

David and Goliath:

Danish Public Opinion and the Future of Democracy in the EU

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Introduction

Denmark remains an enigma to many observers of European Union politics. Why do Danish voters seem perennially determined to undermine their elected leaders when it comes to economic union? And yet despite their reluctant electorate, Danish politicians have played a role far greater than the country's size or economic power might suggest. In policy areas such as environmental protection, Danish policy leadership has had an important influence on the overall shape and character of EU policy.¹ And yet Danish voters twice now in a decade's time have rejected joining the most significant aspect of European cooperation: European monetary union. Leading Danish politicians from the Social Democratic Party, the Conservative Party, the Liberals (*Venstre*), and the Center Democrats support full membership in the EU, including EMU and elimination of the other Danish reservations to the Maastricht treaty. And yet the voters narrowly defeated EMU both in 1992 and again in 2000. These no votes have contributed to characterizations of the Danish public as anti-EU and Euroskeptics.

The press and foreign observers have frequently attributed Danish voters' reticence to fear of rising German power. This and other misconceptions of Danish public opinion reflect a lack of understanding of the Danish debate as well as recent survey evidence on voter attitudes and beliefs. The rather modest goal of this paper is to assemble some of this evidence to promote a more nuanced understanding of Danish public opinion and the Danish electorate's view of the importance of democratic sovereignty. By drawing the Danish debate into sharper focus for a broader audience, it is possible that the important and as yet underdeveloped discussion about democratic rights

within the rapidly evolving European Union institutional structure will receive greater attention. If, as even some Danish politicians may prefer, we settle for dismissing Danish voters' hesitancy as irrational and unfounded, the scholarly community will have missed a valuable opportunity to make an important contribution to the critical analysis of European Union development.

The paper begins with a few assertions about certain inherent biases in European Union studies that have tended to obscure the importance of the issues at stake in the Danish EU debate. Then, drawing heavily on recent Eurobarometer surveys, the second section examines various dimensions of Danish voter attitudes in comparison to those of voters in other EU member states. The third section examines some of the key contributions to the Danish political debate leading up to the September 28, 2000 vote on EMU. The final section concludes with some observations about the aftermath of the 2000 vote, prospects for Danish EU participation in the future, and what all this means for EU studies.

Some Controversial Assertions about EU Studies

European integration as a field of study and research has made tremendous strides over the last decade, reflecting no doubt the tremendous and relatively rapid pace of political and institutional change within the European Union itself. The flurry of research over the last decade follows on the heels of a period of little scholarly interest in European integration, also reflecting perhaps the relatively sluggish and lackluster performance of European institutions during the 1980s. Carried forward by center of

seminal articles the set the contours of scholarly debate, social science research in a subfield like European integration studies, develops certain tendencies that are reinforced by scholarly interaction.. First, studies seeking to develop theories of interstate bargaining and the development of international institutions usually analyze only the behavior of “big states” or “core states” within the European Union.² This is what we might call the “**big state**” **bias**. Second, as is the case with actual developments within the European Union, EU studies also tend to have a built-in bias toward defining forward movement as the norm and anything that hinders or retards further integration as pathological. We might refer to this as the **forward bias**. Third, discussion of legitimacy issues and the democratic deficit has generally been treated as a soft question regarding normative aspects of the EU while economic integration is generally treated as a natural and desirable phenomenon whose benefits have been proven even though the empirical results are difficult at best to measure. I refer to this as the **economic bias**. For example, the glowing prognosis of the benefits of the completion of the internal market outlined in the Cecchini report have been difficult if not impossible to verify.³ Similarly, the dire predictions of the consequences on remaining outside the EU for Norway have also failed to materialize. Finally, most attempts to theorize about what drives EU bargaining and institutional development either take states as unitary actors or when they desegregate the bargaining positions of states to include domestic politics, public opinion plays a lesser role than do organized interests and elites within the state apparatus. When modeled at all, public opinion is tied to the election prospects of the governing party or coalition. Thus the attitudes and preferences of the people when included in the analytical

framework of EU studies is at least one step (if not further) removed from the process of institutional development. This we might call the **elite bias**. In his seminal piece introducing the analytical framework of two-level games, Putnam emphasizes this point, but note also how he reaches to include “*even public opinion*”:

A more adequate account of the domestic determinants of foreign policy and international relations must stress *politics*: parties, social classes, interest groups (both economic and non economic), legislators, and even public opinion and elections, not simply executive officials and institutional arrangements.⁴

Now there may be good reasons for operating with these simplifying assumptions. No single piece of scholarship can hope to encompass a detailed examination of all fifteen current member states in detail. But to argue on the basis solely of the analysis of big states’ bargaining positions that the forward progress of the EU has been determined largely, if not solely, by compromises among their interests neglects the fact that the EU does in fact look quite different today in part because of the actions of small states like Denmark whose policy activism within the EU has been determined in large part *not* by what Danish political elites want, but rather by what the Danish voting public has forced them to do. Furthermore, the particular combination of attitudes and preferences of Danish voters requires a more nuanced analysis of European Union political development. As we shall see, unlike the British, the great majority of Danes support EU membership and European cooperation. What they question is whether the EU is the appropriate set of institutions for preserving democracy and many of the aspects of social welfare that have been the result of hard-fought policy battles at home. The same sentiments that drive high levels of political participation and support for

active local government cause many Danes to question the advisability of handing over the reigns of economic policy choices to distant EU institutions.

These tendencies in the analytical literature of European Union studies reflect in important ways the secondary importance ascribed to democratic participation in the overall institutional structure and architecture of power within the European Union. The question of the “democratic deficit” has been ascribed a certain ideological connotation in much of the scholarly research on the European Union. Tiersky has now provided us with the first volume documenting *Euro-Skepticism*, despite several decades of political activism in Europe.⁵ Little of the research that sees the light of day at professional conferences like this one -- and even less in scholarly journals -- challenges the basic assumption that European integration can and must move forward. The central research questions are how and at what pace. Democratic theory’s intersection with European Union studies remains underdeveloped as the macroeconomic and political dimensions of EU studies progress at breakneck speed.

European studies scholarship has often drawn its impulses directly from the day-to-day political perspectives within the EC/EU. As the EC languished in the late 1970s and early 1980s, so too did EC studies. With the accelerating pace of EC development in the late 1980s, what had been a dormant field began again to flourish and the emphasis in scholarship since then has been on figuring out why things were moving forward and what might make them move faster and in new directions.

Eichengreen and Dalton, speculating about the impact of the Danish rejection of the Maastricht Treaty in 1992, argue that the Danes have already contributed to heightening EU policy-makers' appreciation of the importance of public opinion:

When seen in the context of the post-Maastricht debate in Europe, our results suggest that the link between domestic citizen consensus and the content of international agreements will become even closer. The most obvious illustration was revealed in 1992 by the refusal of Danish voters to ratify the Maastricht treaty.

...the negative vote in Denmark led to change in the EC's policy approach and even to a renegotiation of the Maastricht bargain. Both national and EC leaders gave greater attention to citizen concerns, as revealed in the rhetorical prominence of the themes of "democracy deficit" and the principle of "subsidiarity." Furthermore, the community renegotiated the terms of Danish adherence to the Maastricht bargain in an explicit attempt to gain the future approval of Danish voters.

...In summary, the Maastricht treaty led to a community that is increasingly sensitive to citizen concerns, and it may lead citizens to broaden their policy expectations as well.⁶

This is where the study of public participation in lesser states can play an important role in helping to add an important missing dimension to the study of European integration. While a fundamental redirection of European studies is unlikely, perhaps missing questions of democratic theory and development will take their rightful place alongside the central focus on interstate bargaining and macroeconomic consequences that now dominate the field. We may be led there in spite of ourselves because of the speculation that monetary union requires a degree of economic policy coordination among states that may (eventually) require the development of a more centralized "state-like" apparatus. If democratic participation is to remain one of the hallmarks of European politics (as even the accession requirements to the EU mandate for aspiring member

states), then the EU itself will sooner or later be forced to confront the central question of democratic theory: how to translate the will of the people into a mandate to govern.

The EU in this respect is a fascinating laboratory to observe several competing premises for democratic development. With the initiation of direct election of members of the European Parliament in 1979, the European Community could lay claim to making a major step toward shoring up its legitimacy problems. But the relative weakness of the EP in the overall decision-making structure of the EU as well as the comparatively low turn-out rates in many countries for the EP elections keeps the democratic deficit question alive. The policy agenda of the EU itself, focusing first (and foremost?) on the interests and concerns of business, finance, and farming with social policy, unemployment, the environment, and consumer protection having been added only lately and somewhat begrudgingly tend to reinforce Euroskeptics' view of the EU as a fundamentally unresponsive and undemocratic set of institutions. By ignoring the role of public opinion, even in small states, particularly where it tends to hinder the process of integration and is at odds with the views of political elites, we may be missing some of the more interesting and potentially important dynamic impulses in the restructuring of European institutions.

The Basic Contours of Danish Public Opinion Regarding the EU

There has been a fairly persistent misinterpretation of Danish attitudes toward European integration since the very beginning of the so-called "European project." As often as it has been stated that Danes generally favor cooperation and coordination but

not political union, the popular press as well as the scholarly literature outside Denmark has tended to portray the Danes as afraid of German power and anti-EC/EU. Frequently, commentators as well as professional analysts lump Denmark, Ireland, and the UK together in discussing the reluctant participation of the “late entrants” to what now are considered the core states. One of the few scholarly studies analyzing public opinion about European integration across the EU drew on Eurobarometer data to build an ARIMA pooled time series model of public support for integration by Eichengreen and Dalton mentioned above. Conducted using data from 1973 to 1988, the authors found that the three “expansion” nations -- Britain, Ireland, and Denmark -- were unique in several respects, the most important of which is the overall lower level of support for integration than found in the other member states.⁷ This situation has changed considerably, however, since the early 1990s.

However, as Eurobarometer data from the early 1990s on demonstrate, the attitudes toward European integration and cooperation differ markedly from British attitudes. These differences, taken together, reveal some very important aspects of Danish voters’ concerns about the trajectory and pitfalls of European integration. At the heart of these misgivings are concerns about the basic democratic rights afforded Danish citizens by their constitution, concerns about the erosion of their quality of life including environmental and consumer protection, public safety, and social welfare provisions, and an overall -- perhaps well-founded -- skepticism about the influence afforded a small state within an ever-growing set of supranational institutions in which larger states -- not just Germany -- call the shots.

The general contours of Danish public opinion can be summarized as follows. Unlike British citizens, Danes tend to be fairly well-informed about EU issues. They recognize the advantages of economic cooperation. It is true that the complexity of the policy issue increases, the less the average Dane understands the details. Nevertheless, 100 percent of Danish households have received information from their government concerning important EC/EU decisions, particularly those put to referendum votes in the last decade. While Danes generally support the economic goals of European integration, they are deeply divided about the desirability of further political integration. The country tends to be narrowly divided into two camps. One camp that believes that further economic integration is likely to lead down the slippery slope of political union, which they oppose. The other camp believes that full participation in the economic organs of the EU is a necessity for the long-term health and stability of the Danish economy. Only a small segment of the Danish public is completely opposed to Danish membership in the European Union. Thus the narrow votes against the Maastricht Treaty in 1992 and the EMU in 2000 are telling because the people are less convinced of the merits of deepening than are the political elites. Both leading parties -- the Social Democrats on the left who have held the reigns of government since January 1993, and the Conservatives who led the non-Socialist government from September 1982 until scandal forced them from office in 1993 -- supported ratification of both the Maastricht Treaty in 1992 and the EMU in 2000.

The standard Eurobarometer survey conducted during November and December 2000 (released April 2001) provides some fascinating comparisons between Danish

voters and their counterparts in other EU member states. As Figure 4.1b of the report demonstrates, Danish support for European Union membership is just slightly higher than the average for all 15 member states, with 51% of those surveyed reporting that the European union is a “good thing.”⁸ What is notable here is that 22% of those surveyed reported that EU membership was a “bad thing,” on about par with negative attitudes in Finland, Austria, and the UK. In Sweden, one-third of those surveyed felt EU membership was a bad thing. Thus while a higher proportion of Danes have reservations about EU membership, the population is by no means an outlier with respect to general assessments of EU membership. Indeed, if we look at this same question tracked over time (Figure 4.3b), we can see that the positive sentiment has fairly closely tracked the EU average since the early 1990s. If we turn to the question of whether Denmark has benefited from EU membership, we can furthermore see that since the early 1990s, the proportion of Danes reporting that their country has benefited from membership is considerably higher than the EU average (since 1998, above 60% compared to the mid-40s for the EU average). In this last survey, in fact, fewer Danes (23%) said their country has not benefited from EU membership than was the case for the EU average (32%). A comparison across countries (Figure 4.2b) in the late 2000 survey show that Danes (65%) are far more likely than Germans (39%) to conclude that their country has benefited from membership. Only 30% of British citizens believe that their country has benefited from EU membership -- and only one-quarter of Swedes surveyed agreed (53% of Swedes felt that their country had not benefited from membership, compared to 23% for Denmark).⁹ Thus it is wholly inaccurate to portray the Danish electorate as anti-EU or Euroskeptics.

In general, they are positively inclined toward EU membership and in fact, an even larger number of Danes are willing to admit that their country has benefited from EU membership (65%) than the proportion of those who support EU membership (51%). Furthermore, while only slightly more than half of those surveyed support EU membership, less than a quarter of the sample were willing to declare that EU membership is a bad thing.

If we then turn to data concerning a sense of attachment to Europe, we find that Danes rank in the top five tied with Italy at 66% feeling very or fairly attached to Europe, following Luxembourg (82% very or fairly attached), Sweden (74%), and Spain (72%).¹⁰ Here it is interesting to note again that the German and French populaces expressed far less attachment to Europe than do the Danes: 58% of Germans and 56% of the French. Here again, the Danish electorate is fundamentally different from the British electorate: the British are the least attached to Europe with only 41% reporting that they feel very or fairly attached to Europe.

What is notable here with respect to the Danish population is the fact that between Eurobarometer 51 in Spring 1999 and Eurobarometer 54 in Fall 2000, this feeling of attachment has declined by 5 percentage points. The intervening referendum vote on EMU may well have played a role in this decline which is notable for its size (a change of five percentage points) and direction (decline).¹¹

Danish national identity is not particularly stronger than EU averages (see figure 2.2). Similarly, their national pride is about mid-range at 89% reporting that they are very

or fairly proud of their country, compared to 83% for the EU average, with scores ranging from a high of 97% for the Irish to a low of 68% for the Germans (fig. 2.3).¹²

What does stand out in the Eurobarometer survey, however, is the comparative strength of Danish citizens' attitudes toward their national democracy, the comparative lack of satisfaction with the quality of democracy within the EU, and their general sense that the forward progress of the EU needs to slow down. Looking at figure 2.4,¹³ the Danes rate the highest among all EU member state publics with respect to their satisfaction with their national democracy. Three-quarters of the Danish electorate is very or fairly satisfied with how their democracy works, compared to 61% for Germany, 64% for the UK, and 63% for France. However, Danes rank among the lowest in terms of their satisfaction with democracy in the EU. While the EU average was 43% reporting that they were very satisfied or fairly satisfied in Spring 2000, in Denmark, this figure was 36%. By Fall 2000, the EU average had declined to 40% and the Danish percentage had declined to 32%. (Note that Spain and Ireland, for example, hovered around 60%.)¹⁴ Furthermore, Danes feel that their national parliament has an important impact on their everyday life, with the highest average among all EU member states.¹⁵

Danish, Finnish, and British citizens are the only electorates within the EU member states that think the progress of the EU needs to slow down. As figure 4.5b shows, several electorates would prefer much faster integration (including Spain, Greece, Portugal, and Italy).¹⁶ This sense of the EU moving ahead too fast is not accompanied by a comparative lack of trust in EU institutions; indeed, about the same proportion of Danes rate the European Central Bank as one of the top three trusted institutions (48%)

as do the Germans (45%).¹⁷ Overall, Danish citizens rank right at the EU average for their median scores with respect to trust in EU institutions and bodies.¹⁸

If we examine the top three most widespread fears expressed by those surveyed, in Denmark these include more drugs and crime, transfer of jobs to countries with lower production costs, and small countries having less power. This last is notable because Danes are the only population to rate this fear in the top three. For British citizens, loss of national identity makes the top three, as does the end of a national currency and difficulties for farmers.¹⁹ But again, these so-called fears among Danish voters should not be overemphasized since in their average “fear level” ranks right at the EU average with 51% of respondents saying that they are currently afraid of the impact the EU will have on their country. (The range extends from a high of 67% for Greece to a low of 42% in Italy.)²⁰

What the survey does reveal is that along with wanting the EU to progress at a slower pace, Danes generally want the EU to play no greater role in their daily life in five years than it does right now (35%) and one-third of respondents would prefer that the EU played a less important role in their daily lives in five years. Among most EU electorates, there is a strong desire to have the EU play a more important role in their daily lives in five years.²¹

Turning to the euro issue, of the “pre-in” countries, i.e., those member states not yet having joined the euro-zone, Denmark actually has the highest support for the euro (41% at the time of the Eurobarometer 54, i.e., following the referendum), compared to 26% in Sweden and only 21% in the UK. As the report states, “Looking at the ‘pre-in’

countries shows that people in Denmark are now more likely to be against the euro (+4) and less likely to lack an opinion (-5). It appears that the Danish 'euro' referendum has had a large impact in Sweden where we find that public support for the euro has fallen from 38% to 26%. Public opinion in the UK does not seem to have been affected by the Danish referendum."²² Danes generally feel better informed about the euro issue than most other Europeans and 100% of those surveyed reported having received information about the single currency.²³ This can be explained by the fact that every Danish household received information from the government prior to the euro referendum.²⁴

It might also be worth noting that Danes tend to be more supportive of enlargement than are EU citizens on average (56% compared to 44%, ahead of Germans at 36% and the British at 31%).²⁵ Another set of questions worth mentioning are the questions about the top three priority areas for the European Parliament. Danes strongly favor EP involvement in the environment and consumer affairs, with 59% of those surveyed rating this as their top priority. On the other hand, Danes nor Swedes and Swedes are the least likely to advocate the transfer of social policy to the EP. This finding reinforces an interpretation that Scandinavians prefer national to supranational welfare state provisions.²⁶

To summarize, recent Eurobarometer surveys conducted throughout the European Union member states reveal that Danish voters tend to be about average in their support for their country's membership in the European Union and in their support for European institutions. They are more likely than the average European to view membership in the EU as having benefited their country. Danes have unusually high access to information

about EU affairs, provided in no small part by their government. Where Danes do differ is in their belief that EU institutions are as democratic as their national parliament. They prefer that social policy issues be handled at home while environmental and consumer affairs should receive greater attention from the EU. What they fear most, according to the Eurobarometer surveys, is an increasing crime rate and the loss of influence resulting from their small state status within the EU. Against this general backdrop, we turn to the public discussions leading up to the referendum on joining the EMU held in September 2000.

The EMU Referendum

Given the general picture of Danish attitudes toward the EU summarized above (which were, if anything, more positive toward the EU prior to the September 2000 referendum), how then do we explain the no vote on the euro? Although unscientific, my discussions with friends and colleagues in July and August 2000 revealed an interesting pattern: people gave virtually the same answer as to why they would vote for or against EMU. Most of the people I talked with felt that it made little difference whether Denmark joined the monetary union or not. Some therefore felt that Denmark should join in order to get a seat at the table. Others felt that Denmark might just as well stay out and preserve at least a small degree of maneuvering room that might be afforded them by not being tied into the formalities of the EMU.

This general view is probably in part the product of the much discussed report released by the Danish Council of Economic Advisors (Vismandsrådet) in April 2000.²⁷

As part of their regular semi-annual assessment of the Danish economy, the Council of Economic Advisors included a chapter assessing “The EMU: Danish Exchange Rate Policy at a Crossroads.”²⁸ In the report, the Council’s leadership concludes,

Whether it is advantageous from a purely economic viewpoint for Denmark to join the EMU depends on whether the efficiency gains outweigh the costs of definitively giving up the possibility of an independent monetary and exchange rate policy. The value of an independent monetary policy depends on the extent to which a monetary policy based on the whole Euro area will also be suitable for Denmark, and if it is not suitable, on the willingness of Danish politicians to use other stabilization instruments. The fact that Denmark has been able to maintain a fixed exchange rate against the Deutschmark for several years shows that we may not necessarily need an independent monetary policy to be able to react to differences in the business cycle. The probability that Denmark will be affected by a major asymmetric shock is not very great. Summing up, 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.²⁹

The Council, generally considered above the political fray as a panel of experts rather than politicians, delivered a report that flew in the face of the both the Social Democratic Government’s predictions as well as those of the Conservatives (Venstre), both of whom foresaw dire consequences for the Danish krone in the face of speculative pressures should Danes opt to stay outside the monetary union.

The Danish Institute of International Affairs (DUPI) released a report just a few weeks later that sought to paint Danish participation in European affairs in a different light.³⁰ The main thrust of the DUPI report was that Denmark had lost influence in the European Union due to the four reservations established in the wake of the June 1992 rejection of the Maastricht Treaty. Furthermore, the report takes on the terms of the Danish debate about the European Union in broad brushstrokes.

Regardless of whether one can prove that the theme, “more or less union” is not a fruitful way of approaching a discussion of the EU, one can establish that this is how the debate by and large has taken place in Denmark. The term “union” calls forth among many a picture of a state structure according to an established plan, and along with this, more instinctually, visions of something far away, bureaucratic, and threatening. ‘More union’ is therefore somewhat that ought to be restricted or avoided. Those who have struck this theme, almost without having to exert themselves further, have been able to count on a conditional reflex, after which each change of government has had to ensure that there was in no way any talk of “union.”³¹

The report goes on to argue that it is small wonder that Danes have grown increasingly skeptical, believing that “union” was a dangerous thing and that the Danish reservations to the Maastricht Treaty were therefore something to hold on to. The report emphasizes that the Danish reservations were part of a longer term European policy for Denmark which has now been overwhelmed by changes in Europe. The authors of the report charge that the Danish debate has been so internally focused that Danes seem to forget that Europe is undergoing tremendous changes, with or without Denmark’s participation. This final chapter of the report has a tone that does little to hide the author’s general frustration with the character of the debate in Denmark about EU policy. The report ends with a speculative remark that “One might discuss whether Denmark already today can be described as a “B member” of the EU...”³² The general tone of the DUPI report therefore seems designed to offset the economic evaluation offered by the Council of Economic Advisors by providing a strong political argument in favor of full participation in EMU as the first step toward dropping all Danish reservations to the Maastricht Treaty on European Union. The impression given by the report is that particularly in military and foreign affairs, full Danish participation in any evolving

European cooperation in these areas is currently thwarted by the Maastricht reservations. Danish foreign policy experts and political elite worry that Denmark will be left behind as the rest of Europe moves forward. Their frustration over Danish voters' reservations about further deepening in these areas is only thinly veiled in the report.

The DUPI report fomented a loud round of criticism from both the left and right ends of the political spectrum. In particular, it incensed both the small but vocal People's Movement Against the EU (*Folkebevægelsen mod EU*, advocating Danish exit altogether from the EU) and the June Movement (*Junibevægelsen*, bringing together elements that had campaigned against the Maastricht Treaty and named after the June 2, 1992 referendum) that does not oppose EU membership but does oppose joining the EMU and any further surrender of sovereignty by Denmark to the EU.

On August 31, 2000, the Government released a glossy publication entitled *Fremtidens mønt?* (Coin of the Future?). In this piece, prime minister Poul Nyrup Rasmussen is quoted saying, "Danish welfare is my first concern. Wages and pensions will not change and are in the long run best guaranteed by a stable economy. Denmark is too small to stand outside the community [*fællesskabet*]. As it is now, we must fulfill all the responsibilities, but we do not have all the rights. When everything is added up, we are best off by joining."³³ The prime minister seems to contradict himself by stating that nothing will change while implying that if Danes don't vote in favor of EMU, stability might be difficult to secure. What's even more interesting is his choice of the word used to refer to the European *Community* -- "*fællesskabet*" -- instead of "union," the current appellation not only of the EU but also of the EMU. This is clearly a political choice

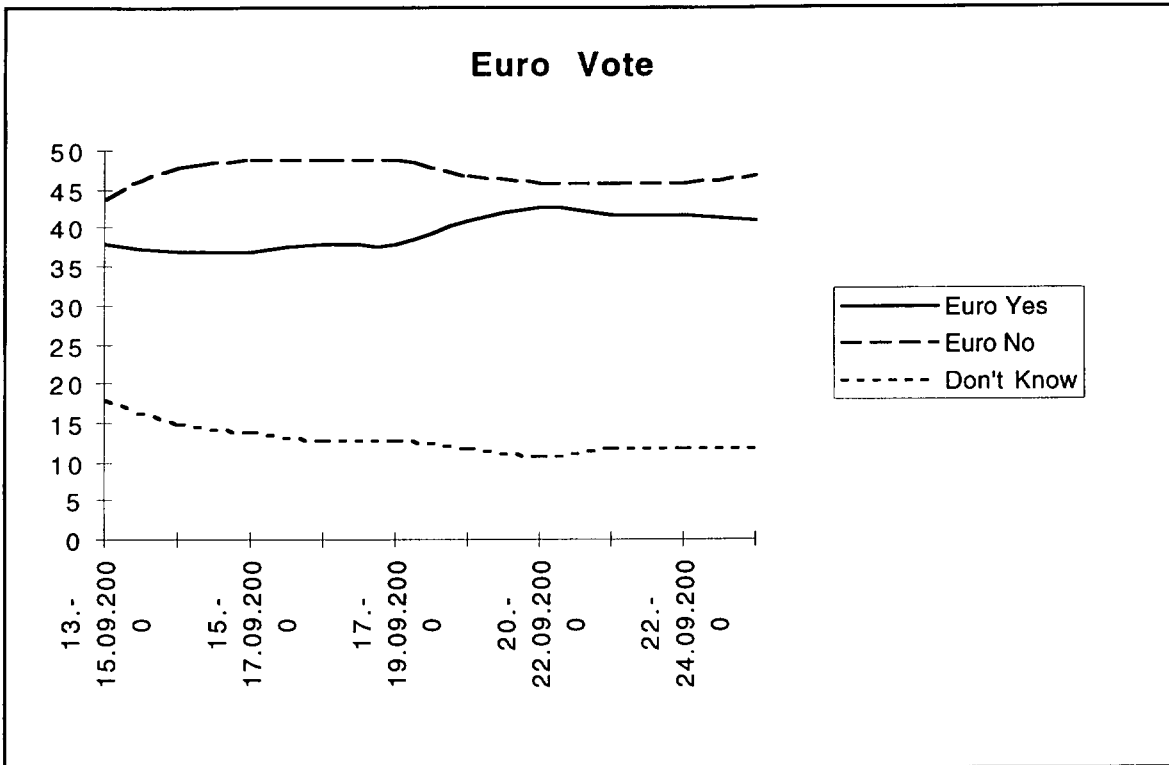
because the concept of *union* has never sat well with the Danish public. It may recall the Kalmar Union when Denmark was subjugated to Swedish rule and more importantly, it calls up all the concerns that many Danes have about sliding toward a political union in the form of a united states of Europe. Nyrup Rasmussen's brief little quotation here in many ways captures so many of the dilemmas facing the Social Democrats in trying to convince voters both within their party but also across the political spectrum to support membership in EMU.

The EMU vote also held implications for Denmark's role in a broader array of policy areas currently on the active agenda of the EU. The plan in the offing was that once Denmark joined the monetary union, the other Danish reservations to the Maastricht Treaty could be renegotiated and eventually dropped.

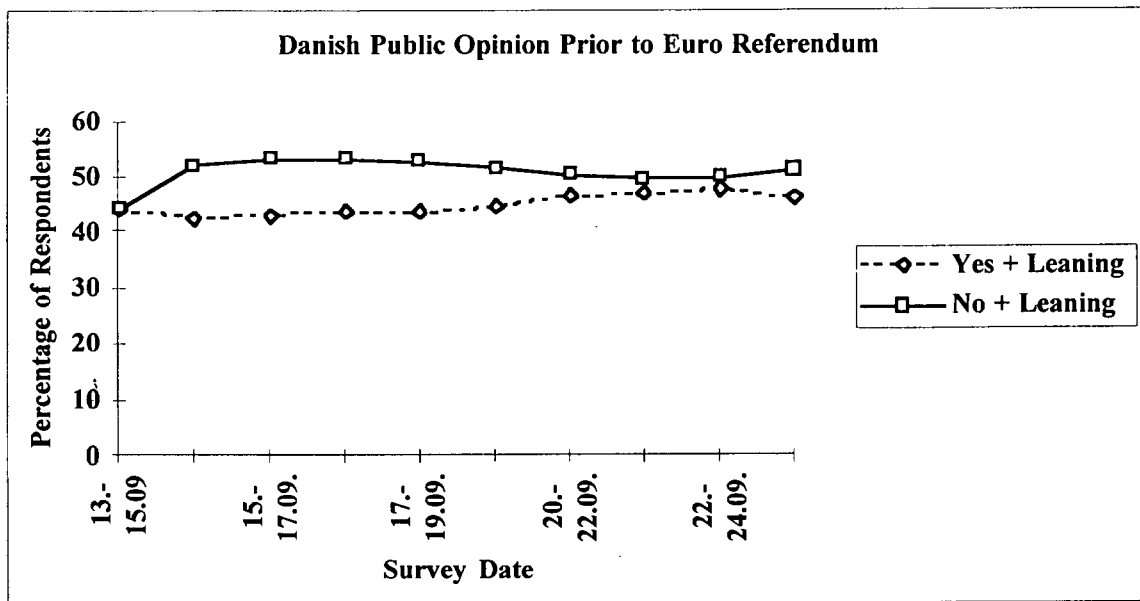
Proponents of ratification of EMU walked a fine line. Scare tactics might backfire. Politicians played on the theme that Denmark might be left behind or left out of important negotiations if they failed to join the EMU. But in the wake of the Council of Economic Advisors' report, the tempered argument in favor of ratification became the question of having a seat at the table and exerting direct influence over EMU policy rather than the current situation. With the krone pegged to the Deutschemark, the Danish currency effectively is already part of the EMU. Proponents of full membership argue that this situation leaves Denmark at the mercy of decisions in which they cannot participate directly. Opponents, however, suggest that this leaves room for independent action should the economic situation in Denmark deteriorate relative to the rest of Europe. But as the Council of Economic Advisors' report points out, this is highly unlikely.

Since the economic benefits of EMU membership remained hazy at best, the political arguments came to the fore. This is where the June Movement's assertion that Denmark needs to retain its independence to formulate social and labor market policies to preserve the country's quality of life probably swayed some fence-sitters. No doubt the high level of instability of the euro during late summer and early fall also played a critical role in tipping the scales toward the no vote. The June Movement urged voters to take a wait-and-see approach to the euro: only after the currency has had a few years to prove itself should Denmark tie itself to the mast of EMU.

As the chart below summarizes, the final two weeks of public opinion polling revealed that the vote would again be a nail-biter. Polling results from the two top bureaus in Denmark (Gallup and Greens) gave differing results. The Gallup results are summarized below.



Source: The ©Gallup Institute for Danmarks Radio/Berlingske Tidende.



Source: The ©Gallup Institute for Danmarks Radio/Berlingske Tidende.

The second chart combines the declared yes votes with those indicating they were leaning toward yes and corresponding leaners to no and no votes. In both cases, we can see that the margin between the two sides was so narrow as to be impossible to predict. What one can say with certainty is that the Danish public is very close to evenly divided on the question of whether Denmark should formally join the euro zone. We can also conclude that almost one in five Danes had not made up their minds about the issue until just before the referendum. This is about twice the greatest margin of difference between the committed “yes” and “no” votes in the two weeks prior to going to the polls. While the pro-euro forces did manage to narrow the gap, they were unsuccessful in swinging enough undecideds to their position. The final votes was 46.9% in favor and 53.1% opposed. This margin was considerably larger than the original vote on the Maastricht Treaty in 1992 in which 40.5% voted yes, while 41.7% voted no.

After the Referendum

The no vote signaled to the Social Democratic Government that plans to dispose of the four Danish reservations to Maastricht would have to wait for some time. The rejection of EMU stood in stark contrast for Nyrup Rasmussen to the celebration following the successful referendum on the Amsterdam Treaty in 1998. As the Schengen Agreement and increased activism around asylum policy with the EU has moved ahead, Danish politicians have found themselves in a challenging situation. Each new policy from the EU level must be individually debated and approved by the Danish parliament and individual treaty agreements must be signed bilaterally with each EU member state.³⁴

As in Britain, the timing of national parliamentary elections and the timing of debate about key EU issues have become a central concern for party elites. Heating up the EU debate can only make the party in power more vulnerable to the politicking of the opposition to activate the EU cleavage within each party. Disaffection with the Government's position on any key EU issue can be expected to translate into voter defection to other parties, either to the left or the right of the ruling party. In Denmark, the situation is not quite as precarious as in Britain since the leadership of the leading parties including the Social Democrats, the Conservatives, and the Liberals, all support EMU membership. Perhaps at least as important is the fact that the small party of the Center Democrats who have frequently served as the swing votes on key votes (or coalition members) have also solidly backed a pro-euro policy. This means that the Social Democrats have to concern themselves only to the left, that is, with the Socialist People's Party (SF). However, the euro vote has caused considerable internal turmoil in the SF, so for the time being the Social Democrats have instead turned their attention to managing what Putnam calls "Level I," that is, EU relations with other states.

The question of when and whether the issue will again be put to a vote remains open. However, several leading politicians, including influential Social Democrats like Sven Auken, have declared that they are tired of the referendum process. All parties have agreed that there will not be another vote on the euro in the immediate future. Instead, politicians appear to be taking quite a different tact. On May 10, 2001, the Danish parliament launched a 4 million kroner campaign to debate whether the Danish constitution, established in 1849, amended in 1915 and again in 1953, should be revised.

While the public announcement does not make direct reference to the ongoing conflicts between EU treaties and the sovereignty clause in the Danish constitution, there can be little doubt that recent growing frustration among politicians has contributed to the impetus for this remarkable initiative. Indeed, the description of the request for proposals to spend the 4 million kroner (which will be distributed in sums up to Dkr 25,000 -- ca. US\$3,000) includes the following:

Activities can emphasize freedom of expression, freedom of information, freedom from discrimination, freedom of association, the right to conscientious objection from military service, personal freedom [the right to privacy], the right to an education, the right to public services, the right to life, the right to justice, children's rights or environmental protection. Activities can also include themes related to the constitution and *international cooperation, including the EU*.³⁵

Perhaps, however, it's worth consideration that the Danish public isn't so unenlightened or mercurial as political elites at home in Denmark or abroad would have us think. As Tsoukalis puts it in the conclusion to his contribution on economic and monetary union in Wallace and Wallace,

EMU is indeed a high-risk strategy. There is a serious economic risk involved in the irrevocable fixing of exchange rates, while other adjustment mechanisms are still very weak and economic divergence persists. There is also a political risk linked to the legitimacy deficit of the Union. And there is no easy exit option if things go wrong.³⁶

The real question that remains to be answered is whether and how the EU institutional structure will deal with dissent that comes not so much from reticent elites like Margaret Thatcher, but rather from publics that seek greater voice and more influence over the pace and direction of EU developments. The Danish public, in this respect, may be performing a much needed service for many Europeans across the EU by reigning in their

government's elites and calling into question not the European project itself, but rather the speed and direction of the policy agenda. This is what democratic theory conventionally refers to as a "loyal opposition," one that accepts the rules of the game (in this case accepts the validity of the European Union) but questions the policy choices that those in power have made or contemplate making. The Danish referenda represent a further extension of the general provision in the original accession law (Article 6, paragraph 2) which obligates the Danish Government to inform and consult parliament. This has resulted in the rather unique institution of the European Affairs Committee (formerly the Market Relations Committee). The Danish Foreign Ministry is required to transmit all Commission proposals to the EAC. Should a majority of the members of the EAC reject the Government's negotiating stance, the Government must revise its position. The overwhelming burden of new proposals that have inundated the EAC in recent years has meant that this linkage between the people's sovereignty and the bargaining positions taken by the Danish Government in Brussels has been weakened. Repeated media reports of the volume of proposals and EU legislation coming through the parliament has done little to allay concern that decisions made in Copenhagen are quickly being rendered irrelevant by decisions made in Brussels.³⁷

If democracy is one of the cornerstones of the European tradition and indeed constitutes one of the principal Copenhagen criteria to be applied to new applicants, then the EU itself will sooner or later have to deal with the fundamental questions of what role average citizens can play in voicing their policy preferences.

Danish EC/EU Referenda

Date	Referendum	Yes (% of valid votes cast)	No (% of valid votes cast)	Result
Oct. 2, 1972	Accession to the EEC	56.7	32.9	Denmark acceded to the EEC on January 1, 1973
Feb. 27, 1986	Single European Act (consultative)	42.0	32.7	Denmark's accession to the Single European Act passed by Folketing
June 2, 1992	Maastricht Treaty	40.5	41.7	Denmark did not accede to the Treaty
May 18, 1993	Accession to the Maastricht Treaty supplemented by the Edinburgh Agreement (4 reservations)	48.6	37.0	Denmark acceded to the Treaty supplemented by the Edinburgh Agreement
May 28, 1998	Accession to the Amsterdam Treaty	55.1	44.9	Denmark acceded to the Amsterdam Treaty
Sept. 28, 2000	Accession to European Monetary Union	46.9	53.1	Denmark did not accede to the EMU

Notes

¹ Alberta M. Sbragia, "Environmental Policy: Economic Constraints and External Pressures," ch. 11 in Helen Wallace and William Wallace, eds., *Policy-Making in the European Union*, 4th ed. (New York: Oxford University Press, 2000), pp. 293-316; Leslie Eliason, "Denmark: Small State with a Big Voice," ch. 9 in Eleanor E. Zeff and Ellen B. Pirro, eds., *The European Union and the Member States: Cooperation, Coordination, and Compromise* (Boulder, CO: Lynne Rienner, 2001), pp. 191-214.

² For a recent example, see James I. Walsh, "National Preferences and International Institutions: Evidence from European Monetary Integration," *International Studies Quarterly* 45 (2000): 59-80, which focuses on France, Germany, Italy, and Britain. Two notable examples include Geoffrey Garrett, "International Cooperation and Institutional Choice: The European Community's Internal Market," *International Organization* 46(2) (Spring, 1992), pp. 533-560; and Andrew Moravcsik, "Negotiating the Single European Act: National Interests and Conventional Statecraft in the European Community," *International Organization* 45(1) (Winter, 1991), pp. 19-56.

³ Paolo Cecchini, with M. Catinat and A. Jacquemin, *The European Challenge 1992: The Benefits of a Single Market* (Aldershot: Wildwood House, 1998).

⁴ Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games," *International Organization* 42(3) (Summer 1998): 432.

⁵ Ronald Tiersky, ed., *Euro-Skepticism: A Reader* (Lanham, MD: Rowman and Littlefield, 2001).

⁶ *Ibid.*, pp. 529-530.

⁷ Richard C. Eichenberg and Russell J. Dalton, "Europeans and the European Community: The Dynamics of Public Support for European Integration," *International Organization* 47(4) (Autumn 1993): 507-534.

⁸ European Commission, Eurobarometer: Public Opinion in the European Union, Report Number 54, Release April 2001, p. 33.

⁹ *Ibid.*, p. 34.

¹⁰ *Ibid.*, figure 2.1b, p. 12.

¹¹ Only Ireland experienced a similar decline from an overall lower level, 57% to 52%.

¹² *Ibid.*, p. 14.

¹³ *Ibid.*

¹⁴ *Ibid.*, figure 2.6, p. 16.

¹⁵ *Ibid.*, figure 6.7a, p. 95.

¹⁶ *Ibid.*, p. 52.

¹⁷ *Ibid.*, p. 56.

¹⁸ *Ibid.*, p. 59.

¹⁹ *Ibid.*, p. 61.

²⁰ *Ibid.*, p. 62.

²¹ See *ibid.*, figure 4.9b, p. 64.

²² *Ibid.*, p. 72, referring to figure 5.5b, p. 73.

²³ *Ibid.*, figure 5.7a, p. 75.

²⁴ ...and they knew that they received it: see *ibid.*, p. 77.

²⁵ *Ibid.*, figure 5.12, p. 82.

²⁶ *Ibid.*, p. 91.

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²⁸ *Dansk Økonomi* udg. af Det Økonomiske Råds formandskab, København. Foråret 2000. Available online at <http://www.dors.dk/publ/dors024.htm>.

²⁹ *Ibid.*, pp. 351-352 (English summary).

³⁰ "Udviklingen i EU siden 1992 på de områder, der er omfattet af de danske forbehold." København: DUPI, 2000.

³¹ *Ibid.*, p. 263. My translation.

³² *Ibid.*, p. 265. My translation.

³³ Regeringen, *Fremtidens mønt?* København: Statsministeriet, 31.08.2000, p. 3.

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³⁵ <http://www.grundlovsdebatten.dk/news.asp?cat=D1442F76-3317-11D5-82DB-0000E230DA86&typ=news>. My translation; emphasis added.

³⁶ Loukas Tsoukalis, "Economic and Monetary Union: Political Conviction and Economic Uncertainty," ch. 6 in Helen Wallace and William Wallace, eds., *Policy-Making in the European Union*, 4th ed. (New York: Oxford University Press, 2000), p.177.

³⁷ For further discussion of the European Affairs Committee, see David Arter, "The Folketing and Denmark's 'European Policy': The Case of an 'Authorising Assembly'?" in Philip Norton, ed., *National Parliaments and the European Union* (Portland, OR: Frank Cass, 1996), pp. 110-123.