

THE IMPACT OF TURKEY'S MEMBERSHIP ON EU VOTING

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The Treaty of Nice in 2001 and the Constitutional Treaty in 2004 radically reformed the voting rules of the Council of the European Union (also known as the Council of Ministers).¹ The Constitutional Treaty rules were accepted politically at the Brussels summit in June 2004. The Nice rules went into effect in November 2004. Implementation of the changes was postponed by five years and made conditional on ratification of the constitution by all 25 member states of the European Union (EU). The next EU enlargement (Bulgaria and Romania) is tentatively scheduled for 2007. Thus Bulgaria and Romania will enter under the current Nice Treaty rules, but future new members are likely to join under the rules of the Constitutional Treaty.

This chapter evaluates the impact of Turkey's membership on EU voting—specifically, decision-making efficiency and the distribution of power in the EU's leading decision-making body, the Council of Ministers. The chapter compares two alternative Council voting rules: those accepted in the Treaty of Nice and implemented by the Accession Treaty for the 10 entrants in 2004 and the rules laid down in the Constitutional Treaty.²

Council of Ministers Voting Reforms

The Constitutional Treaty explicitly sets out two sets of voting procedures for the Council of Ministers and implicitly recognizes the current system implemented by the Accession Treaty (Article 24).

Up to October 31, 2004, the pre-Treaty of Nice rules apply—that is, qualified majority voting with weighted votes and the old majority threshold of 71 percent to win. The number of votes for the incumbent 15 are unchanged; those for the 10 newcomers are a simple interpolation of EU15³ votes as specified in the Accession Treaty.

From November 1, 2004, to October 31, 2009, the Nice Treaty rules apply (as per the “Draft Council Decision relating to the implementation of Article I-24”). The Nice Treaty rules maintain the basic “qualified majority voting” framework, but add two extra criteria for the number of yes voters and the population they represent. Specifically, the vote threshold is 72.2 percent of Council votes (232 of 321 votes); the member threshold is 50 percent of members (13 members); and the population threshold is 62 percent of the EU population.⁴

As of November 1, 2009, the Constitutional Treaty rules apply, and thus weighted voting is out and a double majority is in. A winning coalition must represent at least 55 percent of EU members and 65 percent of the EU population. A last-minute summit compromise inserted the requirement that at least 15 members vote yes, but this compromise was irrelevant; 15 of 25 members is 60 percent and thus greater than 55 percent. By the time these rules take effect, however, the EU should have 27 members, and 55 percent of 27 is 15 (Bulgaria and Romania are tentatively slated for membership in 2007). The 15-member rule will therefore be redundant when it takes effect. Turkey's and

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Croatia's membership will, in any case, materialize after that date.

To enter into force, the Constitutional Treaty rules must be ratified by all member states. The fall-back position is the Nice Treaty rules, which means that Turkey and Croatia may enter the EU under those rules. Therefore, what follows is an evaluation of these two rules for the EU25 and EU29. It compares especially the impact of Turkey's membership on the countries of the EU25 that have the most substantial say in the ratification process of the constitution.

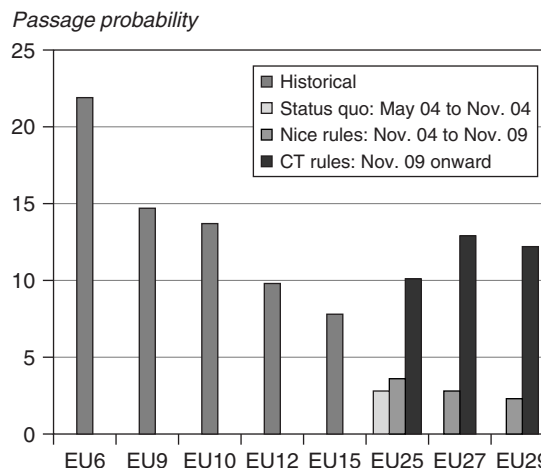
Tools of Assessment

"Capacity to act" and "decision-making efficiency" are slippery concepts. However, one quantitative tool in voting game theory will help to achieve precision. Passage probability gauges how likely it is that the Council would approve a randomly selected issue—random in the sense that each EU member would be equally likely to vote for or against it. The best way to describe this measure is to explain how it is calculated.

First, the researcher, with the help of a computer, calculates all possible coalitions among EU members—that is, every possible combination of yes and no votes by EU members (134 million coalitions are possible in the EU27). Second, each coalition is evaluated to determine whether it is a winning coalition under the Nice Treaty voting system. This process is carried out using each member's actual weight for three criteria (votes, members, and population) and the three thresholds. Passage probability is, then, the likelihood that a random proposal would attract a winning coalition, assuming all coalitions are equally likely (random in the sense that member states do not know what their stance would be). Admittedly, passage probability is a crude measure, but it is objective and precise, and its strengths and shortcomings are clear.

Even if the exact passage probability is meaningless (the European Commission does not put forth random proposals), figure 13.1 reveals that the Nice Treaty fails on efficiency grounds, because it implies a level of efficiency that is far, far below that of the EU15. Indeed, the Nice Treaty reforms actually make matters worse. Admitting 12 new

FIGURE 13.1 Passage Probabilities: European Council, 1957–2004, and after Entry of Bulgaria, Romania, Croatia, and Turkey



Note: Passage probability measures the likelihood that a randomly selected issue would pass in the Council of Ministers.

Source: Authors' calculations.

members without any reforms would cut the passage probability to 2.5 percent—a third of its already low level. With the Nice Treaty reforms, the figure drops even further, to 2.1 percent. The main source of the lower efficiency is the high threshold of the Nice Treaty rules for Council votes. An even cruder but more transparent efficiency-measuring tool—blocking-minority analysis—confirms these efficiency findings.

No perfect measure of power exists, but even imperfect measures are useful when considering complex voting rules, because a voting scheme's political acceptability turns almost completely on its power implications. The measures used here—the normalized Banzhaf index (NBI) and the Shapley-Shubik index (SSI)—gauge how likely it is that a nation finds itself in a position to "break" a winning coalition on a randomly selected issue.⁵ The NBI assumes that each possible coalition has the same probability of occurrence. Thus all coalitions are equally likely to be winning ones, and power is measured simply by calculating the score of breaking positions for each player. A relative measure of power is then obtained by dividing this score by the total of all of scores. On particular issues, some countries may be much more powerful

or much less powerful than others, especially if they are part of a like-minded group (see Baldwin and others 2001 for details and simple numerical examples), but the NBI has recently proved its worth, especially as an unbribable tool in assessing and designing voting rules.

What follows is a simple example of how the NBI works. Consider a three-person voting body, such as the Council of Ministers, in which the voters are labeled A, B, and C. Suppose that A has four votes, B has two votes, and C has one vote, for a total of seven votes. It is assumed that five votes are needed to pass proposals. The three winning coalitions are then

AB AC ABC

where underlining indicates the actors able to "break" a winning coalition. In this situation, A has three breaking positions, B has two, and C only one, for a total of six breaking positions. Thus the NBI of A is 1/2, whereas the NBIs of B and C are 1/3 and 1/6, respectively.

The SSI tries to capture a different abstract voting model. It assumes that voters have different intensities in terms of accepting or rejecting a proposal. Suppose that these intensities can be expressed as a continuum that extends between the extremes of more spending and less spending. For example, when the issue is the support for hillside farmers, A may be the most reluctant to increase spending, and B may be the second most reluctant, leaving C as the most favorably disposed toward increasing support for this purpose. On another day, the issue might be the inclusion of reindeer meat in the price support mechanism of the Common Agricultural Policy (CAP). This time, a different order of preferences might emerge.

In general, given a large enough number of issues, all preference orders of A, B, and C are equally likely. In the example used earlier, six orderings are possible:

ABC ACB BAC BCA CAB CBA

where the critical voter is underlined. A critical voter exerts the power of being able to break a winning coalition. In the first order of ABC, B can break the winning coalition AB. Voter A favors spending more on this issue than does B. Therefore,

A is not critical. Should voter A try to break the winning coalition AB by voting against spending, voter B would have already broken that coalition because B is less eagerly in favor of spending. In the example, voter A has four pivotal positions, and voters B and C have one each. In relative terms, winning probabilities ("power") of 2/3 are obtained for A and 1/6 for both B and C. If SSI is a meaningful estimate of power and if power politics is able to explain EU budget, then these fractions should represent the budget shares of A, B, and C, respectively.

Clearly, these measures of power do not provide a detailed description of real-world voting procedures. For example, they lack all the strategic aspects, such as who makes the proposal to be voted on or the sequence of moves. They both contain, however, some information on voters' preferences, understood as the intensities of holding a favorable position. The measures also consider all possible orderings of intensities (SSI) or presume the equal likelihood of all coalitions (NBI), and so they represent a very long-term concept. For a general evaluation of voting rules, this is a desirable property.

The example just described demonstrates that the NBI and SSI can have very different values. Which one should then be chosen to assess decision-making power? The answer is not clear, but a rough distinction can be made between the two measures. If one is interested in voting rules as such, the NBI is more advantageous. If one is more interested in decision making and bargaining under certain rules, knowing that actors communicate, then the SSI is a far more suitable tool.⁶

Impact of Turkey's Membership on EU Voting

Turkey's accession to the EU would have implications for EU decision making. As a large country, Turkey would play a relatively bigger role in the EU than many other entrants. To what extent will accession change the balance of power?

Implications of Turkey's Membership for EU's Capacity to Act

Turkey's membership would have only moderate implications for the passage probabilities—see

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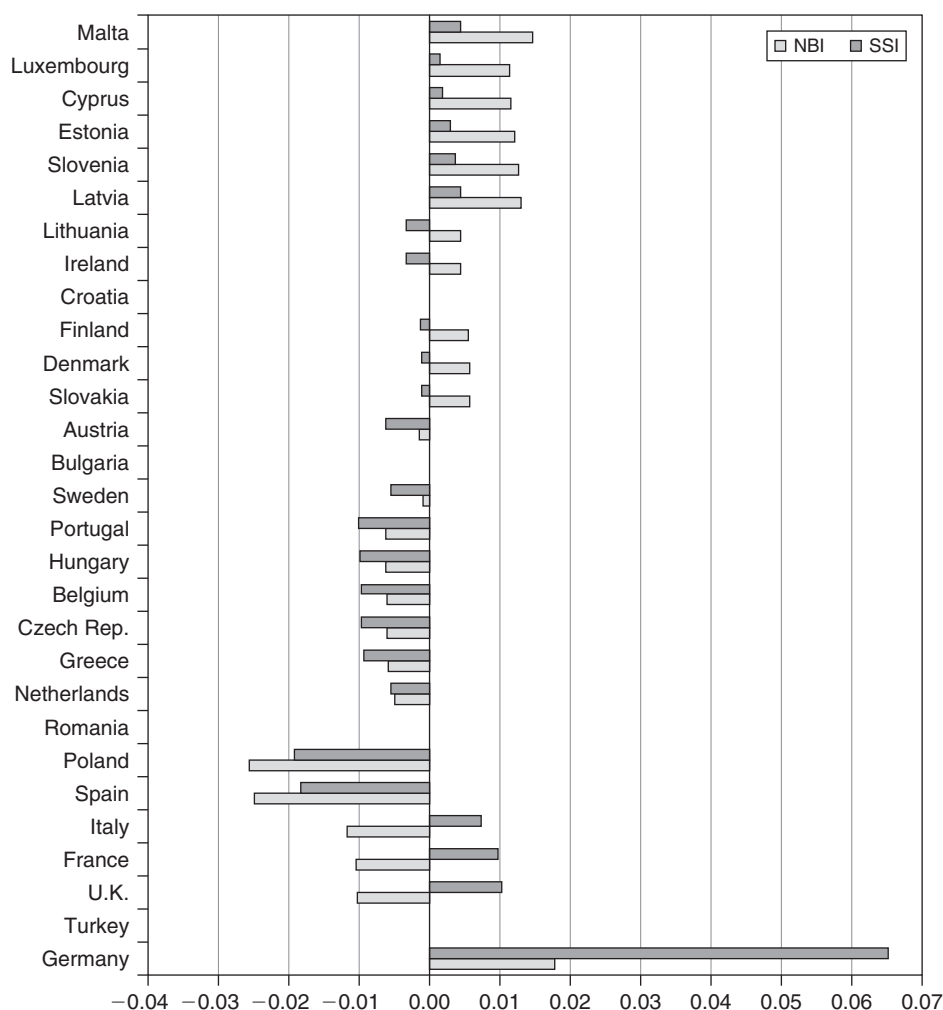
figure 13.1. This finding is not surprising, because moving from 27 members to 29 members does not change much. Although the addition of Croatia increases the number of small nations in the EU, Turkey's large population means that efficiency suffers little. (Efficiency, if not legitimacy, tends to be higher when a large share of power is in the hands of just a few nations.) The vote thresholds used in calculations of passage probabilities are extrapolations of the current Nice Treaty/Accession Treaty threshold. In EU29, it is 276 out of a total of 381 votes, plus the two additional criteria: at least 15 member states and 62 percent of population. In EU27, it is 250 out of a total of 345 votes, plus the two additional

criteria—at least 14 member states and 62 percent of population.

The Nice Treaty rules—which are essentially unworkable in an EU27—become even less viable in an EU29. The same does not hold for the Constitutional Treaty voting rules. The passage probability jumps drastically from the low levels of the Nice Treaty rules up to the level of the EU12 and even higher. Surprisingly, under the Constitutional Treaty rules the EU's ability to act improves when its membership expands from 25 to 27 or 29. There is only a slight drop from EU27 to EU29 from 12.9 to 12.2 percent.⁷

In summary, the passage probability calculations demonstrate that Turkey's membership in the

FIGURE 13.2 Change in Power for EU25, Nice Treaty to Constitutional Treaty Rules
(percentage points)



Source: Authors' calculations.

EU does not erode the EU's ability to act. Under the Constitutional Treaty rules, the effect of Croatia and Turkey together is significantly smaller—one percentage point—than Turkey's alone. The most important impact on the EU's capacity to act stems from the switch from the Nice Treaty rules to the Constitutional Treaty rules.

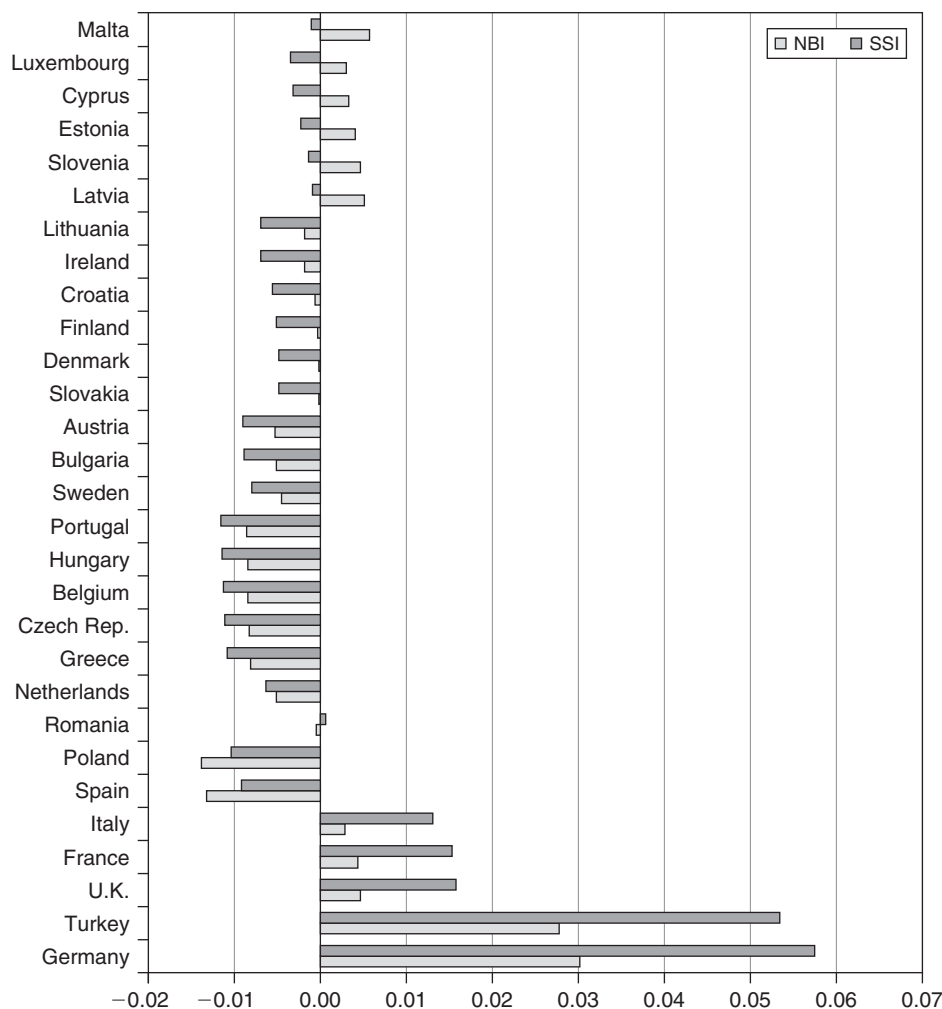
Impact of Turkey's Membership on the Distribution of Power

The Constitutional Treaty and the Nice Treaty rules also differ substantially in power evaluation. Figure 13.2 shows the difference between these rules in terms of the NBI and SSI for the EU25,

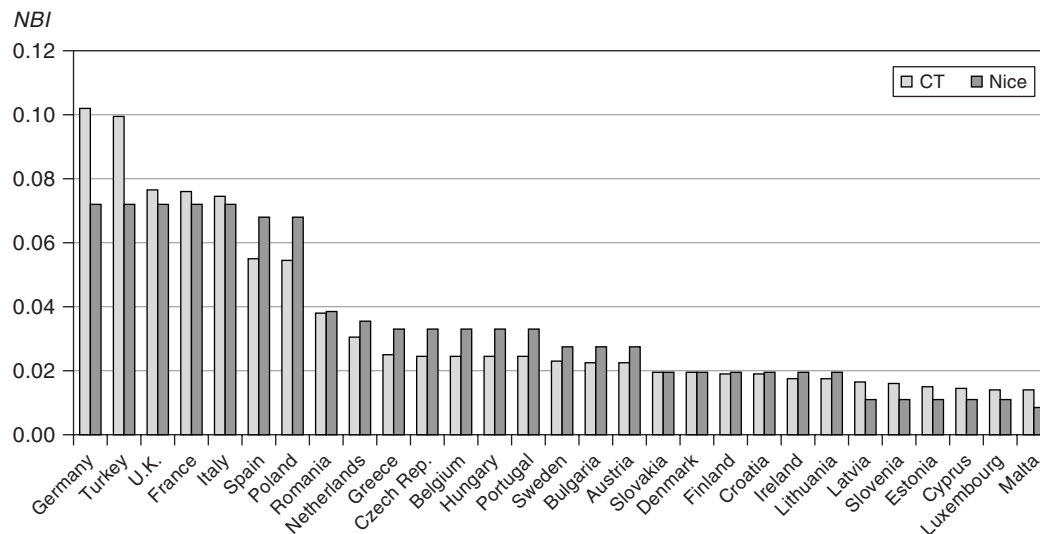
and figure 13.3 reveals the same numbers for the EU29. The difference is measured in percentage points.

According to figure 13.2, before Turkey's entry the Constitutional Treaty rules favor the four biggest nations and the six smallest—that is, Latvia and smaller—if the comparison is made using the SSI. Based on the NBI, the conclusion is somewhat different: Germany and Slovakia and smaller countries would gain from the Constitutional Treaty rules compared with the Nice Treaty rules. This result differs from that obtained by Baldwin and Widgrén (2004b) for EU27, in which the NBI produced exactly the same pattern as the SSI here.

FIGURE 13.3 Power Difference between Nice Treaty and Constitutional Treaty Rules for EU29
(percentage points)



Source: Authors' calculations.

FIGURE 13.4 NBI Values under Nice Treaty and Constitutional Treaty Voting Rules for EU29

Source: Authors' calculations.

After Turkey's entry into the EU, the biggest nations gain more from the Constitutional Treaty rules than was the case for the EU25. This finding holds true for both power measures. For the smallest countries, the effect is ambiguous: the NBI shows gains for Latvia and smaller nations, whereas the SSI shows small losses. Otherwise, both indices show consistent results.

Figure 13.4 explicitly compares the Nice Treaty and Constitutional Treaty rules by showing the NBI values under both rules. The message of the figure is very clear. The countries that gain the most from the Constitutional Treaty rules are the biggest nations, Germany and Turkey. The biggest losers are Spain and Poland, as well as the medium-size countries, from the Netherlands to Austria. This finding could affect these countries' attitudes toward either the ratification of the Constitutional Treaty or Turkey's membership. (The index values for both the EU25 and EU29 are found in the annex to this chapter.)

Impact of EU Enlargement on Incumbent's Power Figures 13.5 and 13.6 evaluate the impact of the EU25 to EU29 enlargement in terms of both power indices. Under the Nice Treaty rules, the countries' power losses are proportional to their sizes. Thus Germany, the biggest country, loses the

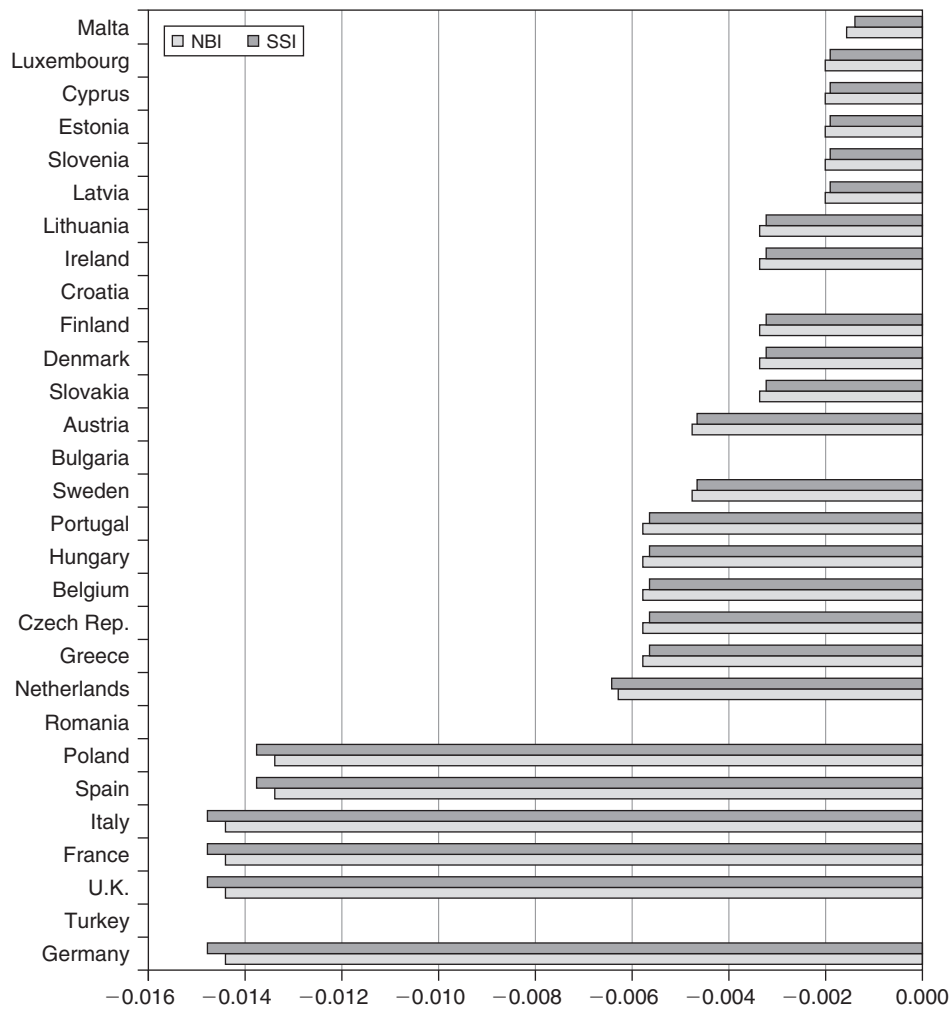
most power, while the smaller nations lose less. The relative losses are of the same magnitude. This finding reflects the fact that in weighted voting power, the indices tend to converge to voting weights if the number of actors increases and if the voting weights have relatively small variance.

In figure 13.6, the result is more interesting. When evaluated by the NBI, the enlargement from EU25 to EU29 benefits France and the United Kingdom.⁸ The losses of the other large countries (the Netherlands and larger nations) are very small. For the countries smaller than Romania, the losses increase slightly as the nations become smaller. The SSI, however, gives a somewhat different picture. The most notable exceptions are the biggest countries, especially Germany. The power loss of the Netherlands remains small.

Conclusions

This chapter investigates the decision-making impact of expanding the EU from 25 members to 29 members with the addition of Bulgaria, Romania, Turkey, and Croatia. The chapter focuses on a measure of the EU's capacity to act—passage probability—and the power distribution among members.

FIGURE 13.5 Impact of Enlargement on EU25 Power, Nice Treaty Rules
(percentage points)



Source: Authors' calculations.

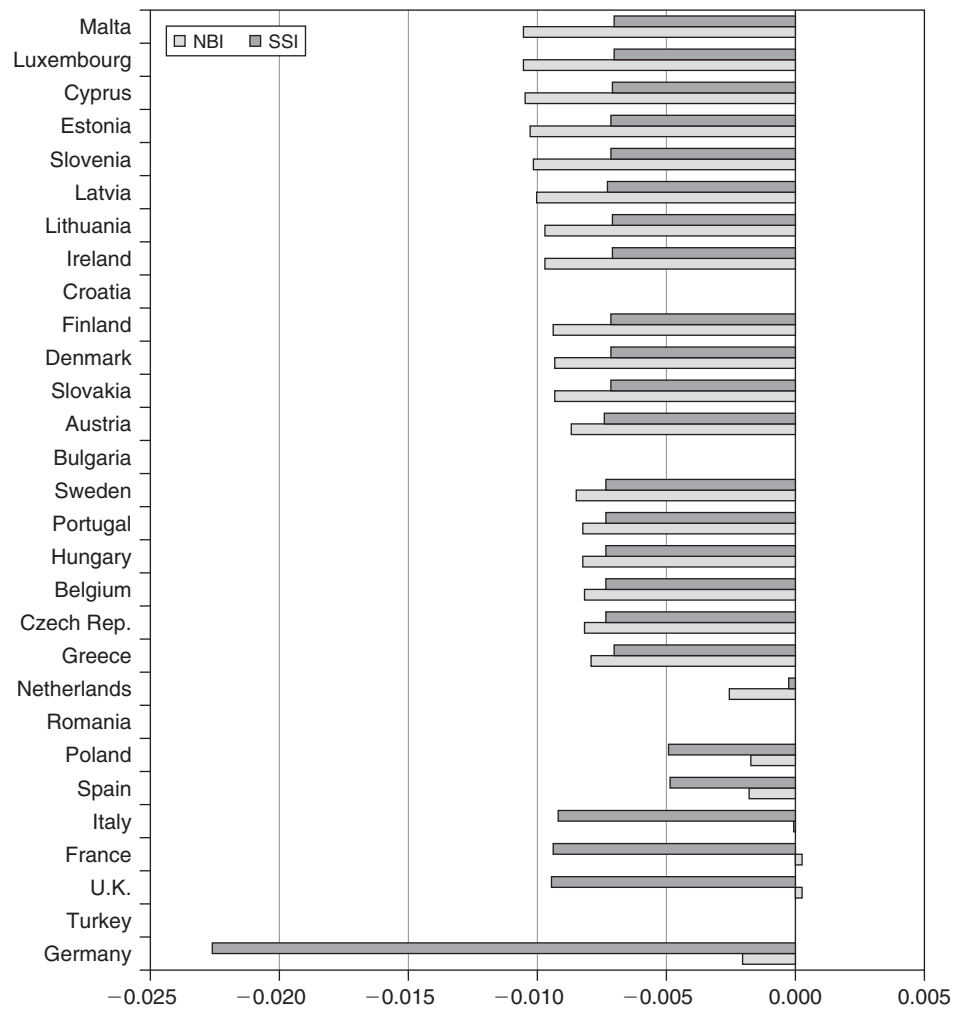
As for the capacity to act, the enlargement is projected to have relatively little impact if the Constitutional Treaty voting rules take effect. In particular, Turkey's membership would have only a negligible effect on the EU's capacity to act. The answer is quite different, however, if the Constitutional Treaty is rejected and the Nice Treaty rules remain in place. Under the Nice Treaty voting rules, the EU25 to EU29 enlargement would substantially lower the ability of the EU25 to act. Thus our findings confirm that the enlarged EU cannot function well under the Nice Treaty rules. It also suggests that if the Constitutional Treaty is rejected, the Nice Treaty voting rules must be reformed before further enlargement.

As for power, Turkey's membership in the EU will have a big impact. Under either the Nice Treaty or Constitutional Treaty rules, Turkey would be the second most powerful member of the EU29. Under the Constitutional Treaty rules, Turkey would be substantially more powerful than France, Italy, and Britain, while under the Nice Treaty rules the power differences among the members with more than 50 million population would be small. Plainly, this situation might decrease the acceptability of the Constitutional Treaty or Turkey's membership.

The impact of the enlargement from EU25 to EU29 on the voting power of EU incumbents depends heavily on the rules. Under the

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FIGURE 13.6 Impact of Enlargement on EU25 Power, Constitutional Treaty Rules
(percentage points)



Source: Authors' calculations.

Constitutional Treaty rules, the enlargement lowers the power of all incumbents on a fairly even basis, with the marked exception of Germany; Germany loses more than twice as much power as any other member. Under the Nice Treaty rules, the power loss is more heavily skewed toward the big incum-

bents. Again, all incumbents are projected to lose power, but the power loss increases progressively with member size. For example, the power loss to France under the Nice Treaty rules is about seven times larger than the power loss to Malta.

Annex: Power Indices under the Constitutional Treaty Rules and Nice Treaty Rules**TABLE 13.1 Power Indices under Constitutional Treaty Rules**

Member State	NBI_EU29	NBI_EU25	SSI_EU29	SSI_EU25
Germany	0.10203	0.10407	0.13556	0.15816
Turkey	0.09960	n.a.	0.13152	n.a.
U.K.	0.07644	0.07614	0.09389	0.10332
France	0.07611	0.07587	0.09339	0.10278
Italy	0.07469	0.07475	0.09121	0.10041
Spain	0.05491	0.05670	0.06313	0.06798
Poland	0.05429	0.05602	0.06203	0.06694
Romania	0.03786	n.a.	0.03664	n.a.
Netherlands	0.03052	0.03715	0.02701	0.03440
Greece	0.02495	0.03304	0.01991	0.02721
Czech Rep.	0.02474	0.03287	0.01964	0.02693
Belgium	0.02463	0.03279	0.01950	0.02680
Hungary	0.02453	0.03271	0.01936	0.02666
Portugal	0.02442	0.03262	0.01922	0.02651
Sweden	0.02314	0.03162	0.01758	0.02489
Bulgaria	0.02250	n.a.	0.01676	n.a.
Austria	0.02239	0.03103	0.01663	0.02403
Slovakia	0.01940	0.02870	0.01288	0.02000
Denmark	0.01940	0.02870	0.01288	0.02000
Finland	0.01918	0.02854	0.01261	0.01975
Croatia	0.01886	n.a.	0.01221	n.a.
Ireland	0.01768	0.02737	0.01077	0.01785
Lithuania	0.01768	0.02737	0.01077	0.01785
Latvia	0.01628	0.02630	0.00905	0.01631
Slovenia	0.01585	0.02598	0.00853	0.01568
Estonia	0.01521	0.02547	0.00774	0.01487
Cyprus	0.01445	0.02490	0.00680	0.01384
Luxembourg	0.01413	0.02465	0.00641	0.01342
Malta	0.01413	0.02465	0.00641	0.01342

n.a. Not applicable.

Source: Authors' calculations.

TABLE 13.2 Power Indices under Nice Treaty Rules

Member State	NBI_EU29	NBI_EU25	SSI_EU29	SSI_EU25
Germany	0.07189	0.08630	0.07814	0.09292
Turkey	0.07189	n.a.	0.07814	n.a.
U.K.	0.07189	0.08630	0.07814	0.09292
France	0.07189	0.08630	0.07814	0.09292
Italy	0.07189	0.08630	0.07814	0.09292
Spain	0.06821	0.08159	0.07237	0.08613
Poland	0.06821	0.08159	0.07237	0.08613
Romania	0.03832	n.a.	0.03615	n.a.
Netherlands	0.03565	0.04195	0.03340	0.03983
Greece	0.03305	0.03881	0.03082	0.03648
Czech Rep.	0.03305	0.03881	0.03082	0.03648

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TABLE 13.2 (Continued)

Member State	NBI_EU29	NBI_EU25	SSI_EU29	SSI_EU25
Belgium	0.03305	0.03881	0.03082	0.03648
Hungary	0.03305	0.03881	0.03082	0.03648
Portugal	0.03305	0.03881	0.03082	0.03648
Sweden	0.02771	0.03246	0.02560	0.03024
Bulgaria	0.02771	n.a.	0.02560	n.a.
Austria	0.02771	0.03246	0.02560	0.03024
Slovakia	0.01954	0.02291	0.01777	0.02099
Denmark	0.01954	0.02291	0.01777	0.02099
Finland	0.01954	0.02291	0.01777	0.02099
Croatia	0.01954	n.a.	0.01777	n.a.
Ireland	0.01954	0.02291	0.01777	0.02099
Lithuania	0.01954	0.02291	0.01777	0.02099
Latvia	0.01124	0.01324	0.00999	0.01190
Slovenia	0.01124	0.01324	0.00999	0.01190
Estonia	0.01124	0.01324	0.00999	0.01190
Cyprus	0.01124	0.01324	0.00999	0.01190
Luxembourg	0.01124	0.01324	0.00999	0.01190
Malta	0.00841	0.00998	0.00755	0.00895

n.a. Not applicable.

Source: Authors' calculations.

Notes

1. Legally, the Accession Treaty for the 10 new member states in 2004 implemented the voting system agreed on politically in the Treaty of Nice. The voting rules of the Constitutional Treaty will come into force on November 1, 2009, if it is ratified by all member states.

2. This chapter draws on the methodology and results described in Baldwin and Widgrén (2003a, 2004a, 2004b).

3. EU15 refers to the 15 members of the EU prior to the 2004 enlargement in which 10 more countries joined the EU. The 15 countries are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

4. The rules that took effect in November 2004 were not those agreed on at the Nice summit in December 2000. The deal struck at 4 a.m. at the end of the longest EU summit in history was a political commitment. The legally binding changes are in the Accession Treaty. Because EU leaders eventually realized how inefficient the Nice rules were, they improved efficiency by lowering the vote threshold from the 74 percent mentioned in the Nice Treaty.

5. In the literature, the term *swing* is quite often used instead of *break*.

6. See, for example, Widgrén (1994), Laruelle and Widgrén (1998), and Laruelle and Valenciano (2004). A recent empirical application of the SSI can be found in Kauppi and Widgrén (2004).

7. Note that in EU28 (EU27 + Turkey), the passage probability is 11.2 percent, which is lower than it is in EU29 (see Baldwin and Widgrén 2003b). The reason is that the membership quota—55 percent of membership—is 16 in both EU28 and EU29. It is thus closer to 55 percent in EU29 than in EU28—the exact numbers are 55.2 percent and 57.1 percent, respectively.

8. This phenomenon is often referred to as the paradox of new members.

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