fear of immigration or globalization. In line with the ‘second-order thesis’, it is domestic factors and national identity that causes support or criticism, and not the other way around (Hooghe and Marks, 2005:433). This line of arguments is far from uniform. Hooghe and Marks (2005) argue that identity reaches beyond immigration sentiments, whereas de Vreese and Boomgarden (2005) only model immigration as a nationalist variable, arguing that studies of the (broader) concept of identity are inconclusive because of problems of operationalizing and measuring.

In sum and simplifying slightly, four independent variables can be detected from this literature: first, economic gains from integration; second, nationalist sentiments, third, attitudes toward the EU (issue-voting), and lastly, if voters merely express support or criticism of the incumbent government (second-order elections).

In addition, recent studies have looked at the effect of different intervening variables, such as e.g. campaigning effects (Gabel 1998; Szczerbiak and Taggart 2004; Schuck and de Vreese *forthcoming*). In the debate between the issue-voting and the second-order schools, the salience of the vote and partisan cues have been highlighted as useful concepts and possibly a productive avenue for settling the dispute as of when which of the models hold the biggest explanatory power (Svensson 2002; Franklin 2002). The concept of informational cues, making the Downsian ‘rational ignorant’ able to make informed verdicts in ballots, is of special interest to this paper, and including this in the theoretical framework also makes it possible to partially include campaign effects in the analysis (Downs, 1957: 207ff; 1962, Lupia 1994; Hobolt 2005, 2006).³

While our main aim is to contribute to the debate between the issue-voting and second-order election schools, we also incorporate some insights from the other major models of voting behavior, arguing that they are not incompatible with a revised issue-voting model. In line with the economic utility school, we analyze the benefits of a treaty. In line with the nationalist sentiments school,

³ The main problem with this, otherwise promising research agenda, is the problem of operationalizing and measurement (e.g. are the number of newspaper articles a valid indicator? How do we separate successful cues vs. cheap talk, etc.) The same goes for operationalizing ‘salience’, which both Franklin (2002) and Svensson (2002) seem to embrace as an important concept to eventually, or at least partially, solve their dispute, and ‘campaign effects’ (Schuck and de Vreese *forthcoming*).

utility calculations are analyzed broader than just economic benefits, but we take issue with the argument that identity is the main driving force of voting behavior, or that external factors such as fears of immigration play a role. Nationalist indicators are unquestionably important, but should be seen in relation to the treaty that is being voted on and not in isolation.

In the next sections we seek to contribute to a refinement of the ‘issue-voting’ thesis, by (re)introducing the status quo in relation to voter utility functions, arguing that voters actually do answer the question they have been posed by making instrumental calculations of the perceived pros and cons of a yes and no vote relative to their perceptions of the status quo. Contrary to the second-order election thesis (and conventional wisdom amongst journalists and commentators), EU referendums are not merely an election to send low cost signals to the incumbent government of the day. On the other hand, we partially agree with Franklin’s (2002) criticism that voters are not necessarily ‘super-rational’; i.e. they do not have complete and perfect knowledge of a treaty. In the following sections, we elaborate on when and how informational cues matter. Moreover, the ‘issue’ school has mainly been rooted in normative and descriptive analyses, and it is not always clear what the expectations from the model are. A more promising point of departure, which we turn to now, is to model the perceived consequences of the issue voted on versus the status quo, and, equally important, to operationalize and test this proposition in a comparative manner.

3. A status quo issue-voting model of EU referendums

Before we develop our causal model, we first will describe the theoretical assumptions that form the behavioral microfoundations of our model. We basically argue that voters can be treated ‘as if’ they possess the information and cognitive skills necessary to make a reasonable utility calculation, but also that they tend to be risk-averse, preferring what they know (status quo) over a new treaty unless either the perceived benefits of the treaty or the costs of no are sufficiently clear and sizable to overrule their predisposition towards keeping the status quo.

Voter rationality and levels of information

Are voters able to calculate the utility of yes and no votes? If voters do not possess the necessary information and ability to process it, they would cast different votes than if they had complete information, and in many cases would base their votes upon extraneous factors such as governmental popularity rather than the merits of a given treaty.

Yet to anyone who has actually engaged in discussions with ‘average’ voters in EU referendum campaigns, the idea that voters are capable of making a reasonably accurate calculation of their utility of a yes or no vote is not such an alien concept. If voters merely use referendums as opportunities to punish unpopular/unsuccessful governments, how do we account for the vast amount of quality information demanded by voters during recent referendum campaigns in Denmark, France and the Netherlands? For example, why were books on the Constitutional Treaty best-sellers in France?

While there are undeniably often wide-spread public misunderstandings during campaigns, such as the belief that ESDP provisions would impact upon Irish neutrality, or that the Constitutional Treaty would allow for an invasion of cheap CEE workers into France (the infamous Polish plumber), a perusal of op-ed pieces in different referendum campaigns shows that there are many ‘normal’ voters that actually debate the treaty on its merits and are able to understand key themes of a given treaty despite not possessing expert knowledge. Indeed, given the complexity of issues such as the potential impact of joining the euro for Sweden or the UK, one can pose the

question of whether even the ‘experts’ fully understand all of the potential costs and benefits, and can predict future developments much better than the average educated lay-man?⁴

In this paper we argue that while voters are rational actors operating under the constraint of high information costs. They are basically intelligent actors that know what they want and are able to understand and debate the merits of a treaty, enabling them to vote ‘as if’ they had complete information and the reasoning ability to process it. This, however, should not be confused with synoptic rationality, and there are natural cognitive limits to their abilities, as average voters do not possess deep ‘expert’ understanding of the issues, nor do they undertake an exhaustive information search in order to update their information. Instead, voters rely on low-cost cognitive short cuts and different heuristics in order to make sense of the issues (Downs 1957; Bowler and Donovan 1998; Lupia and McCubbins 1998; Hobolt 2005).

One short-cut is to make use of multiple competing sources of information as a tool to evaluate a treaty (Lupia 1994). Bowler and Donovan (1998) found that different types of voters use different types of information to calculate utility. Highly educated voters often use what can be termed more ‘objective’, non-campaign information, but even lesser-educated voters can make reasonable decisions based upon information from TV advertising, editorials, and conversations with friends and colleagues, enabling them to vote ‘as if’ they were fully informed (Bowler and Donovan 1998:56; Lupia 1992, 1994). One method that lesser-educated voters can utilize to gauge the veracity of statements put forward in a campaign about the potential impact of a measure from different sources is to look at ‘who is behind it’ (Lupia 1994; Sniderman, Brody and Tetlock 1991). As shown by Lupia, voters can relatively easily figure out the expected impact of a measure reforming legal insurance rules by looking at the positions that major insurers, trial lawyers, and independent reformers like Ralph Nader take, in effect positioning themselves in relation to how they perceive the desirability of the agendas of the different actors (Lupia 1994). However, to utilize this short-cut, voters must be aware of the positions/agendas of the elite groups, be they political parties or interest organizations.

Applied to an EU referendum, if a treaty is backed by big business but opposed by labor unions, this would give different groups of voters strong indications about the potential impact of a treaty upon them. Indeed, this short-cut is arguably a better tool than if the same voter attempted to engage in a much more costly synoptic analysis of the costs/benefits based upon ‘factual’

4 - See Tetlock 2005. He also found that the more a political scientist knows about a case, the *lower* the accuracy of their predictions.

information; something that requires a detailed understanding of the existing treaties and how they function along with the expected impact of very complex institutional reforms contained in the new treaty. In other words, voter ‘gut reactions’ based upon elite cues and the use of a tool such as ‘who is behind it’ might actually be a *more* accurate tool than engaging in a comprehensive analysis of utility that most voters are not competent to undertake. Therefore, we argue that given the vast amount of readily available information during campaigns and the use of heuristic short-cuts such as ‘who is behind it’, even lesser-educated voters can make a reasonable assessment of the utility of a given treaty and costs of a no vis-à-vis the status quo, enabling them to vote competently ‘as if’ they had close to complete information. This also implies that campaigns themselves do not matter that much in determining outcomes; they have to take place in order for voters to gain information, but there are clear limits upon the ability of elites to construct voter perceptions of the benefits and costs.

Status-quo orientation

Our second assumption also draws on recent literature on referendums in the US context, where it has been found that voters are relatively risk averse, preferring the certainty of what they know to the uncertainty of change. These arguments are not new. Schumacher in a 1932 case study of Oregon referenda attested, ‘the elector, when in doubt, is inclined to vote no’ and found a tendency ‘to continue the status quo’ (Schumacher, 1932: 251). In a similar vein, Immergut (1992) argues that referendums may have a potential conservative bias towards the status quo (SQ). Recently, elaborating on this argument, Bowler and Donovan propose that the electorate in referendums use a no vote as a default reference point (1998). Lupia (1994) has demonstrated that voters often have more information about the status quo than the change that will be initiated by the proposal at the ballot. The logic is that they know what they have, and changes to the SQ involve greater uncertainty (risk).

We draw upon this literature, arguing that voters will tend to prefer the status quo and vote no unless either the benefits of a treaty are *clearly* better than the SQ, and/or the costs of no are *clearly* worse than the SQ. This preference for the SQ results in what we term a ‘zone of indifference’, where voters prefer the certainty of the SQ over the unclear benefits of a treaty or costs of no (see figure 1 below).

The theoretical model

In the following we describe our two explanatory variables: the size of the perceived benefits of the treaty and perceived costs of no vis-à-vis the status quo that can predict whether voters vote yes or no to a treaty. The model is based upon how the median voter calculates the utility of different options (Downs 1957). Naturally, different voter groups exhibit slightly different behavior and calculations, as they have different socioeconomic status, and will respond to elite cues and other types of information differently. However, our intention is to develop a broad, aggregate model that describes the basic dynamics of voter behavior in EU referendums. Our model is based upon assessments of voter perceptions; in particular whether they perceive that either the benefits or costs clearly beat the status quo.

Benefits of the treaty (B_t)

The first explanatory variable is the size of the perceived benefits of the treaty (B_t) compared to the status quo. Political and economic factors are theorized as both being elements in the calculation of voters. On the political side, one can distinguish between broader, ideological/nationalist concerns and more specific calculations of the utility of perceived policy streams with a new treaty. The broad ideological/nationalist views towards EU integration are used in the existing ‘issue-voting’ models developed by Svensson and others, and capture the affective dimension of utility calculation. In effect, this can be termed an affective heuristic, where views towards the EU form part of voter attitudes towards a given treaty.⁵ Basically, how does the median voter view the EU (benefit for the country or not), and do they desire more or less integration (desired speed of integration)?

The more issue-specific calculation by voters deals with perceptions of the utility of the actual treaty that is under consideration. Here we theorize that voters face a tradeoff between fears of surrendering national sovereignty in key issue-areas and the perceived benefits that can be gained by strengthening the EU’s ability to deal effectively with key voter priorities such as foreign policy and developmental aid, unemployment, or the environment. These factors can be measured by looking at polls on what factors motivated voters to vote yes/no, along with specific measures of perceptions of the benefits and disadvantages of a given treaty.

⁵ For more on this type of heuristic short-cut, see Sniderman, Brody and Tetlock 1991.

The economic benefits are theorized to be both sociotropic calculations by voters, i.e. the perceived national economic benefits of both the EU in general and the new treaty in particular; and more egocentric concerns about what benefits ‘people like me’ (Hooghe and Marks 2005: 421-422). Here we focus upon subjective evaluations by voters, as we are interested in how they perceive the situation. Measures for these perceptions include polling data on questions such as whether the EU and the new treaty are seen to benefit the country and/or ‘people like me’.

Costs of a no vote (C_n)

The costs of no (C_n) are based upon calculations of the perceived unwanted consequences of voting no. The costs of no are perceived as low when voters believe that a no is ‘costless’. For example, if a majority of voters believe that after a no it is possible for their country to re-negotiate for better terms, C_n would be very low (and could even result in positive utility). In contrast, if voters believe that a no vote would equal a very costly exit from the EU, C_n would be very negative, and would likely overrule voter predispositions towards preserving the SQ.

Key to these calculations are voter views about the certainty of high costs. While it would be difficult to convince French voters that the EU could continue without them, this proposition has been far easier to sell to Danish or Irish voters as a plausible possibility. Crucial here therefore are voter perceptions of the credibility of arguments about these consequences. An indicator of the size of the perceived C_n is polling data on what voters believe will happen if the country votes no; i.e. is exit believed to be a probable outcome?

A model of voter calculations

Taken together, voter calculations of B_t and C_n determine whether the median voter votes yes or no. This is modeled in figure 1, which depicts voter calculations of the utility of different options (yes/no) depicted in value-space. The impact of voter risk-aversion and preferring to keep what they know instead of the unknown is modeled in figure 1 as a ‘zone of indifference’, within which voters prefer to keep the SQ (and thereby vote no). Yes votes are only possible when either B_t or C_n are outside of the zone of indifference, meaning that either the positive utility of the treaty (B_t) or the negative utility of a no vote (C_n) is sufficiently clear and sizeable to clearly dominate the SQ bias.

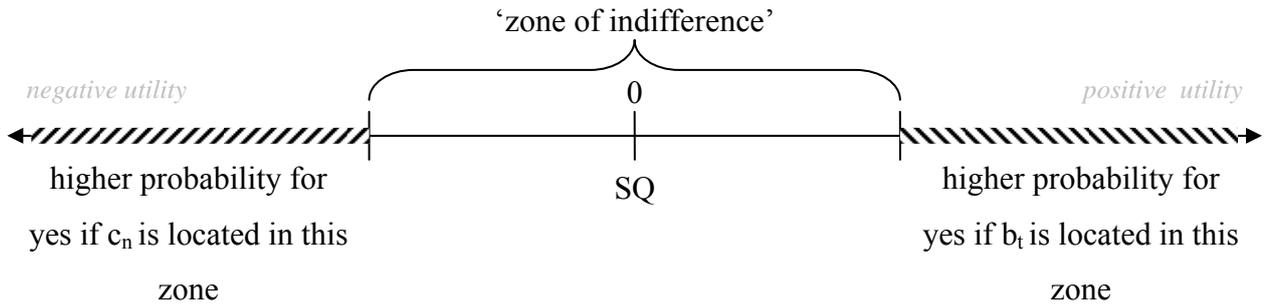


Figure 1 – a status quo-oriented, issue-voting model of voter choice in EU referenda

The main feature of the spatial model is how the decisive voter in a given referendum chooses whether to vote yes or no. Assuming the number of voters is odd, in referendums the decisive voter is also the median voter. The utility function of the median voter follows from the computation below, where we include the assumptions:

$$U_V = ([B_t - \eta] - [C_n + \eta]) - (sq - \eta), \text{ with: } B_t \geq 0 \text{ and } C_n \leq 0$$

where U_V is the perceived utility for voter v , t is the proposed treaty, B_t is the perceived benefit of that treaty, C_n is the costs of voting no, and η is an error term arising from possible noise.

While the other notations are straightforward from the previous discussion, the last (η) requires a comment. Noise relates to the information environment and includes cues and other types of information available about the size of benefits and costs. Since the median voter does not have complete and perfect information about the exact consequences of the treaty, and cues are not necessarily clear and exhausting about this, there might be some error term that influences the utility calculus. This, however, is the case in social and political matters in general. What is important in this model is how η affects the outcome of the vote. In this respect η can possibly have different weights, and hence impact on the outcome, in the first and second bracket. This follows from the assumption that the median voter is risk averse and knowledge about the treaty need to be sizable, whereas obtaining knowledge for sq has a lower threshold.⁶

⁶ As $\eta \rightarrow 0$, i.e. the more credible information is available, the lesser the assumption of risk aversion matters. Furthermore, if $\eta = 0$, then there is complete information and further campaigning would be worthless. This in itself, it must be stressed, does not make a yes more likely as it still depends on C_n and B_t . In a later draft beating ‘the zone of indifference’, i.e. the tipping points in both direction from the status quo in figure 1, needs to be modelled to gauge a full model of the expected utility and the critical threshold for a yes.

The spatial model and the utility function of the median voter yield two propositions. For the sake of parsimony, here we left out the risk aversion assumption and noise (η) by holding them constant; that is we only look at the net utility of the vote ($U_{\text{net}} = U_t - U_{\text{sq}}$). The first is about when we would expect a no and a yes, respectively:

$$U_v = \begin{cases} \text{Yes if } \mathbf{B}_t > \mathbf{sq} \\ \text{No if } \mathbf{B}_t < \mathbf{sq} \\ \text{Yes if } \mathbf{C}_n > \mathbf{sq} \\ \text{No if } \mathbf{C}_n < \mathbf{sq} \end{cases} \quad (1)$$

Another argument can be derived from the preceding discussion, namely whether utility can be analysed as a static measurement. Rational choice models often assume fixed preferences, but if this was the case cues and referendums campaigns would not matter in the first place. Empirically we do see fluctuation over time, indicating that some voters do base their votes on new information during the course of a campaign (or between two successive referendums).⁷ Hence, a second proposition from the model is that preferences are endogenous, depending on the information of the perceived costs and benefit of the treaty. This occurs because of updating of beliefs about the costs and benefits.⁸ Alternatively the context of the vote can change such that e.g. C_n is increasing. This could be the aforementioned cases of Denmark and Ireland, when voting a second time on a treaty involved a risk of being excluded from the EU, or alternatively emanate from external economic or security shocks. Anyhow, this proposition follows from the fact that the preferences of the median voter in the model are not exogenous given, but can change over time, i.e. ΔU_v is assumed mainly to be caused by either a change in the perceived costs or benefits.

$$\Delta U_v = \begin{cases} \text{if } \Delta \mathbf{B}_t \\ \text{if } \Delta \mathbf{C}_n \end{cases} \quad (2)$$

The propositions lead to the following predictions. If there are high benefits from the treaty (b_t) either due to a high valuation of the actual treaty, or a ‘hurting status quo’ where the treaty is a

⁷ A recent example is the French campaign in spring 2005. When the referendum was announced in summer 2004 public support was close to 70%, only slightly dropping to 65% in following months, but when the actual campaign started the figures dropped to below 45% (see case study below).

⁸ Formally, this can be modeled as a signalling game where voters make Bayesian updating from the signals (e.g. cues) send by elites or other involved in the campaign. Following this conceptual framework, in equilibrium cues have to be credible to influence the outcome.

solution to the problem, the valuation of b_t of the median voter will be located in the area right of 'the zone of indifference' in figure 1. The second scenario is when c_n is located to the left of the zone, with the yes-side able to say credibly 'vote yes or else'.

4. Validating the voter competence assumption

Before we can proceed to a test of our model upon key cases, we must first validate the plausibility of the assumption of voter competence. Basically we seek to provide evidence that voters do have the necessary skills and information to evaluate the merits of a specific treaty put to a referendum. We will utilize several different sources of evidence in order to evaluate voter skills and information levels, as no one direct measure exists.

Eurobarometer attempts to measure voter information by utilizing an objective and subjective measure. Eurobarometer asks voters whether they feel they understand the EU, but this information only tells us about their own subjective belief, and not whether they actually do possess the necessary information to evaluate a treaty. Eurobarometer's objective measure is also a flawed indicator of whether voters have the necessary information to *evaluate a specific treaty*, as it contains items that are superfluous to determining the merits of a given treaty. For example, is knowing whether the EU consists of 15 or 25 member states, or the EU has its own anthem an effective predictor of whether Dutch or French voters are able to evaluate the merits of the Constitutional Treaty?⁹

Better indicators would measure whether voters are actually able to identify key elements of the treaty, but even failing this does not necessarily mean that voters are not able to gain an intuitive understanding that can allow them to make a reasonable utility calculation. A helpful analogy used by Bowler and Donovan is that of a car: drivers do not need to understand the complexities of an internal combustion engine to drive a car (1998, pp. 30-31). Similarly, voters can gain a basic grasp of how a treaty might impact them by utilizing different competing sources of information, focusing upon the credibility of the source and the perceived agenda of the sender (Lupia 1994). And as argued above, these types of short-cuts might actually be better tools for calculating utility than a more synoptic analysis.

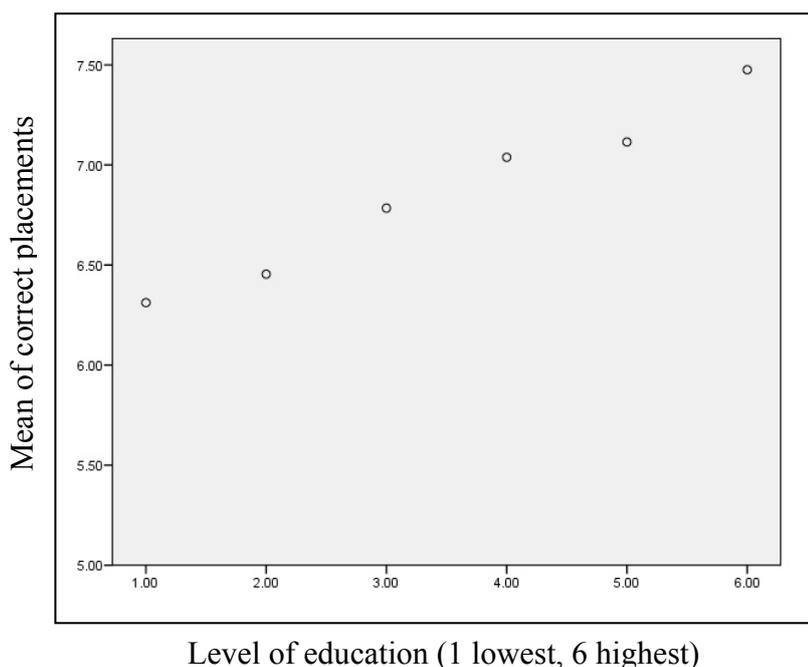
Given that we argue that elite cues are an important short-cut, can voters correctly identify the agenda of 'who is behind it'? Unfortunately, data that would enable us to investigate this directly is only available in the 1994 Norwegian accession referendum case, and in general election data in the Danish case that does not exactly coincide with a EU referendum. The Norwegian data has been

9 - This information is taken from the Eurobarometer 63 study, undertaken in the spring of 2005. See pp. 78-79.

studied by Hobolt (2006), who finds that about 90% of voters are able to relatively accurately decipher ‘who is behind it’ and their agenda.

Using large-n polling data collected after the 2001 Danish elections, 14 months after the euro referendum,¹⁰ we have investigated whether voters were able to correctly place parties on a 5 point Likert scale of less-more integration. We made an expert judgment of each of the eight major parties that ran in the elections on the scale based upon statements during the 2001 Danish elections and party programs,¹¹ and compared this with voter perceptions of the placement of each party. We counted voter placements that were +/- 1 as ‘correct’ placements. To measure level of education we utilized a measure of highest achieved education (1 = elementary only, 6 = 3+ years of higher education).

We found that 75.7% of all voters were able to correctly place at least six of the eight parties, illustrating a generally high level of voter competence to detect party ‘agendas’. We found that there was a slight correlation between level of education and the ability to correctly place parties,



but that is was relatively weak ($\gamma=0.268$, significance = .000, $n=1995$) (see figure 2). These findings indicate that while higher educated voters are slightly better at correctly placing parties, in general a large majority of voters in the Danish case can be termed ‘competent’ to correctly identify the agenda of different party positions on the EU, enabling them to utilize cues sent by parties.

Figure 2 – Ability of voters to correctly identify party positions on EU integration

¹⁰ - Valgundersøgelsen 2001, Andersen, Rathlev, Hansen, Jørgensen, and Bruun.

¹¹ - This expert coding is relatively preliminary, and in a subsequent version will be based solely upon party programs from the 2001 election.

5. A plausibility probe – a comparative case analysis

We now turn to a plausibility probe of our status quo-oriented issue-voting model. We have selected four different cases; Danish referendums on the Treaty of Maastricht (1992, 1993) and the Euro (2000), and the French referendum on the Constitutional Treaty (2005).¹² The cases were selected in order to maximize variance in the explanatory variables while also ensuring a representative sample across countries and different treaties and referendum outcomes.

The analysis draws on a variety of sources, including polling data, campaign materials, and secondary reports of the campaign. We do utilize opinion polling data, but also recognize the often severe methodological problems that plague such sources. In particular, we are skeptical about whether voters sincerely answer the questions posed to them in lengthy telephone interviews, and whether the same question actually means the same thing in polling by Eurobarometer in different national contexts. Further, the existing data gives only a very indirect measurement of the concepts that we are interested in, meaning that these very indirect proxies have questionable validity. The following is therefore an analytical first step, and better data will need to be gained if/when there are further EU referendums in order to measure more directly the concepts under study.

Denmark and the Treaty of Maastricht - 1992 and 1993

The Danes shocked the EU by voting no to the Treaty of Maastricht by a narrow margin on June 2, 1992 (49.3% no / 83.1% turnout), but then ratified the same treaty with a series of political declarations on May 18, 1993 (56.7% yes / 86.5% turnout). What explains these two different outcomes? What can explain the Danish no in June 1992, and to what extent was the change from no to yes the result of changes in the two explanatory variables, or was it due to other extraneous factors such as changes in domestic politics as argued by Franklin and others?

An agreement was made to hold a referendum by the major Danish parties prior to the start of the treaty reform negotiations in late 1990. However, given the use of referendums in both the 1972 Accession and for ratifying the Single European Act in 1986, the government was forced to send the treaty to a referendum irrespective of whether it could have been ratified solely by the parliament or not (Siune and Svensson 1993). After the Maastricht Treaty was signed the only

¹² - The Spanish referendum on the Constitutional Treaty will be examined in a later version of this paper in order to ensure a large variation in values of b_i in the cases, along with a more representative sample of different countries.

Danish parties in the *Folketing* that did not approve were the Socialist People's Party (SF) and the Progress Party (FP), but they mustered enough votes to prevent the treaty from being ratified solely by a 5/6th majority in parliament according to Article 20 of the Danish constitution, forcing a binding referendum to be held.

The Maastricht Treaty was arguably the largest integrative step since the Treaty of Rome. Innovations included the creation of an Economic and Monetary Union with a common currency, the increased use of majority voting and upgrading the role of the European Parliament to co-legislator in many areas, introduction of the so-called 'Social dimension' of labor-market related policies, along with measures creating the so-called Political Union that included intergovernmental cooperation in foreign and security affairs, and justice and home affairs.

The relatively intense campaign was dominated by the yes side; a position advocated by almost all of the major Danish parties and major interest groups. The government focused initially on political aspects in its arguments, whereas the left-wing SF attacked the idea of a political union, especially in foreign and defense, along with the common currency, and the right-wing FP focused their opposition on the 'Social dimension' (labor market policies) and environmental policies (Siune and Svensson 1993). Another major no organization was the People's Movement against the EC, which targeted political union, the surrender of sovereignty, and the threat to the welfare state posed by integration. The debates during the campaign centered on the political aspects of the treaty, including the issue of the surrender of sovereignty and the subsidiarity principle, and aspects of the political union, especially in foreign and defense policies.

After the first no, the major yes parties (now including SF) entered into the so-called 'National compromise', which mandated that the Danish government would ask for certain clarifications and exemptions from the common currency, defense cooperation, justice and home affairs, and citizenship, along with an attempt to push for more 'openness' and subsidiarity. The Danish government took this deal to the Edinburgh Summit, where with the support of the UK they received non-binding clarifications and 'exemptions' in the 'Edinburgh Agreement', along with a promise of increased openness in the EC.¹³

After a change of government in early 1993, the new Social Democrat-led government steered a relatively short and ill-tempered campaign towards a yes. The major debates in the second referendum centered on whether the Edinburgh Agreement actually changed anything and whether

13 - Regarding the non-legal binding character of the Edinburgh Agreement, the author of the agreement, Jean-Claude Piris, has recently published a book where he clearly states that it was a political and not legally binding document. Piris 2006.

it lived up to the reasons for voting no, together with whether a new no vote for Denmark would lead to an exit from the EU (Svensson 2002). The no side was weakened by not having left-wing SF party, as they had switched to the yes camp in connection with the ‘National compromise’ in the fall of 1992.

The benefits of the treaty

How did Danish voters perceive the benefits of the Maastricht Treaty? First, did the integrative steps taken in the Treaty of Maastricht reflect Danish attitudes towards the EC? In the Eurobarometer poll from spring 1992, 57% of Danes polled characterized the EC a ‘good thing’, 21% a ‘bad thing’ (EB 37).¹⁴ Most Danes also believed that Denmark had benefited from EC membership (66%), whereas only 21% believed Denmark had not benefited from membership (EB 37).¹⁵ These figures indicate that Danish voters were relatively satisfied with the status quo.

Yet Danish voters were significantly more hesitant than the EC average regarding the desired speed of integration as measured by the Eurodynameter used by Eurobarometer. On a 7 point scale with 1 being ‘standing still’ and 7 ‘fast’, the mean value of polled Danes was 3.8, whereas the EC average was 5 (EB 37, A29). While 50% believed that the EU was advancing ‘quickly’, only 35% desired this speed of integration, whereas 40% wanted it to continue ‘slowly’ (ibid), suggesting that the Treaty of Maastricht was perhaps a step too far for the Danes.

Danish voters were however polled as being relatively positive regarding the impact of the treaty itself upon the EC in the spring of 1992 (see table 1), but less positive of its effects upon Denmark and most significantly on their own personal situation. The high levels of respondents that answered that it either had ‘no effect’ or ‘did not know’ regarding their own personal situation can be taken as one indication that the perceived b_t were uncertain and unclear to many voters.

	‘EC as a whole’	‘our country’	‘personal situation’
Positive effect	61	41	25
Negative effect	10	27	19
No effect	6	6	29
Do not know	24	26	27

Table 1 – Voter views on the impact of the Treaty of Maastricht

Source: EB 37, A51.

14 - EC average = 65% good, 10% bad.
 15 - EC average = 53% benefit, 29% not.

Focusing specifically upon how voters perceived the benefits of the treaty itself in the two referendums, another indicator that can be used is voter approval of EC cooperation in different issues (see table 2). While the polling data shows a high level of approval of EC cooperation in economic areas such as the Single Market and even EMU, there is significant disapproval of cooperation in the more political areas such as foreign and defense policies, and issues such as common citizenship; all areas that figured prominently in the referendum campaign in the spring of 1992. In other words, Danes preferred economic over political integration.

EC cooperation in issue?	June 1992	May 1993
Environmental policies	Not asked	85%
Single market	74%	71%
Removal of trade barriers and tariffs	69%	65%
EMU	53%	43%
Reduction of economic inequalities between MS	49%	43%
The social dimension	39%	42%
Common foreign policy	38%	37%
Common currency (ecu)	34%	23%
Common defense policy	30%	35%
Creation of United States of Europe	19%	21%
Common citizenship	13%	14%

Table 2 – Voter approval for cooperation in different issue areas

Source: DDA 1743, 1784

If we look at the reasons given by voters in exit polls for voting yes and no, it becomes clear that the benefits of the treaty were not a primary motivation for voting yes. The top two answers in both referendums were both related to the costs of no, whereas only 6% cited a ‘stronger EC’ as a reason for voting yes (figures 3 and 4). Can we see indications of the perceived benefits in the polling data on the reasons given for voting no? Looking at figure 4, the top reason for voting no in June 1992 is opposition to the transfer of sovereignty (34%), while 11% cited uncertainty about the benefits of the treaty. Further reasons given were opposition to political aspects of the treaty, including ‘union’ and defense cooperation. All of these concerns reflect relatively low calculations of the benefits of the treaty relative to the status quo. Concluding, it appears that the Danish voters were relatively satisfied with the status quo and were uncertain about the size of the benefits of the

Maastricht Treaty. Further, the calculation of b_t was also impacted negatively by concerns about the sizable transfer of sovereignty and the political aspects of the treaty.

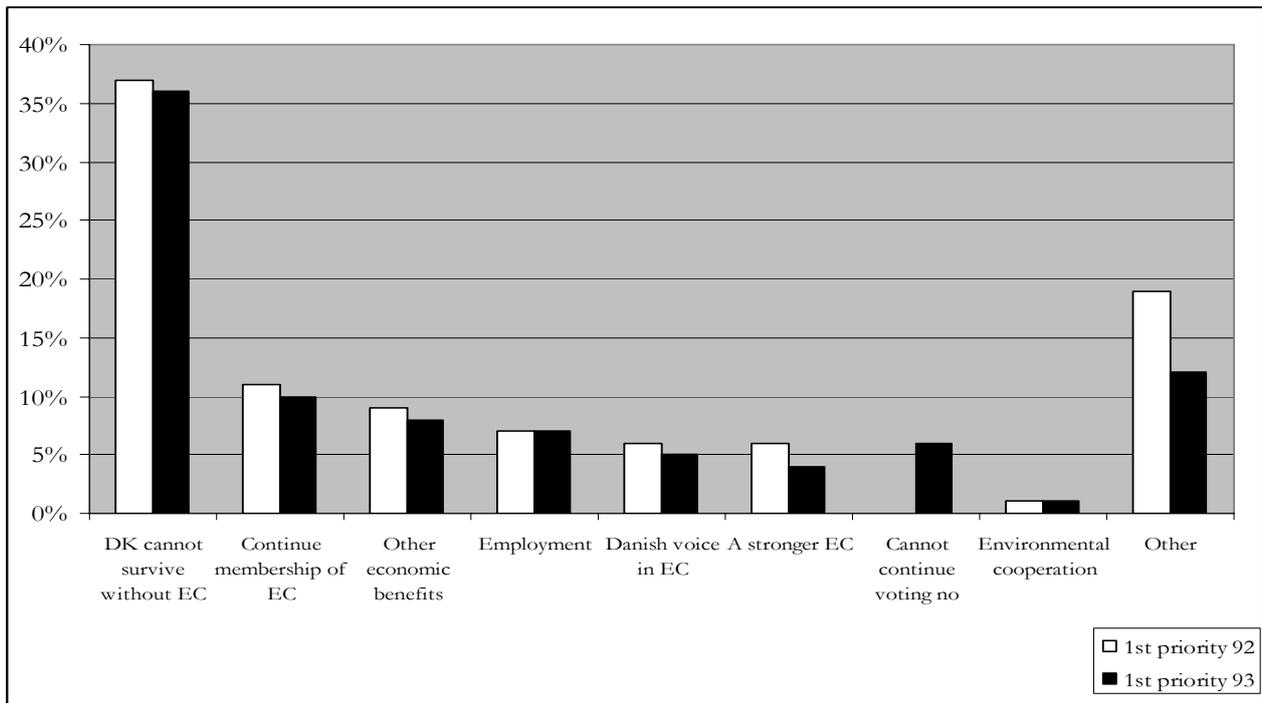


Figure 3 – Reasons given for voting yes in two Danish referendums (1992, 1993)

Sources: DDA 1743, 1784.

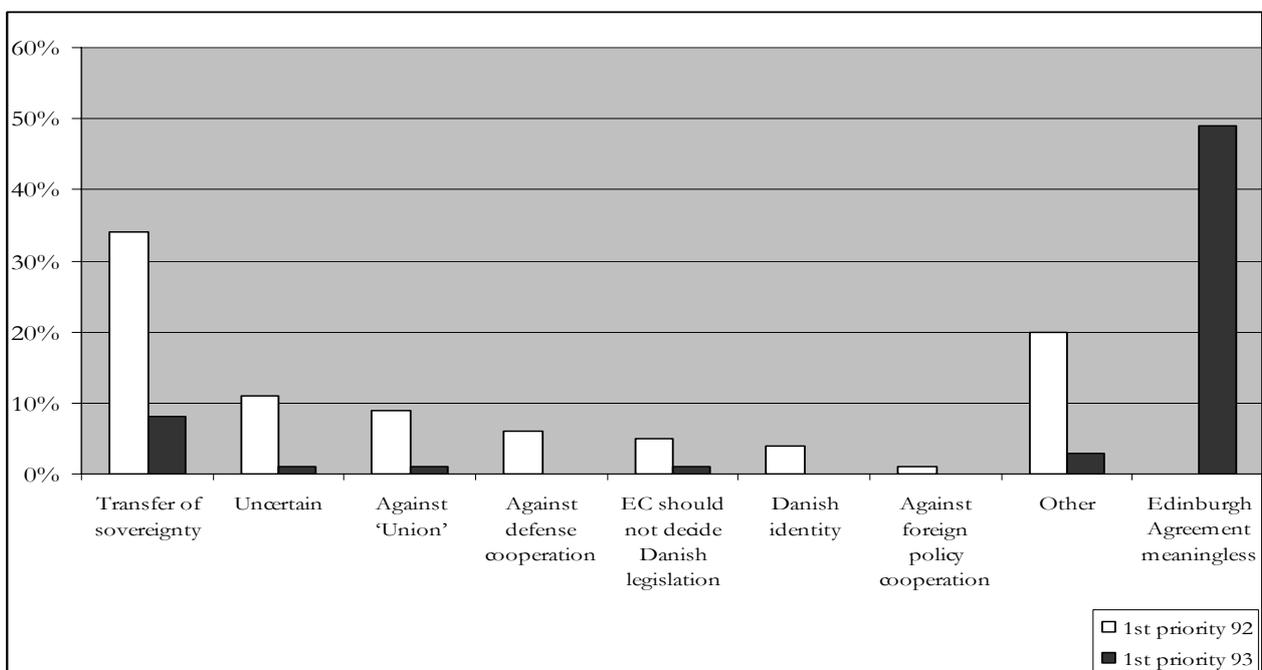


Figure 4 – Reasons given for voting no in the two Danish referendums (1992, 1993)

Sources: DDA 1743, 1784.

Was the ensuing yes vote in May 1993 due to an increase in the perceived benefits of the treaty to Danish voters? There is little evidence that overall attitudes towards integration changed substantially between the two referendums. In the Eurobarometer poll from spring 1993, 61% said the EC was a ‘good thing’, and 17% a ‘bad thing’ (spring 1992 = 57 / 21).¹⁶

What then was the impact of the Edinburgh Agreement upon the perceived benefits of the treaty? Basically, the polling data indicates that many Danes did not believe there was a significant change (33%) (see table 3 below). Of those that did perceive a change, the two most common explanations were the exemptions from the common currency and common defense policies. When we compare this with data from table 2 listing support for integration in different areas, it becomes clear that the so-called ‘exemptions’ coincided with the areas that voters were most reluctant to support. Therefore, the perception of a ‘Maastricht without thorns’ can have led some voters to perceive that b_t was slightly greater than in the first referendum. However, a more convincing argument is that the main reason for the shift from a no to a yes vote was due to a shift in the perceived costs of no.

	1 st priority	2 nd priority
Nothing different	33%	0%
Exemption from common currency	10%	5%
Exemption from common defense policies	9%	4%
Exemption from police cooperation	1%	4%
Exemption from common citizenship	1%	0%
Denmark exempted from transfers of sovereignty	1%	0%
Denmark exempted from political union	1%	0%
Secures openness	1%	0%
Secures subsidiarity	1%	0%
Exemption from judicial cooperation	0%	0%
Do not know	28%	1%

Table 3 – Voter perceptions of the Edinburgh Agreement

Source: DDA 1784

16 - EC average = 60% good, 12% bad.

The costs of no

Leading politicians from both the government and Social Democratic opposition all attempted to argue that a no vote would not result in the continuance of the status quo, but would have substantial negative costs for Denmark. PM Schlüter said that while Denmark probably would not be thrown out of the EC, the other 11 member states would adopt a modified Maastricht on their own, excluding Denmark from influence (*Berlingske Tidende*, 28.05.92, p. 7). More bombastic claims were made by Foreign Minister Uffe Elleman-Jensen in Parliament on May 12th 1992, where he stated that a no would be ‘barren and negative’, and a no would result in a very uncertain economic future for Denmark, including a flight of capital and a massive increase in interest rates.

New opposition leader Poul Nyrup Rasmussen was somewhat milder, stating that in the event of a no, Denmark should try to negotiate a deal with the other member states, but that it would be very difficult to get anything other than Maastricht or exit, and therefore voters should say yes (*Politiken*, 26.05.1992, p. 1). Other leading Danish experts such as Niels Thygesen, who had taken part in the negotiation of EMU, said that a no would be a ‘catastrophe’ with an increase in unemployment of between 20,000-40,000 due to permanently higher interest rates (*Berlingske Tidende*, 16.05.1992, section 3, p. 7).

Did voters believe that the costs of no were certain and sizable in the June 1992 vote? In a poll taken two weeks prior to the vote, 85% of yes-voters state that a no will have negative economic costs for Denmark, whereas only 17% of no-voters said the same thing. This is one indication that a primary motivation to vote yes was a fear of the costs of no. Data in figure 3 above substantiates this, with the most common answer for voting yes was that DK cannot survive without EC membership (37%). Yet c_n were not sufficiently clear and sizable to motivate a majority to vote yes, illustrated by the large number of no-voters who believed that a no would not have negative effects illustrates.

In contrast, after Denmark actually voted no, the other 11 member states clearly showed that if Denmark could not ratify they would proceed without them,¹⁷ and therefore only agreed to certain minor cosmetic modifications applicable to Denmark (Edinburgh Agreement), Danish politicians could much more credibly state that a no would not result in the resumption of the status quo, but would be some form of exclusion/isolation. In all, 52% percent of voters stated that their motivation for voting yes was based upon concerns about the costs of no, including ‘Denmark

¹⁷ - The UK position until the weeks prior to the second referendum was that they would not sign until Denmark had signed, but this changed when FM Douglas Hurd raised the possibility of signing in the event of a new Danish no. *Berlingske Tidende*, 28.04.1993, p. 8.

cannot survive without the EC’, ‘avoid isolation of Denmark’, and ‘we cannot continue to vote no’ (see figure 3 above). Further, in a poll in the week prior to the May 18th vote, 8% of voters who said no the first time around said they would now vote yes regardless of whether they were voting for an unchanged Treaty of Maastricht, suggesting that they were more concerned about the costs of no the second time around (*Politikken*, 17.05.1993, p. 1).

Interestingly, whereas as elites in the first campaign used what were termed ‘scare tactics’ to frighten voters into voting yes (see above), these tactics were significantly toned down in the second referendum. This suggests that what is key to perceptions of the costs of no is certainty and credibility. By arguing for extreme costs of no in the first referendum, elites actually undermined the credibility of the certainty of significant negative costs, whereas in the second campaign they could let the situation speak for itself as it was very evident to most voters what would happen in the event of a second no.

Conclusion – explaining the shift from no to yes

The benefits of the Treaty of Maastricht were not sufficiently clear or sizable for a majority of voters, and the costs of no were also relatively uncertain as no country had ever voted no. After the no vote, the adoption of the so-called Edinburgh Agreement pulled the worst thorns out of the Treaty for Danish voters, but arguably even more important was the increased certainty of significant negative costs of a second no; significant enough to shift 7% of the voters towards a yes.

Can there have been other reasons for the shift? Franklin et.al. argue that the difference was that an unpopular government was replaced by a more popular government (1994:120). However, this explanation has two problems. First, there is a clear correlation between the number of areas that voters approve of integration and voting yes (Siune and Svensson 1993:103-104). Secondly, Siune, Svensson and Tonggaard show that opinion polls on the treaty changed before the change of government; indeed they changed at the time of the conclusion of the ‘Edinburgh agreement’, illustrating that it was this adoption of a ‘Maastricht without thorns’ that helped shift a crucial segment of voters, along with the strong signal that the Edinburgh Summit sent to voters that this was all they would get and that another no vote would mean exit.

Denmark and the Euro referendum in 2000

The Danish government attempted to remove the most important Maastricht exemption by calling a referendum on the Euro. After a lengthy campaign, the measure was rejected on the September 28, 2000 with 53.2% voting no (87.6% turnout). Why, despite having the backing of parties representing over 80% of the seats in parliament, most major newspapers and opinion leaders, did the Danes vote no? The argument in the following is that the referendum was doomed from the day it was called due to the structural context (likely low b_t and c_n). In a situation where it was difficult to point to significant benefits of euro membership, and a no vote would merely result in a reversion to a stable status quo, no amount of salesmanship could have won the referendum.¹⁸

The campaign for a yes started in March 2000; before the actual euro notes and coins were introduced. The early stages of the debate were dominated on the yes-side by attempts to provide relatively impartial information about the economic advantages of the euro; in effect making the question a technical matter discussed by economic experts. Opposition to the euro came from both extremes in Danish politics; the right-wing Danish People's Party (DF), which campaigned on a 'keep the Krone – vote Danish' platform; and left-wing parties such as the Socialist People's Party, which rallied against EMU as a project that could threaten the welfare state, and that the tight monetary policies demanded could result in unemployment. These parties were joined by the two main anti-EU movements; the June Movement and the Popular Movement against the EU. A common theme was that the EMU was an undemocratic political project that was one big step further on the 'slippery slope' towards an ever-closer federal Union.

The yes-campaign ran into substantial difficulties persuading voters about the economic advantages of the euro after a report was published in April 2000 by the independent and respected Danish Economic Council on the economic effects of EMU upon Denmark. The conclusions stated that, '...the Chairmanship assesses the purely economic costs and benefits for Denmark of EMU membership as being small and uncertain. However, as stated earlier, there are a number of other aspects, not least those of a political nature, which may have an important role for Denmark's choice, but which are not considered in the report.'¹⁹

After this report Prime Minister Poul Nyrup Rasmussen, supported by the biggest opposition party (the Liberals) and his vocal Economics Minister Marianne Jelved, stated in a parliamentary

¹⁸ - Based upon this reasoning, one of the author's predicted in March 2000 that the outcome would be a no vote. *Weekendavisen*, 03.03.00, p. 10.

¹⁹ - Quoted in House of Commons, Research Paper 00/78, 'The Danish Referendum on Economic and Monetary Union.'

debate in mid-May that the debate on the euro should be about political aspects. The yes-campaign should be about ensuring that Denmark has a 'seat at the table' in the EU, and is not excluded from the most important decision-making fora, with a no expected to lead to B-membership (*Politikken*, 18.05.2000, p.16). As opinion polls became less favorable throughout the summer, and the euro continued to plummet against the dollar, proponents of the euro increasingly resorted to scare tactics. For example, Finance Minister Lykketoft announced that while a yes would result in an increase in the size of the Danish economy of 20 billion DKK (€2.7 bn) (*Politikken*, 20.09.00, p. 5), a no would cost at least 5 billion DKK (€800 ml) (*Information*, 14.09.00, p. 1). The PM stated that a no would result in an increase in average monthly mortgage payments of 500-600 DKK (€70-80) (*Berlingske Tidende*, 28.09.00, p. 9). Danish business elites were even more brazen, with the head of Danisco going so far as to state that he would stop investing in Denmark in the event of a no (*Politikken*, 30.06.00, p. 9).

The benefits of the treaty

How did Danish voters perceive the benefits of joining the euro? At the aggregate level, Danish views towards the EU were relatively positive, with 51% saying the EU was a 'good thing' and 22% a 'bad thing' in the fall of 2000, and 65% saying that Denmark had benefited from EU membership (23% not benefited) (EB 54). On the 7 point Eurodynameter scale, the mean desired score for Danes was 3.9 (EU average = 4.75), whereas they perceived that integration was moving forward at an average of 4.5; indicating potential concerns amongst Danes that the speed of integration was too fast.²⁰ Another indication of this concern is the 33% that stated that they desired that the EU would have a *less* important role in their daily life in five years time (28% more important, 35% same) (EB 54).

If we look at the reasons given for voting yes and no in tables 4 and 5, the top motivations for voting for the euro are that it is a 'good thing' and economic reasons such as it is a benefit for the economy. However, concerns about sovereignty, a too fast pace of integration, and a desire to keep the status quo (the Krone) were also the top motivation for voting no. Given that the credibility of arguments about major economic benefits of the euro were undermined by the report from the Danish Economic Council, it is perhaps surprising that economic benefits were so important a motivation, but when we look closer at the data, many of these respondents were speaking about their personal situation (e.g. 'I have an export business, and it will benefit me').

²⁰ - These figures were relatively unchanged from the spring 2000 EB survey.

	Frequency	Percent	Valid Percent
Euro a 'good thing'	77	7.7	16.7
Diverse economic reasons	67	6.7	14.5
Not lose influence, cannot be outside	62	6.2	13.4
Membership and cooperation important	56	5.6	12.1
Ensure Danish influence in EU	46	4.6	10.0
DK part of Europe, support a United Europe	45	4.5	9.8
Have no choice: said a, do b	33	3.3	7.2
Follow lead of politicians	28	2.8	6.1
Do not know	16	1.6	3.5
Peace	15	1.5	3.3
For United States of Europe	8	.8	1.7
Part of Danish development	5	.5	1.1
Austrian sanctions removed	2	.2	.4
Uncertain of consequences of no	1	.1	.2
Total	461	46.1	100.0
System	539	53.9	
Total	1000	100.0	

Table 4 – Reasons given for voting yes to the Euro

Source : DDA 4013

The argument about having a 'seat at the table' is also evident in the data (ensure Danish influence / not lose influence), but it was not sufficient to convince a majority to vote yes. In other words, while many voters perceived that there were some economic and political benefits from euro membership, they were not sufficiently clear and sizable to motivate a majority to vote yes.

	Frequency	Percent	Valid Percent
Sovereignty and independence reasons	90	9.0	18.1
Keep the Krone	61	6.1	12.3
Do not like the EU, EU too big, administrative...	55	5.5	11.1
Lack of information, ill-informed	40	4.0	8.1
Politicians not trustworthy	37	3.7	7.5
Do not know	36	3.6	7.3
Stay Danish, nationalist reasons	33	3.3	6.7
Always voted No	33	3.3	6.7
Against Union	28	2.8	5.6
DK not ready, € introduced too quickly	19	1.9	3.8
Status quo is good	18	1.8	3.4
DK does not need €	10	1.0	2.0
Weak €	8	.8	1.6
Future of € uncertain	7	.7	1.4
Do not like the €	6	.6	1.2
Unsure about DK future with €	6	.6	1.2
Austrian sanctions	4	.4	.8
Fear of cuts in social welfare due to €	4	.4	.8
No more foreigners	1	.1	.2
Total	496	49.6	100.0
System	504	50.4	
Total	1000	100.0	

Table 5 – Reasons given for voting no to the Euro

Source : DDA 4013

The costs of no

The main handicap of the yes-camp however was the lack of ‘costs of no’. In the event that Danes voted no, they would merely keep the status quo. This meant continued Danish membership of the second phase of EMU, with the Krone still tied to the euro. Due to the strong Danish economy and responsible governmental policies, Denmark’s economic position was stronger than most euro countries, with a relatively low public debt, low inflation, etc.; meaning that in the event of a no, there was little credible evidence that there would be massive speculation against the Krone. Despite this, the government tried to play up this threat a week before the vote by leaking that a team of top ministers would follow developments with the Krone very closely in the event of a no vote, and would intervene as soon as speculation against the Krone started (*BT*, 23.09.00, p. 12).

When we look at the data, we do see that some no voters listed fears of speculation as a reason for voting yes (table 4), but when asked directly whether a no would lead to speculation, 37% agreed (likely, very likely), while 46% disagreed (DDA 4013, v39). On other negative economic consequences, 31% agreed that a no would lead to higher interest rates and instability, but 49% disagreed. These figures clearly indicate that a majority of voters did not buy into the scare tactics of the yes-side, especially as many economic experts such as the Danish Economic Council had stated that a no would have minimal costs.

Conclusion – why did the Danes reject the euro?

Neither the benefits of the euro (b_i) nor the costs of a no (c_n) were sufficiently clear or sizable to convince a majority of voters to vote yes. The benefits of joining the euro were uncertain, and given fears about the loss of sovereignty, many Danish voters perceived that they were actually negative. The costs of no were also low, with a no resulting merely in the preservation of the desired status quo (keeping the Krone). Further, there was little credible evidence that there would be massive negative consequences due to the strength of the Danish economy. Indeed, this proved to be the case, with no measurable negative economic consequences after the vote.

Yet did the Danes actually vote based upon the issue; the euro? Or was there negative vote based upon other factors such as opposition to the Austrian sanctions or the unpopularity of the government? First, some commentators have stated that a major motivation for voting no was the clumsy and in Denmark unpopular treatment of Austria in connection with the participation of Haider's Freedom Party in the government (Downs 2001). However this motivation simply does not show up in the polling. In July only 5% of voters inclined to vote no mentioned the Austrian sanctions as a motive (*Financial Times*, 24.07.00), and in the major Danish election poll (DDA 4013), only 0.8% of no-voters mentioned it as a motivation. Second, the motivation of anti-foreigner sentiments as a motivation for voting no described by de Vreese and Boomgarden (2005) simply does not show up in the data (see table 5 above).

Thirdly, there are few indications that voters expressed their dissatisfaction with the government by voting no. Using the intention to vote for a governmental party as a measure of governmental support, there is a significant association between voting behavior and intention to vote for the government, but it is also *very* weak ($\lambda = 0.002$, $\chi^2 = 4.65$, significance 0.031).

Finally, when we construct an index of views on the consequences of a yes and no vote (i.e. views on the treaty itself), there is a strong correlation with attitudes towards the euro and voting

behavior. The Danish election poll contains eight questions about the potential consequences of a yes and no. Beliefs about positive benefits of the euro or high costs of no were coded as 1, while beliefs about negative consequences of euro membership were coded as 0.²¹ These items were combined into an additive eight point index, and then tested using a logistic regression model to see whether they could predict voting yes or no. The results are presented in table 6. These figures indicate a relatively strong and significant relationship between the attitude index and voting yes, with voters that believe that there are either high b_t and/or high c_t much more likely to vote yes than voters that perceive that voting yes has negative implications for Denmark (low/negative b_t) or that a no has low costs.

	-2 Log likelihood	R ² (Cox and Snell)	R ² (Nagelkerke)
Attitudes towards the euro	636.86**	0.53	0.70

** < 0.01

Table 6 – Relationship between EU attitudes, education, and voting behavior

Source : DDA 4013

Concluding, Danish voters rejected the euro in the September 2000 referendum due to low b_t and c_n , as it was difficult for the yes-side to point to substantial benefits of membership while a no would merely result in a return to the relatively desirable status quo – continued use of the strong and stable Danish Krone.

²¹ - For example, answering 'fully' or 'partially' agree with the statement that 'Denmark gains most influence by taking part in EU cooperation' (v37) is coded 1, whereas disagreement is coded 0. A 1 here is then interpreted as relatively high b_t .

France and the rejection of the Constitutional Treaty

French voters rejected the Constitutional Treaty on 29 May 2005 by a majority of 54.7%. When President Jacques Chirac almost a year earlier on 14 July 2004 announced the referendum, it was not anticipated that France would pose a threat to the ratification process, as laggards like Great Britain and Denmark were perceived as much more difficult obstacles. Early surveys indicated strong public support with as much as a 69% ‘yes’ majority in September 2004, hardly moving in the following months, and just slightly dropping to 65% in January 2005. But soon after, when the date of the referendum was set and the campaign initiated, the polls dropped (see figure 5).

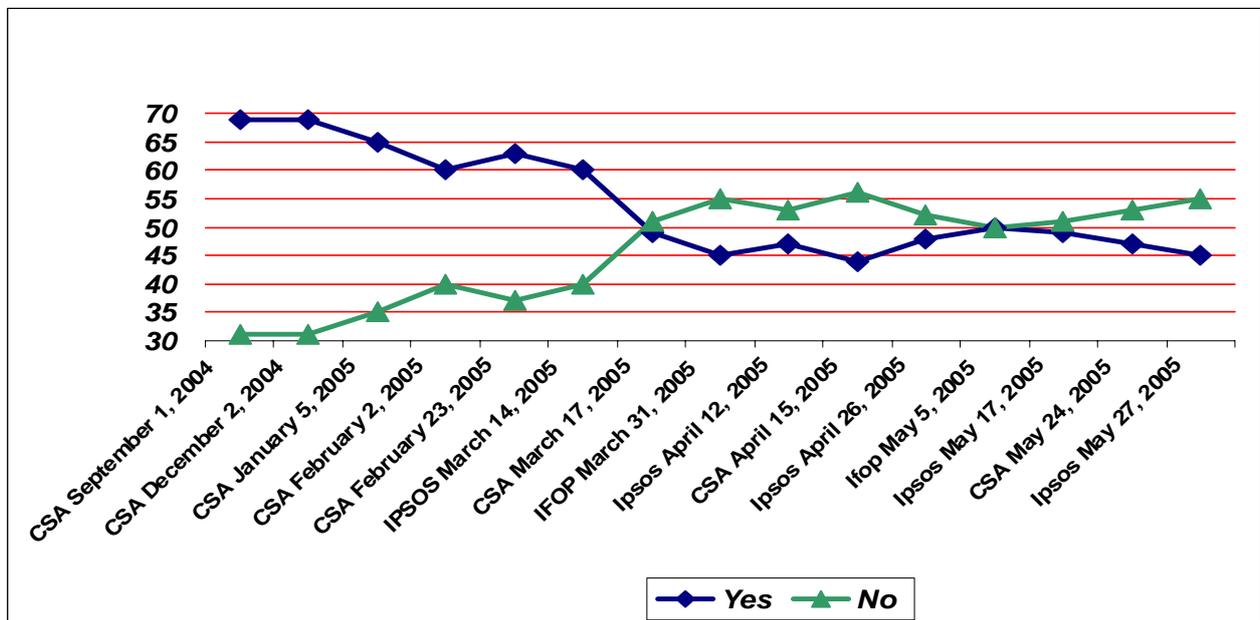


Figure 5 - Opinion Polls, September 2004 - May 2005

Source: Nielsen and Olsen 2006, pp. 2

The French case is often used as an example of ‘second-order elections’ par excellent. In this sense the French case provides a hard case for the suggested model in comparison to the Franklin thesis. Anecdotal evidences for second-order dynamics are not hard to come by. Prior to the referendum on the Maastricht Treaty in 1992, a poll in *Libération* indicated that 42% of the voters saw the ballot as an opportunity to vote against the government. A left wing liberal, Alain Minc, even argued that President Mitterrand should resign in order to detach the issue of his popularity to the substance of the treaty (Schneider and Weitman 1996: 592, fn. 3). In the final days of the campaign Mitterrand backtracked by saying: “*I have never said that if you vote for Europe you vote*

for me” (quoted in Franklin et al. 1994: 466). Similarly, in the last days of the 2005 campaign, Chirac urged the public not to make the referendum a vote against him or his government (BBC online, May 27, 2005). But were the French voters merely voting against the Chirac government? In addition, the issue of Turkish accession, which is not mentioned in the Constitutional Treaty, has also been an oft-stated reason for the rejection. Was this the case? In other words was the negative response a rejection of the Constitutional Treaty, or was it based upon domestic or external reasons.

CSA	
The social situation in France	55%
The content of the Constitutional Treaty	24%
The possible future entry of Turkey into the EU	20%
The role of France in Europe	17%
The orientation of European policies, both social and liberal	17%
Eurobarometer	
Expectation of a negative effect on the employment situation in France	31%
The economic situation in France and a high unemployment	26%
The Constitutional Treaty is too liberal in an economic sense	19%
Opposes the President, the government and/or certain parties	18%
Not enough social Europe	16%
IPSOS	
Dissatisfaction with the domestic social and economic situation	52%
The Constitutional Treaty is too liberal in an economic sense	40%
The rejection of the Constitutional Treaty allows for a renegotiation of a better one	39%
Opposing the entry of Turkey into the EU	35%
The Constitutional Treaty is a threat to the identity of France	32%

Table 7 - Main motivations for voting ‘no’ in the French 2005 referendum

Sources: CSA 2005b, Eurobarometer 2005, IPSOS 2005c.

Note: The numbers exceed a hundred percent since it was possible to mention more than one reason for voting ‘no’ in all three surveys. Only the five most stated motives in each survey are included in the table.

If we look at the stated reasons for voting no in table 7, it is very obvious that the social dimension played *the* key part in the voters’ negative assessment. Behind this broad category are different factors such as high unemployment rates, fear of eastward relocation of workplaces, general concerns about a deterioration of the French social model, etc. However, whether this

actually supports the second-order thesis is less clear. Only Eurobarometer provides a direct indicator of this among the highest ranked voting motivations; namely 18% answering that they opposed President Chirac, his government and/or certain parties.²²

Evidently, the domestic social environment was important. But reacting against what was clearly perceived as a very bad French economic situation can partially be seen as a critical assessment of the treaty itself and its perceived shortage of responses to these problems. Several items indicate that the French voters saw the Constitutional Treaty itself as too liberal (the second highest ranking in the IPSOS survey, the third highest in the Eurobarometer) and several explicitly cited the content of the treaty as the main motivation for voting no (second highest ranking in the CSA survey).

Neither the second-order election model nor the traditional issue-voting thesis can explain all aspects of the vote, for that the contours of the motivational reasons in table 7 are simply too messy. In addition, contrary to the predictions of nationalistic sentiment thesis (de Vreese and Boomgarden 2005), in the end Turkish accession only played a minute role, arguably because the subject was decoupled early on when an amendment to the French Constitution in late February 2005 stipulated that the electorate should vote on the subject if it became relevant. In other words, elite cues concerning Turkey were credible, and were even institutionalized (Nielsen and Olsen 2006). Jérôme and Vailant (2005) found that border departments were more inclined to vote no, which indicates that a loss of territorial identity mixed with fears of unemployment due to immigration from foreign workers mattered. But it is only a weak correlation, and as Ivaldi argues, xenophobic concerns, isolationism, and other indicators of nationalistic variables should not be overestimated (Ivaldi 2006: 49).

What we offer as an alternative explanation is paradoxically related to the very confused nature of the polling data; namely that the benefits of the treaty were simply not clear and sizeable. The zone of indifference prevailed because the French did not see a solution to the problems at hand that could beat the status quo, and for some the perceived ultra-liberal agenda did in fact even make things worse. The importance of domestic social unrest does pose a problem for our model, as well as for the economic utility thesis (e.g. Gabel 1998), since it is the utility from integration we expect to impact the vote. But if we also include the low cost of voting no in the analysis of the French median voter, our model becomes more plausible. Recall that if c_n in the utility function is small, it

²² Further down the list provided by Ipsos, punishment strategies were mentioned, either directed at French politicians in general (31%) and Chirac's government (24%).

is harder to beat the status quo. The French electorate anticipated that it was not a ‘take it or leave it’ vote. The question of a possible renegotiation became an issue after former Minister and Commission President, Jacques Delors made a public slip in an interview with *Le Monde*, that a ‘plan B’, i.e. to renegotiate a modified treaty although difficult, was possible (*Le Monde* online, 13 May 2005).²³ Only IPSOS includes the possibility of renegotiation in the ranking (39%), but both the other two post-referendum surveys applied in table 7 probed about this matter with high scores. In the Eurobarometer survey, as many as 89% of the no voters believed it was possible negotiate a more social text. What does this mean? Were French voters actually acting as playing a Rubinsteinian bargaining game, where they did not accept the offer in the first round? More valid data is needed to verify this hypothesis, but it seems plausible that taken together the diffuse size of b_t and the low c_n provides at least as good an explanation as any of the existing models of voting behavior in EU referendums.

²³ Especially Laurent Fabius, a Socialist and at that time Presidential hopeful, was using this argument time and again in his no campaign (*Financial Times* online 29 May 2005). Newly elected President Nicolas Sarkozy, then UMP Chairman, stated that: ““If this constitution is rejected, there will be no Plan B, and there will not be a second chance. We could spend years in interminable discussions to produce a less good text... And the chance that it would be a Frenchman who would conduct these talks, after the remarkable work of Giscard, is zero” (*Financial Times*, May 17, 2005).

6. Conclusions

In the early 1940s, Elmo Roper, a pioneer in opinion surveys, wrote:

"A great many of us make two mistakes in our judgment of the common man. We overestimate the amount of information he has; we underestimate his intelligence... I have often been surprised and disappointed to discover that he has less information than we consider vital. But I have more often been surprised and elated to discover that, despite his lack of information, the common man's native intelligence generally brings him to a sound conclusion" (quoted from Nincic 1992: 48).

This paper has drawn a very similar conclusion. It is a truism among many commentators that voters are not competent to take parts in complex issues such as ratifying EU treaties (Andrew Duff in *Financial Times*, Andrew Moravcsik in *Newsweek*). However, based upon the evidence that we have presented in this paper, we argue that voters can and indeed should be analyzed as intelligent voters that can rationally weigh the benefits of a treaty and the costs of no vis-à-vis the status quo.

After reviewing the state of the art, we developed a status quo-oriented, issue-voting model of voter behavior that is based upon the assumptions of voters that are both competent/rational, and that are biased towards preserving the status quo. The model includes two main independent variables that attempt to explain when the median voter will vote yes or no. The first is the perceived benefits of the treaty (b_t), which are based both upon general views towards the EU and more specific utility calculations relating to the specific treaty. Second are the perceived costs of no (c_n), which are based upon the size and certainty of adverse consequences of a no vote; be they exit from the Union or other adverse economic and/or political consequences. Given that voters prefer to keep the status quo, they will only vote yes when either b_t or c_n are sufficiently clear and sizable that they overcome the status quo bias. Section 4 validated the assumption of voter competence by utilizing Hobolt's findings from the 1994 Norwegian EU accession referendum, and data from a 2001 Danish election survey.

The cases in the comparative study were chosen in order to maximize variance in the explanatory variables.²⁴ In the comparative analysis of the 1992 and 1993 Danish referendums on the Treaty of Maastricht, it was found that in 1992 neither b_t or c_n were sufficiently large to overcome the status quo bias of Danish voters. Indeed, many voters were concerned about the

²⁴ - The Spanish referendum on the Constitutional Treaty in 2005 will complete this, as it is an example of a case where b_t was very high.

political implications of the treaty. What changed in 1993 was both b_t or c_n . The benefits were slightly higher, as the worst ‘thorns’ were perceived to be pulled out of the Maastricht Treaty by the Edinburgh Agreement. More significantly, in 1993 the yes-side could credibly argue that another no would result in Danish exclusion (very high c_n).

The effects of low c_n were also seen in the Danish euro referendum in 2000. Here there were few obvious benefits of joining the euro, but even more importantly was the fact that a no would result in the preservation of the desired and stable status quo (the Krone). Danish voters also did not believe that voting no would have adverse economic or political effects, resulting in a very predictable outcome – a no vote. The French referendum on the Constitutional Treaty was a similar case, in that the benefits of the Constitutional Treaty were not clear for French voters, while the c_n were relatively low, as it was difficult to argue that France could be excluded from the EU.

Issue-voting was clearly the main voting motivation in all of the studies referendums. Even in Spain (that will be covered in a future version), 33% answered that they voted in accordance with an overall view of the EU and 26% mentioned the Constitutional Treaty. It is unambiguous that the low level of information does not necessarily translate into second-order dynamics (the low voter turn-out, 42%, is another problem). Also it is quite clear from the data that the b_t was perceived as very high in Spain, in contrast to the French 2005 case.

What implications does our model and findings have for the study of referendums? One implication is that instead of studying campaigns, the focus should be moved to the structural context of public opinion in a given referendum. Campaigns do matter in that they can help shape both b_t or c_n , and they have to take place in order to provide a variety of cues within which voters can place themselves.

Yet these perceptions are not just created, and in order for arguments to have any effect they must have a grounding in objective factors. When attempting to predict the outcome of an EU referendum, the analyst should therefore ask questions such as: how do voters perceive the status quo (existing level of integration)? Does the given treaty have clear and significant benefits for the average voter? What will likely happen in the event of a no vote?

Using these questions to predict the outcome of a potential second French referendum on the Constitutional Treaty, one would first ask whether the status quo is perceived as good. Basically, given the election of Sarkozy and strong demands for change, one can argue that French voters are not content with the status quo. However, does the Constitutional Treaty (CT) do anything to

alleviate French problems? Based upon opinion polls, the answer would appear to be that many French voters thought that the CT was more a part of the problem than a solution.

The only thing that potentially could change this is the very unlikely prospect of some form of ‘social protocol’ being adopted; something the UK would never accept. However, even with this, the b_t would most likely be quite low, as the CT is a very modest treaty with few substantive changes to the EU in comparison to the Treaty of Maastricht, where b_t was arguably higher for French voters. Given low b_t , the only factor that could then potentially result in a French yes would be the costs of no. Yet given France’s size, exclusion or other negative costs are simply improbable. Therefore, based upon our model and the structure of public opinion in France, it is unlikely that a yes vote to the CT could be achieved in France.

Concluding, our paper has attempted to move the debate on voting behavior in EU referendums forward by proposing a relatively parsimonious model of status quo-oriented issue-voting. While the model could not explain everything in the comparative case analyses, it did provide a strong explanation of voter behavior. What is now necessary are three things. First, the assumptions of voter competence and status quo bias need to be validated in further studies. Second, we need to gather much better data in order to measure more validly our independent variables. This would be done by crafting questions for polling research that ask more specifically about the perceived b_t or c_n , enabling us to develop a more ‘falsifiable’ expectations in a given case than we are presently capable of. Thirdly we need to undertake more comprehensive comparative case studies, including e.g. Irish cases, while also investigating whether the model can also be applied to accession referendums.

References

- Anderson, Christopher J. (1998). 'When in Doubt, Use Proxies: Attitudes Toward Domestic Politics and Support for European Integration', *Comparative Political Studies*, Vol. 31, No. 5 (October 1998), pp. 569-601.
- Bowler, Shaun & Todd Donovan (1998). *Demanding Choices: opinion, voting, and direct democracy*. Ann Arbor : University of Michigan Press,
- Davis, Otto A., Melvin J. Hinich and Peter C. Ordeshook (1970) 'An Expository Development of the Electoral Process.', *American Political Science Review*, Volume 64, Number 2, June 1970, pp. 426-448.
- DDA (various) *Dansk Data Arkiv* [Danish Data Archive].
- Downs, Anthony (1957) *An Economic Theory of Democracy*. New York: Harper and Row.
- Downs, Anthony (1962) 'The Public Interest: Its Meaning in a Democracy', *Social Research*, 29:1, pp. 1-36.
- Downs, William M. (2001) 'Election Report – Denmark's Referendum on the Euro.' *West European Politics*, Volume 24, Number 1, pp. 222-226.
- De Vreese, Claes & Hajo Boomgaarden (2005). 'Projecting EU Referendums. Fear of Immigration and Support for European Integration', *European Union Politics*, Vol. 6, No. 1, pp. 59-82.
- Eichenberg, Richard C. & Russell J. Dalton (1993) 'Europeans and the European Community: the Dynamics of Public Support for European Integration, *International Organization*, 47(4): pp. 507-34.
- Eurobarometer (various). European Commission: Directorate General Press and Communication.
- Franklin, Mark N. (2002). 'Learning From the Danish Case: A Comment on Palle Svansson's Critique on the Franklin Thesis', *European Journal of Political Research*, Vol. 41, No. 6, pp. 751-757.
- Franklin, Mark N., Michael Marsh & C. Wlezien (1994). 'Attitude Towards Europe and Referendum Votes: A Response to Siune and Svansson', *Electoral Studies*, Vol. 13, No. 2, pp. 117-121.
- Gabel, Matthew J. (1998). 'Economic Integration and Mass Politics: Market Liberalization and Public Attitudes in the European Union', *American Journal of Political Science*, Vol. 42, No. 3, pp. 936-53.
- Garry, John, Michael Marsh & Richard Sinnott (2005). "'Second-order Versus 'Issue-Voting' Effects in EU Referendums: Evidence from the Irish Nice Treaty Referendums', *European Union Politics*, Vol. 6, No. 2, pp. 201-221.
- Hobolt, Sara Binzer (2005). 'When Europe Matters: The Impact of Political Information on Voting Behaviour in EU Referendums', *Journal of Elections, Public Opinion and Parties*, Vol. 15, No. 1, pp. 85-109.
- Hobolt, Sara Blinzer (2006) 'Direct Democracy and European Integration.', *Journal of European Public Policy*, Volume 13, Number 1, January 2006, pp. 153-166.
- Hooghe, Lisbeth & Gary Marks (2005) Calculation, Community and Cues: Public Opinion on European Integration, *European Union Politics*, Vol. 6; No 4, pp. 419-444.

- Hug, Simon (2002). *Voices of Europe: Citizens, Referendums, and European Integration*. Lanham: Rowman & Littlefield Publishers, Inc.
- Immergut, E. (1992), *Health Politics. Interests and Institutions in Western Europe*. Cambridge, Cambridge University Press.
- Ivaldi, Gilles (2006). 'Beyond France's 2005 Referendum on the European Constitutional Treaty: Second-Order Model, Anti-Establishment Attitudes and the End of the Alternative European Utopia', *West European Politics*, Vol. 29 (January 2006), No. 1, pp. 47-69
- Lupia, Arthur (1992) 'Busy Voters, Agenda Control, and the Power of Information.', *American Political Science Review*, Volume 86, Number 2, pp. 390-403.
- Lupia, Arthur and Mathew D. McCubbins (1998) *The Democratic Dilemma. Can Citizens Learn What They Need to Know?* Cambridge: Cambridge University Press.
- Marcussen, Martin and Mette Zølner (2002) 'The Danish EMU Referendum: Business as Usual', *Government and Opposition*, Volume 36, Number 3, pp. 376-401.
- Piris, Jean-Claude (2006) *The Constitution for Europe: A Legal Analysis*. Cambridge: Cambridge University Press.
- Moravcsik, Andrew (2005) 'The Politics of Plebiscites', *Newsweek*, online-edition, 9 May 2005.
- Moravcsik, Andrew (2007) 'No Power to the People' *Newsweek*, online-edition, 5 February 2007.
- Nielsen, Rasmus L. & Laura L. Olsen (2006). *Why Did the French Reject the European Constitutional Treaty?*, Working Paper No. 26, Centre for European Studies, University of Southern Denmark.
- Oscarsson, Henrik & Sören Holmberg (2004). *Kampen om euron* [The Battle over the Euro]. Göteborg University: Department of Political Science.
- Reif, Karl Heinz & Hermann Schmitt (1980) 'Nine Second-Order National Elections: A Conceptual Framework for the Analysis of European Elections Results', *European Journal of Political Research*, Vol. 8, No. 1, pp. 3-44
- Schneider, Gerald & Patricia. Weitsman (1996). 'The Punishment Trap. Integration Referendums as Popular Contests', *Comparative Political Studies*, Vol. 28, No. 4, pp. 582-607
- Schuck, Andreas R.T. & Claes H. de Vreese (*forthcoming*) 'Why the Dutch said No to the EU Constitution: EU skepticism, proxies and the campaign'
- Waldo Schumacher (1932) 'Thirty Years of the People's Rule in Oregon: An Analysis', *Political Science Quarterly*, Vol. 47, No. 2 (Jun., 1932), pp. 242-258
- Gordon Smith (1976) 'The functional Properties of the Referendum', *European Journal of Political Research*, 4 (1), pp. 1-23.
- Sniderman, Paul M., Richard A. Brody and Philip E. Tetlock (1991) *Reasoning and Choice: Explorations in Political Psychology*. Cambridge: Cambridge University Press.

Suine, Karen and Palle Svensson (1993) 'The Danes and the The Maastricht Treaty: The Danish EC Referendum of June 1992.' *Electoral Studies*, Volume 12, Number 2, pp. 99-111.

Svensson, Palle (1994). 'The Danish Yes to Maastricht and Edinburgh. The EC Referendum of May 1993', *Scandinavia Political Studies*, Vol. 17, No. 1, pp. 69-82.

Svensson, Palle (2002). 'Five Danish Referendums on the European Community and European Union: A Critical Assessment of the Franklin Thesis', *European Journal of Political Research*, Vol. 41, No. 6, pp. 733-750.

Svensson, Palle (2005): 'The European Referendum Experience in Western Europe', Paper presented at the 3rd ECPR Conference in Budapest, Hungary, September 8th -10th 2005.

Szczerbiak, Aleks & Paul Taggart (2004). 'The Politics of European Referendum Outcomes and Turnout: Two Models', *West European Politics*, Vol. 27, No. 4 (September 2004), pp. 557-583

Taggart, Paul (2006) 'Keynote Article: Questions of Europe – The Domestic Politics of the 2005 French and Dutch Referendums and their Challenge for the Study of European Integration', *Journal of Common Market Studies*, Volume 44, Annual Review, pp. 7-25.

Tetlock, Philip E. (2005) *Expert Political Judgments: How Good Is It? How Can We Know?* Princeton: Princeton University Press.