
**Formal and Informal Ratification in the Intergovernmental Policies of
the European Union**

Robert Pahre
Associate Professor
Department of Political Science
University of Illinois, Urbana-Champaign

European Union Center
University of Illinois at Urbana-Champaign
Champaign, Illinois
October, 2004

About the Author

Robert Pahre is an associate professor of political science at the University of Illinois at Urbana-Champaign. He received a Ph.D. in political science from UCLA and a B.A. in international relations and German studies from Stanford. He taught at the University of Rochester and the University of Michigan before coming to Illinois. His main area of research is international political economy, using formal theory to look at the politics of trade and other economic issues. He is the author of *Leading Questions: How Hegemony Affects the International Political Economy* (1999) and *Agreeable Customs: The Politics of Trade Cooperation, 1815 – 1913* (forthcoming). Dr. Pahre is also currently the EUC's Associate Director for Academic Affairs.

Abstract

Putnam's theory of "two-level games" has spawned numerous studies examining the interaction between international and domestic politics, many focusing on politics in the European Union. While noting that ratification may be formal or informal, much of this literature treats each important domestic actor as if it has *de facto* formal ratification power. This means that the literature overlooks the very real distinction between formal and informal ratification. Informal ratification may be thought of as a case in which the government pays "audience costs" for unpopular international agreements. In this case, a government must respond continuously to public opinion. This presents constraints very different from those faced by governments who must obtain the formal approval of the legislature (or other actor). For example, divided government has no effect on the likelihood of informal ratification but often does affect the distribution of gains, while it often affects the likelihood of formal ratification but often has no effect on the distribution of the gains. Because these kinds of ratification differ significantly, Putnam's ratification metaphor is not always the most appropriate conceptualization of two-level politics in the European Union. The formal ratification metaphor is especially inappropriate for studying policy-making in the second and third pillars of the EU, which are mostly characterized by intergovernmental bargaining without formal ratification requirements.

Though its many stops and starts, the process of European integration has clearly depended on the relationships between different institutions and groups within the European polity. The European Commission, and to a lesser extent the national governments, serves as the motor force for European integration. National publics, and to a lesser extent the legislatures, serve as the brakes. In short, certain elites negotiate proposals for further integration subject to constraints placed on them by other actors.

Though we have a growing formal literature on policy-making in the European Union (Crombez 1996, 1997, 2002; Moser 1996; Tsebelis 1994, 1996; Tsebelis and Garret 2000) this literature has emphasized the relations between the Commission, Council, and Parliament instead of intergovernmental bargaining. Though these bodies play central roles in the economic union, intergovernmental bargaining remains important in the European Union, especially for policies in the second and third pillars (foreign and security policy, and justice and home affairs, respectively) As the name suggests, intergovernmental bargaining also dominates the intermittent intergovernmental conferences (IGCs), as well as accession negotiations and negotiation in successive rounds of the World Trade Organization (WTO).

Our theoretical understanding of these intergovernmental processes is unnecessarily limited. The dominant approach is heavily influenced by Robert Putnam's metaphor of "two-level games." Putnam conceptualized international cooperation as carried out by a country's executives, who played one "game" with their foreign counterparts and a second game with domestic political actors at home. His framework highlighted the interaction between domestic and international politics within a theoretically-manageable framework, and it sparked a very fruitful research agenda studying both the United States and the European Union.

Subsequent research has tended to bifurcate into a formal literature limited to the problem of domestic ratification of treaties (without amendment) and a nonformal literature in which all other processes other than formal ratification is labeled "informal ratification" and then treated as conceptually similar to the formal variant. Each literature has made progress on its piece of the problem. Yet, clearly there is room for formalization of other types of domestic political settings, both to expand the formal literature and to add rigor to the nonformal analysis of some recurring of some recurring types of political interactions.

This paper develops a way to characterize some informal ratification games formally, especially those in which domestic public opinion provides the major constraint on the executive's actions. By adding the effects of domestic audiences, I go beyond existing intergovernmental approaches that focus solely on governmental preferences (i.e. Hosli 1993, 1995, 1996; Moravcsik 1991, 1998). I begin with the well-understood formal ratification problem and then show how informal ratification differs from the standard formal ratification game. The analysis leaves out some other types of domestic political constraints, such as no-confidence votes, elections, and imperfect implementation, but it still suffices to capture a wide-range of two-level problems.

With formal ratification, the executive's task centers on making the ratifier prefer an agreement to the status quo. The ratifier's choice is dichotomous, the decision whether to ratify the agreement or not. This dichotomous choice produces an environment in which the ratifier's preferences have dichotomous effects: sometimes they constrain and

sometimes they do not. Once the ratifier is satisfied, the executive does not need to make further concessions to it.

In contrast, informal ratification provides a continuous constraint on the executive. While the executive can pursue her own preferences, she must always “tack” in the direction of public opinion. Depending upon how much she values public opinion, this informal ratification may cause a larger or smaller change in agreements that an executive negotiates. However, the public is never completely satisfied and can never simply be ignored as some formal ratifiers can be.

In short, the implications of domestic opposition to any EU policy will depend, systematically and predictably, on whether ratification is formal or informal. For example, the informal ratification game has a smaller core than the formal ratification game. This may imply less policy gridlock in the informal setting than in the formal. The informal ratification game also means that the preferences of domestic actors have continuous effects, while they have discontinuous effects in a formal ratification game. Because of how preferences affect outcomes, divided government also has different effects in the two games. Divided government affect only the distribution of gains from cooperation in the informal ratification game. Understanding the role of democratic governance in the European Union, as well as evaluating any democratic deficit, requires examining both formal and informal processes.

Formal models, two-level games, and the European Union

The past decade has seen the growth of a family of models of EU decision-making (i.e. Crombez 1996, 1997, 2002; Garrett and Tsebelis 1996; Moser 1996ab, Pahre 1995, 1997, 2001; Schneider 1993, 2000; Schneider and Cedermann 1994, 1996, 1999; Tsebelis and Garrett 2000). These have focused overwhelmingly on the formal legislative procedures of the EU, especially the cooperation and codecision procedures, or on the problem of domestic ratification of EU decision.

Important as these processes are, many important parts of EU decision-making remain intergovernmental. Periodic IGCs are by definition intergovernmental. Joint decisions and joint positions taken under the Common Foreign and Security Policy are reached through intergovernmental negotiations, as are decisions taken under unanimity rules of the third pillar (Justice and Home Affairs). Reaching common positions and negotiating with outsiders are also largely intergovernmental, as in the case of accession and association treaties or negotiations in the World Trade Organization. The leading models of these processes are Madeleine Hosli’s (1993, 1995, 1996) models of weighted voting under Qualified Majority Voting (QMV). Valuable as they are, they downplay the actual policy dimensions at stake (Garrett and Tsebelis 1996), and neglect the role of domestic politics in the negotiating states.

To examine the problem of how domestic ratification affects intergovernmental policy making, I will join many others in using a spatial model of two-level games. Robert Putnam (1988) developed his theory of two-level games at a time when many scholars were dissatisfied with the sterile distinction between the international and domestic levels of analysis (for contemporaneous efforts, see Ikenberry *et al.* 1988; Mastanduno *et al.* 1989; Haggard 1990; for a review, see Moravcsik 1992) Putnam’s metaphor proved the most popular for a variety of reasons, and soon sparked a large

literature studying many countries, mostly but not entirely in the developed world (Barnett 1990; Avery, ed. 1993; Evans *et al.*, eds. 1993; Friman 1993, Hammond and Prins 1998, 1999; Iida 1993, 1996; Lehman and McCoy 1992, Li 1994; Lohmann 1992; Mayer 1992; McGinnis and Williams 1993; Meunier 2000; Milner 1997; Milner and Rosendorff 1996, 1997; Mo 1994, 1995; Pahre 1997, 2001; Putnam and Bayne 1987; Putnam and Hennig 1986; Smith 1998; Schoppa 1993; Solingen 1993; Tarar 2001). The fact that Putnam had used a simple version of spatial theory in explicating his framework also proved influential, and has shaped much of the subsequent research in both the formal and non-formal literatures.

Putnam argued that we should think of policy-makers as playing two games, a “Level I” international game with one another and a “Level II” ratification game with domestic constituencies. Both the likelihood of cooperation, and the distribution of gains when cooperation occurs, depends on each executive’s success in playing these two games simultaneously.

Putnam’s point of reference was clearly the United States, in which an elected President negotiates treaties subject to approval by a two-thirds majority of an independently elected Senate. Extending it to parliamentary systems in which the parliament chooses the executive raises significant challenges, not always recognized (see Pahre 1997). Organized interest groups, which also play a role in the United States different than their role in many other democracies, have provided an important focus for many studies of “informal” ratification as well as studies of how interest groups influence legislative ratification (i.e. Crombez 2002; Milner 1997).

The European Union has proved to be a fruitful subject for this kind of two-level analysis (Hug and König 2002; König and Hug 2000; König and Poter 2001; Milner 1997: Chapter 8; Moyer 1993; Pahre 1997, 2001; Schneider 1993, 2000; Schneider and Cederman 1994). Timing probably explains part of this success, since the European Union’s straddling of international and domestic politics fits traditional academic boundaries rather poorly. The complexity of the multilevel process in the European Union also called out for an analytical framework capable of handling interactions between distinct political realms (cf. König *et al.*, eds. 1996)

Two-level studies tend to focus either on the interstate negotiation phase (Level I) or the domestic approval phase (Level II), though studies of either type naturally exploit the interactive and synergistic strengths inherent in the two-level framework. Aside from contributors to the *Double-Edged Diplomacy* project (Evans *et al.* Eds. 1993), which mostly emphasized the Level I game, the Level II game has attracted the most attention in European Union studies. Scholars have applied the Level II ratification game to the European Union in two ways. One group, best exemplified by a series of papers by Simong Hug, Thomas König, and others (Hug and König 1999; König and Hug 2000; König and Poter 2001), represents efforts to determine exactly who veto players are, under exactly what rules, in particular countries at particular times.

A second group uses Level II ratification more loosely to examine domestic constraints on political action. For example, Helen Milner (1997: Chapter 8) uses a ratification model to examine ratification of the Maastricht treaty in Britain, France, and Germany, though ratification was not formally required in any of the three. In this respect her study resembles many others, examining a range of countries, that treat domestic groups as exercising informal influence over the preferences of negotiators (i.e. Evans

1993; Kahler 1993; Lehman and McCoy 1992; Martin and Sikkink 1993; Putnam 1988; Rapkin and George 1993; Schoppa 1997; Solingen 1993).

Current theory treats all these forms of domestic approval as essentially similar, in which domestic actors “ratify” decisions negotiated by foreign policy makers. Virtually all of these treat the domestic political game as a ratification problem in which the government must receive some actor’s formal approval before an intergovernmental agreement takes effect. The literature notes a distinction in principle between formal ratification and more informal forms of approval, but treats them as analytically similar.

This paper presents two related models that make a clear analytic distinction between formal and informal ratification. Formal ratification presents some decision-makers with a dichotomous strategy space, giving them the choice of either accepting or rejecting a treaty. This results in discontinuities in the choices of other actors. Specifically, an executive need only make concessions to a legislature or other ratifier if an agreement’s passage would otherwise be in doubt.

Informal ratification produces a continuous strategy space. Public opinion, interest groups, and other “ratifiers” may make slight changes in their support of the executive in response to small changes in the agreement. As a result, executives will make concession to informal ratifiers throughout the entire range of political support, and not just when an agreement is in danger of rejection.

This institutional difference plays a critical role: with the same actors and identical preferences, agreement may be possible under informal ratification but impossible under formal ratification. The institutional difference also has behavioral implications for how a negotiator will view her domestic political problem, and how she will change agreements in response.

Though I emphasize the differences between formal and informal ratification, certainly many executives face both problems. A legislature may have formal ratification authority over a treaty, while an executive may also worry about public opinion’s informal reactions in advance of parliamentary elections. The analysis here allows a straightforward synthesis of the two problems.

As the forgoing discussion suggests, this paper is purely analytical and theoretical, without a systemic effort to test the theory. The goal is to provide propositions about formal and informal ratification games in a format that could be tested empirically, either quantitatively or in case studies. I also emphasize those propositions that distinguish the two games from each other.

Framework for formal analysis

To model institution differences, it is helpful to have a very simple, flexible model of two-level games. For this, I assume that governments jointly choose a point (“policy”) in n -dimensional policy space. As in other spatial models, each actor has an ideal point, which represents that actor’s most-preferred point in the policy space. Governments may have preferences over policy that differ from society’s preferences. Each actor evaluates policy by their distance from her ideal. The models here use a quadratic loss function in which utility goes down with the square of the distance between an actor’s ideal point and the point being evaluated.

The solution concept is the win-set, the set of points that are possible outcomes of the bargaining game between the governments when they take ratification needs into account. At times I will also analyze the “intergovernmental win-set,” the set of points that the governments might choose if no ratification were required. Because Putnam did not clearly distinguish executive and ratifier preferences, both definitions differ slightly from his, though my definitions are broadly consistent with the rest of the formal literature. Within the win-sets, I do not solve the obvious bargaining problem, but assume that any point within that set may be the result of negotiations (see Hammond and Prins 1999 for a similar approach).

This paper is limited to games of complete information in order to highlight institutional differences. Complete information is also more tractable, and models of complete information provide an essential prelude to the study of incomplete information. We can only argue that incomplete information uniquely explains ratification failures, for instance, if we know whether ratification failures occur under complete information (for information in two-level games, see Iida 1993; Milner 1997; Milner and Rosendorff 1996; for a similar type of problem in the EU, see Crombez 2002). Extending the model here to problems of incomplete information would provide a reasonable direction for a research agenda into informal ratification.

The formal ratification game

The two-level game that attracted most of Putnam’s attention was a game in which two governments negotiate an international agreement, subject to ratification by one or more domestic actors. In the canonical case, an agreement will be ratified if it satisfies the median voter in the legislature. As Putnam forcefully argued, anticipation of the ratification stage has important effects on the intergovernmental negotiations.

This game has several applications to the European Union. At the Union level, the assent procedure, which gives the European Parliament the power to accept or reject legislation (without amendment) fits this game well. At the national level, legislatures’ ratification of major treaties, such as Maastricht or Nice, or the accession of new members is also well described by this game. Rather than explore particular applications of these procedures, this section will examine the general case in the abstract.

As this suggests, the exact identity of the “government” and “ratifier” may vary considerably in the EU. Most commonly, the Commission will be the “government” that negotiates an agreement with outsiders, though the Council formally negotiates with outsiders in accession and negotiates internally in the case of the Common Foreign and Security Policy (CFSP). The ratifier may be the Council in some cases, is the European Parliament in many other cases, and often includes national parliaments. Excluding amendment powers does not do too much violence to these procedures. For example, the European Parliament has only restricted amendment powers in the cooperation procedure (Tsebelis 1994, 1996), and (more controversially) may have no amendment powers at all in the codecision procedure (Pollack 1999; Tsebelis and Garrett 2000; Crombez 2002). As these illustrations show, the model applies when there is no single agenda-setter such as the European Commission, but two or more negotiators who jointly set the policy agenda for actors moving later in a given legislative process.

**GAME 1:
The Formal Ratification Game**

Policy is a point $x \in \mathfrak{R}^m$, with status quo Q at x_Q .

Actors are Governments A, B, and Ratifier R, with ideal points in n-dimensional space x_A, x_B, x_R . Ideal points are distinct from each other and from the status quo, so that $x_i \neq x_j, \forall i, j \in \{A, B, R\}$ and $x_i \neq x_{SQ}, \forall i \in \{A, B, R\}$.

Outcome at end of game is x_E , which will be either Q at x_Q or a negotiated and ratified agreement N at x_N . Label the set of all negotiable and ratifiable x_N the “win-set,” w. I allow only “meaningful” agreements, i.e. $x_N \neq x_Q$.

Utility is a quadratic loss function from ideal point, i.e. $U_i(x_E) = -[d(x_i - x_E)]^2, i \in \{A, B, R\}, x_E \in \{x_Q, w\}$. Actor i’s acceptance set $c_i = \{x: d(x_i - x_Q) \geq d(x_i - x_E)\}$

Stages and outcomes:

- I. Negotiation along contract curve (Putnam’s Level I). A and B jointly choose a point x_N . If either prefers x_Q to x_N , then x_Q results and the game ends.

- II. Ratification by R (Putnam’s Level II). R ratifies x_N iff it prefers x_N to x_Q . If it ratifies, outcome is x_N ; else x_Q results. There is no amendment at the ratification stage.

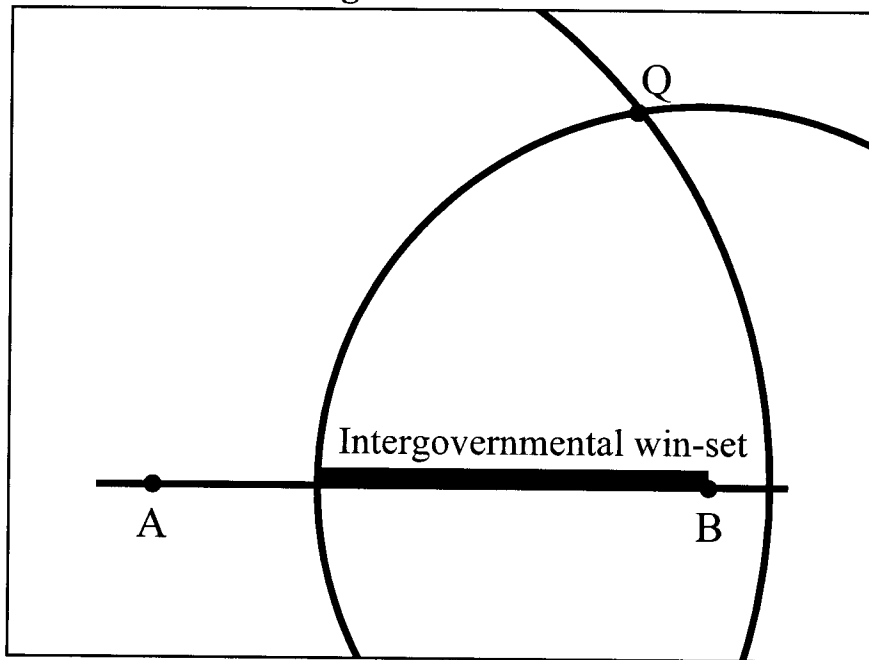
Structure of the game is complete information, and all of the above is common knowledge.

Solution: if $c_A \cap c_B \cap c_R = \emptyset$, then $w = \emptyset$;
 else if $c_A \cap c_B \cap c_R = c_A \cap c_B$, then $w = c_A \cap c_B \cap S_{AB}$;
 else if $c_A \cap c_B \cap c_R \cap W_G = \emptyset$, then $w \subset W_G$;
 else, then $w \neq \emptyset$ and $w \cap W_G = \emptyset$.

The above box describes such a game. After the governments agree, some domestic group describes whether to ratify the agreement. If the governments cannot agree, or if ratification fails, the *status quo ante* remains.

Figure 1 shows the outcome of this game if there were no ratifier. This intergovernmental win-set consists of those points that are both negotiable and efficient. Those points that both governments would accept as alternatives to the status quo, because they are closer to their idea point than is the status quo, are negotiable. The contract curve between the two governments’ ideal points is efficient, for there is always some point on the contract curve that both governments prefer to any given point off the curve. The figure shows the two ways that an intergovernmental win-set may be bound,

Figure 1
The Intergovernmental Win-Set



either by an actor's acceptance set (as B bounds the left end) or by a government's ideal point. With different locations of Q, the win-set could be bound on both sides by the two acceptance sets or by the two ideal points.

Much of the case study literature on two-level games acts as if ratifiers are always constraining. However, adding a ratifier may or may not produce a result that differs from the intergovernmental win-set:

Hypothesis 1. There are four possible outcomes to the formal ratification game:

1a. formal ratification may make any international agreement impossible;

1b. formal ratification may be irrelevant because the ratifier will accept anything the executive might negotiate;

1c. a formal ratifier may constrain the win-set, accepting some points the government would negotiate but rejecting others (which the governments will therefore no longer negotiate);

1d. a formal ratifier may shift the win-set to points off the intergovernmental win-set.

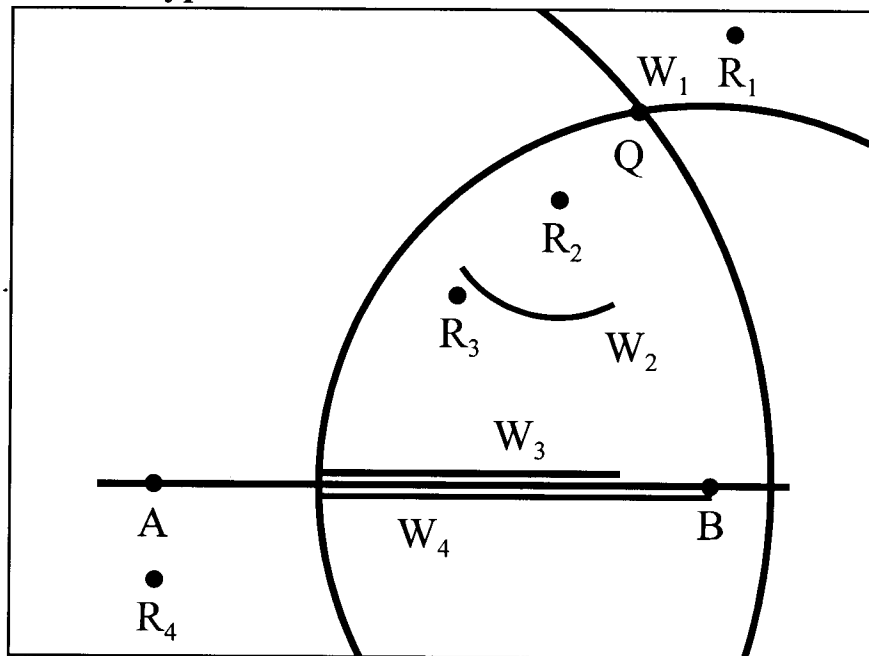
(See Proposition 1 in the Appendix for proof)

The first case, which ratification prevents agreement, occurs when the governments can agree on some policy but the ratifier prefers the status quo to any such agreements. At the other extreme, formal ratification may be irrelevant because the ratifier will accept

anything that the governments negotiate. Third, the ratifier may constrain the win-set because it is willing to ratify only part of the contract curve between the two governments. Finally, the ratifier will accept anything may change the win-set: It will ratify nothing on the government's contract curve, but will ratify some other points that both governments prefer to the status quo.

Figure 2 shows the four possibilities. When the ratifier is at R_1 , there is no point acceptable to all three actors. As a result, the win-set W_1 is the status quo Q , and policy remains unchanged.

Figure 2
Four Types of Win-Sets with Formal Ratification



If we move R southwestward, the ratifier is now willing to accept some changes in the same direction that the two governments desire. The governments will propose points as far as possible from the status quo¹, yielding the arc labeled as W_2 . This arc is bounded by the lines connecting A and Q (AQ) and B and Q (BQ). Continued movement of R_2 moves the arc toward the intergovernmental win-set, and the growing arc will suddenly shrink to a point when it touches the AB line.

Further movement will increase the number of points on the intergovernmental win-set that the ratifier will accept. The win-set W_2 shows this case, with the right-hand bound of the win-set the same distance from R_3 as is the status quo Q . As the ratifier moves still further it will accept all of the points in the intergovernmental win-set. Finally, at R_4 , the win set W_4 is the same as the intergovernmental win set. When this occurs, the ratifier is effectively irrelevant.

¹ I have made no assumptions about *which* points the governments will propose. This particular state of affairs has sparked a debate between Mansfield, Milner and Rosendorff (2000, 2002) and Dai (2002) over the likely outcome in a take-it-or-leave-it bargaining model.

These are four, qualitatively-different outcomes, as the pictures of the win-sets suggest. At least under conditions of complete information, there are also sharp boundaries between these outcomes as a point becomes an arc, then a point and then grows into a line segment. I have drawn the four illustrative ratifiers on a line to make visible how linear and continuous changes in the ratifiers preferences may have “discontinuous” and “non-linear” qualitative changes in the win set.

Especially when we consider the case labeled W_4 in the figure, Hypothesis 1 also reminds us of the importance point that not all actors’ preferences will be constraining. This has long been noticed in some of the case study literature (i.e. Snyder 1993) but many others attribute outcomes to the “ratification” requirements of many domestic groups on a single issue, regardless of the formal institutional requirements or precise distribution of preferences (i.e. Lehman and McCoy 1992; Milner 1997; Chapters 7-8; Rapkin and George 1993 1993).

These are various conditions under which the ratifier will be irrelevant. The simplest condition is that if A’s and B’s ideal points are both in the ratifier’s acceptance set, then the ratifier will ratify everything on the contract curve and will therefore be irrelevant (see $\lambda 1$ in appendix). This has important behavioral implications for the kind of ratification behavior we should observe. In the R_2 case, the governments propose an agreement that is barely acceptable to the ratifier. This should mean that the agreement will be ratified by the narrowest possible margin. Narrowly satisfying the voters in Denmark’s second vote on the Maastricht Treaty on European Union would probably be an example of this. In the other cases with successful ratification (R_3 and R_4) margins will be larger than needed. This was the case for the other Maastricht ratifications, except perhaps for France.

In addition to ratification margins, the most easily behavior in this model is whether the governments successfully negotiate any agreement at all. No agreement is possible when the status quo Q lies inside the triangle defined by A, B, and R (see $\lambda 2$ in appendix). Inside this triangle, moving Q in any direction will make at least one actor better off while making at least one actor worse off. The actor harmed will refuse to negotiate or ratify an agreement on that point. As we will see, the “gridlock” conditions are very different in the informal ratification game.

In summary, the relative positions of the executives, ratifiers, and status quo are critical for the outcome of the formal ratification game. All of these conditions depend on the relative position of the status quo and the three actors in multidimensional space. What matters in the formal ratification games is the same thing that matters in real estate: location, location, and location. The results of the game are often discontinuous and vary significantly on either side of a threshold. Behavioral implications appear in the ratification margins as well as whether (and how) a negotiator responds to the ratifier’s concerns.

Informal Ratification: the role of audience costs

Formal ratification often is not required for international agreements to take effect. When domestic actors do not have ratification authority, they may try to stop

undesirable agreements by inflicting costs on any government that signs them. For instance, the farm lobby in France, the Us, and Japan – none of which have a formal veto over policy – all tried to stop the GATT Uruguay Round through lobbying, street demonstrations, or campaign contributions (Avery, ed. 1993) Other groups throughout Europe mobilized over the Maastricht, Amsterdam, or Nice treaties. In one way or another, these activities impose some electoral costs on the government.²

Groups may inflict costs on negotiators directly. The public also inflicts costs indirectly, as when a policy lowers public support for the government. This might occur because the public can anticipate the likely benefits or costs of a given policy for them (i.e., Gabel 1998) or because the negotiators have chosen an open process that encourages public participation, as in the Amsterdam intergovernmental council. (Sverdrup, 1998) or the European constitutional convention (<http://european-convention.eu.int>)

These are “audience costs,” to use a term from the study of the effects of domestic politics on crisis decision-making and sanctions (Martin 199; Fearon 1994). The domestic audience costs increase as the agreement gets farther away from the domestic actor’s ideal point. These costs may be relatively important to the government or relatively unimportant, a factor that we may capture with a weighting parameter. These costs are, then, a function of the distance between the agreement and the ideal point of each relevant citizen or group.

Governments also have their own preferences over policy, so the distance between the agreement and the government’s ideal point is also important. Governments will only accept an international agreement in their acceptance set, the set of points that they prefer to the status quo, when they consider both their own policy preferences and the domestic costs of a policy.

In effect, then, a government in the informal ratification game has a transformed utility function in which it considers both its own preferences over policy a weighting of domestic groups’ preferences over policy. For simplicity, I will analyze the case with a single group, though obviously a country has many groups interested in a given decision. The government weights its own policy preferences α , and the group’s preferences $(1-\alpha)$, with $\alpha \in [0, 1]$.

The adjacent box describes this game. Defining the win-set in this game requires first that we define the core, the set of points that cannot be changed if they are the status quo. We may describe the boundaries of the core by finding two lines, the alpha-line and the beta-line. The beta-line is simply the projection of B’s ideal point onto the line connecting A’s ideal point with G’s ideal point. As drawn in Figure 3, this projection lies inside the ABG triangle, but it could also lie outside the triangle.

² I am setting aside the role of information transmission by groups, a process analyzed by Crombez (2002).

GAME 2: Informal Ratification

Policy is a point $x \in \mathfrak{R}^m$, with status quo Q at x_Q .

Actors are Governments A, B with ideal points x_A, x_B , and domestic actor G in A with ideal point x_G .

Utility Government A's utility depends on its own preferences and on the distance between outcome and the ideal points of that government's public. I will use a quadratic loss function for the utility function.

Specifically, for an end of the game outcome E at point $x_E \in \{x_Q, w\}$, A's utility is $U_A = \alpha [d(x_E, x_A)]^2 - (1 - \alpha)[d(x_E, x_G)]^2$, where $\alpha \in [0, 1]$. B's utility is simply $U_B = [d(x_E, x_B)]^2$.

Acceptance Sets: The acceptance set for A, c_A , is the set of points that A strictly prefers to x_{SQ} ; $c_A = \{x_E: \alpha [d(x_E, x_A)]^2 - (1 - \alpha)[d(x_E, x_G)]^2 < \alpha [d(x_Q, x_A)]^2 - (1 - \alpha)[d(x_Q, x_G)]^2\}$. B's acceptance set $c_B = \{x_E: [d(x_E, x_B)]^2 < [d(x_Q, x_B)]^2\}$

Stages and Outcomes: A and B choose a point x_N from the win-set $\equiv c_A \cap c_B$. I do not model how they choose this point. If $w = \emptyset$, $x_E = x_Q$.

The game is **complete information** and all of the above is **common knowledge**.

Solution is described in Proposition 3 in the Appendix.

The alpha-line is defined by the fraction α . The line is perpendicular to the AG line, and intersects the AG line at a point that is the fraction α from A on the way to G. This point is also the point that maximizes A's transformed utility function. The points on the alpha-line maximize A's utility for each imaginary line parallel to the AG line.

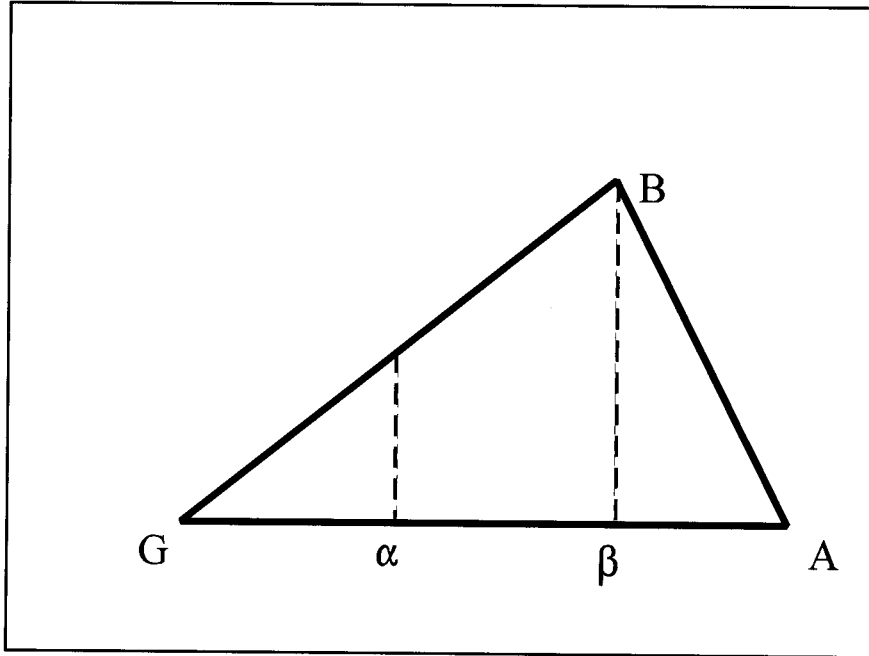
With these definitions in mind, we can now define the core:

Proposition 2. The core in the informal ratification game is the subset of the triangle $x_A x_G x_B$ defined by the alpha-line and the beta-line.

Specifically, the core is the shaded area in the adjacent figure between these two lines.

The logic of this result rests on the fact that A and G are no longer distinct actors who can veto an agreement that they do not like. This veto power is what prevents change inside the ABG triangle in the formal ratification game. Instead, only A and G are actors, though G's preferences shape A's evaluation of any agreement. If we consider a point in the AB β triangle, both A and B would be better off moving this agreement due left onto the beta-line. Such a movement is closer to B's ideal point and also closer to the alpha-line that captures (in a loose sense) A's payoff when it considers G's preferences as well. Similarly, any point in the left-hand unshaded triangle region could be shifted to the right onto the alpha-line and make both A and B better off.

Figure 3
The Core in the Informal Ratification Game



Between the alpha-line and the beta-line, any rightward movement making B better off makes A worse off by moving away from the alpha-line. Any leftward movement clearly makes B worse off. The points in this trapezoid are therefore Pareto-efficient. If the status quo lies in this region it cannot be changed.

We may think of this core as analogous to the contract curve in the formal ratification game. It defines efficient points but we have not yet considered the location of the status quo. As in the formal ratification game, the governments may not prefer all points in the core to the status quo. This means that:

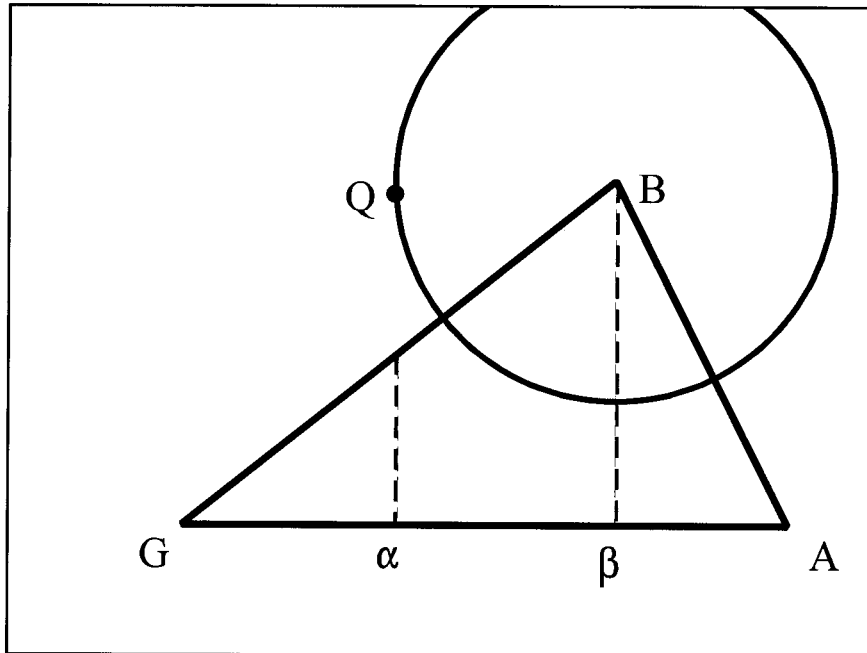
Proposition 3. The win-set of the informal ratification game is the intersection of The core, c_A , and c_B .

The adjacent figure shows one such win-sets, in which B's acceptance set is constraining. The result is shaped like a wedge in this case, though other more unusual shapes are also possible. I should note here that A's transformed win-set is not circular and is, in fact, difficult to characterize visually across the full range of possible ideal points.

This simple example shows the importance of distinguishing formal and informal ratification. Under formal ratification, change is impossible if the status quo lies inside the triangle defined by A, B, and R (λ_2 , Appendix). Under informal ratification, slices of that triangle are now open to negotiation. As a result, there are many situations in which no agreement will occur under formal ratification and agreement is possible under

informal ratification rules. Phrased differently, stalemates are more common under formal ratification than informal ratification.³

Figure 4
The Win-Set of the Informal Ratification Game



When the status quo Q is close to both A and B, the win-set is highly constrained in both games. Neither A nor B will accept much movement in policy, so little movement occurs. When the status quo becomes more distant, many point agreements are possible. As the set of possible agreements opens up, the procedures matter more and more. When the status quo is so distant that the government's and ratifiers acceptance sets do not constrain, for example, the win-set is the entire AB line in the formal ratification game, but a slice of the ABG triangle in the informal ratification game. These two win-sets will not normally intersect at all, so that agreements possible under informal ratification are not equilibria under formal ratification, and vice versa.

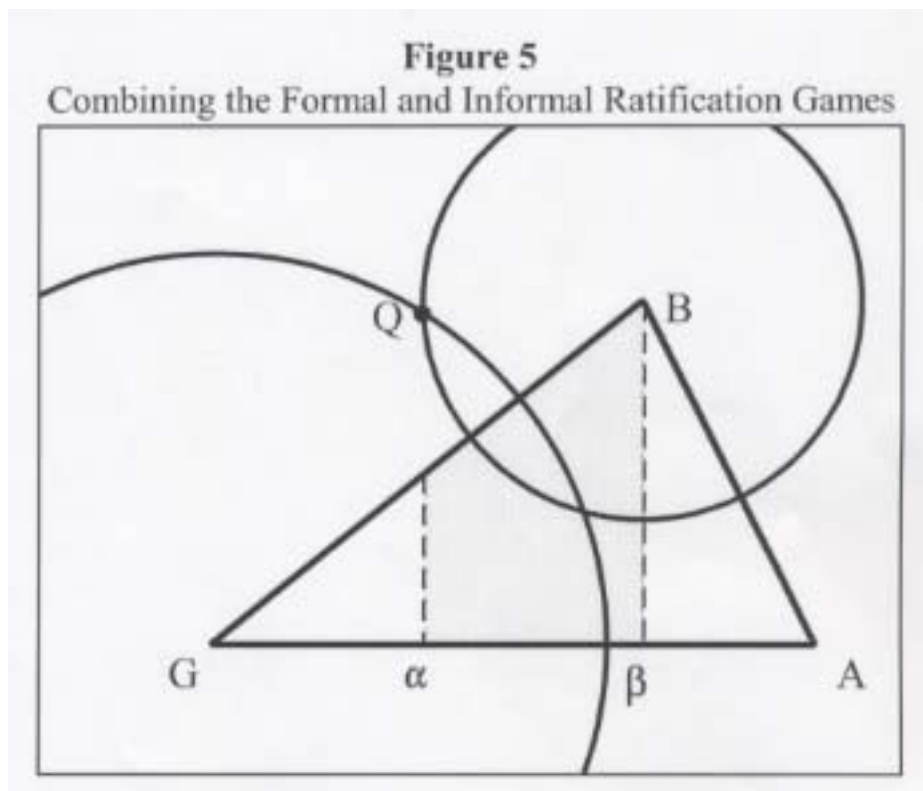
Behaviorally, informal ratification games will be characterized by the negotiator "tacking" in the direction of domestic preferences. In Figures 3-4 above, for example, government A does not negotiate along the AB contract curve that we saw in the intergovernmental win-set (Figure 1). Instead, A negotiates with B over a set of points that goes part way to satisfying its own domestic constituencies. Qualitative study of the negotiation history in any area should uncover these partial concessions to domestic audiences.

These concessions to domestic interests are continuous, and are a continuous function of the weighting parameter (α) and the distance between the actors. In the

³ The analysis generalizes to n actors; the more ratifiers, the less likely agreement will be. This conclusion has been applied to decision-making in the European Union, both formally and informally (see Crombez 1996, 1997; Moyer 1993; Tsebelis 1995, 1999).

formal ratification game, once the ratifier will vote for an agreement the negotiators can ignore its preferences. In contrast, the informal ratification process continues to impose costs on negotiators if the ratifiers preferences are not considered. The informal ratification game also lacks the qualitative change between types of win-sets found in the formal ratification game.

Finally, the informal ratification game also lets us examine the many cases in which both informal and formal ratification is found. For example, a legislature may ratify a treaty that the prime minister negotiates while backbenchers also inflict some political cost on the prime minister for agreements away from their own ideal point. These situations are especially evident in foreign trade policy making (Jackson, *et. al* eds. 1984; Meunier 2000), where internal EU decision-making processes, ratification of final agreements domestically, and the audience costs inflicted by a mobilized public all play a role.



For simplicity, I will assume that the same group has both formal and informal ratification powers. I will not modify it formally here, as it raises no new analytical issues. This synthetic game simply adds the ratifier's constraint – its acceptance set – to the core as defined in this section. Figure 5 illustrates this case, with G both acting as formal ratifier and inflicting audience costs in the informal ratification game. The win-set is where the circles centered on B and G intersect with each other and with the shaded region (A's acceptance set is not constraining in this case). Adding a veto actor raises the possibility of greater gridlock than in the informal ratification case alone. It is interesting that policy-making in issue areas characterized by important formal and informal ratification processes, such as external trade relations, are among the most difficult in the EU.

Divided government under formal and informal ratification

The continuous nature of change under informal ratification, as opposed to the discontinuous and qualitative changes found under formal ratification, shapes how these games work when applied to particular kinds of research problems. I will illustrate this briefly by examining the question of “divided government,” which has gained increasing attention within formal models of two-level theory. Divided government is the extent to which the executive’s preferences diverge from the legislature’s preferences in a given country (Alesina and Rosenthal 1995; Fiorina 1992; Krehbiel 1996; Laver and Shepsle 1991; Mayhew 1991; O’Halloran 1994), or in our terms, the distance between the negotiator’s and the ratifier’s ideal points.

The literature has explored two distinct effects of divided government on international cooperation. First, increasing divided government can make cooperation more difficult or impossible because the ratifier will reject some treaties that the negotiator favors (i.e. Hammond and Prins, 1998; Iida 1993; Milner 1997; Milner and Rosendorff 1997, 1998; Mo 1994, 1995; Schneider and Cedermann 1994, but Karol 2000; Pahre 2001).⁴ Trying to satisfy an unpredictable legislature under uncertainty may also force an executive to maintain a hardline stance abroad, preventing cooperation with foreigners (Milner 1997). In parliamentary systems, anticipated votes of no-confidence may play an analogous role to treaty ratification (Smith and Hayes 1997).

The second effect of divided government concerns the distribution of gains of cooperation, and goes by the name of the “Schelling Conjecture.” In *Strategy and Conflict*, Thomas Schelling (1961: 19-23) conjectured that an executive whose hands were tied would be able to negotiate more favorable outcomes than an unconstrained executive. For example, the president may successfully make demands of Japan in trade negotiations, reminding his interlocutors that he must satisfy a hardline Congress if any bargain will stick. A substantial formal literature has grown up around this claim (Iida 1993, 1996; Milner and Rosendorff 1997; Mo 1994, 1995; Pahre 1997; Schneider and Cedermann 1994). Sophie Meunier (2000) has argued that the European Union has also received distributed gains from having veto players in some issue areas.

Whereas the veto player hypothesis addresses the *probability* of cooperation, the Schelling Conjecture concerns the *distribution* of the gains from cooperation. It therefore has only conditional validity in the formal ratification game, since it requires that cooperation has in fact occurred. We can analyze the role of divided government within the games of formal and informal ratification modeled here. It is now well-appreciated in the formal ratification game that analysts must clarify that the effects of divided government depend on the direction of the divisions. In Figure 2, for example, moving R_4 further to the southwest would increase divided government but have no effect on the game, while moving R_3 or R_2 to the northeast will increase divided government and have significant effects on the win-set. However, in either direction divided government has no

⁴ The argument parallels the analysis of veto players in domestic politics, especially in federal, presidential, and/or bicameral polities where several actors must approve any legislation (Brauninger and König 1999; Krehbiel 1996; Tsebelis 1995, 1999; Tsebelis and Money 1997).

effect beyond some threshold – either the ratifier rejects everything or accepts everything as its preferences become sufficiently different.

Once again, the informal ratification game is different because the ratifier exhibits continual pressure on the negotiator. In any direction, increasing divided government moves the alpha-line farther away from A's ideal point and therefore expands the win-set. Divided government has unconditional validity in the informal ratification game, unlike the conditional validity found in the Schelling case. The government will have to make greater concessions to satisfy an increasingly distant informal ratifier. Increasing divisions between the executive and its domestic audiences will be associated with much more tacking in the direction of these audiences, and more terms will be inserted in the agreement for the benefit of these audiences.

In short, divided government does not affect the probability of cooperation under informal ratification, though it often does under formal ratification. Beyond some threshold, divided government does not affect the distribution of gains under formal ratification, but will always affect the distribution of gains under informal ratification. The two forms of ratification differ dramatically and cannot be lumped together as a single process.

Conclusions

Institutions vary dramatically across nations, across issue areas, and over time. The complexity of institutional rules is especially obvious in the European Union. Rather than examine this institutional variety, which has been explored elsewhere (i.e. Garrett and Tsebelis 1996; Tsebelis and Garrett 2000), this paper has added the study of uninstitutionalized informal ratification to the two-level negotiation problem. This kind of policy-making still dominates the second and third pillars of the European Union.

Informal ratification is particularly important for the European Union because the public's control over policy is particularly indirect if it exists at all, exercised through delegates of delegates and their delegates. The Commission, for example, is chosen by the national governments acting in the European Council, while those national governments are chosen by national legislatures that are themselves chosen by the electorate. Neither public nor legislature has an effective veto over many decisions, and this is one of the features of the EU's alleged democratic deficit. However, legislatures and electorates do have the ability to make their displeasure known and to impose costs on governments that act contrary to their wishes.

Audience costs may well be the most important – indeed the only – democratic constraint available in issue areas such as the Common Foreign and Security Policy. CFSP positions and decisions are negotiated by the Council without being subject to formal ratification by other institutions. However, foreign policy decisions from Kosovo to Iraq have entailed substantial audience costs, and even more narrow joint positions such as voting in the Organization for Security Cooperation in Europe (OSCE) may have costs among a smaller audience. The “democratic deficit” characterizing these issues may be less than it seems if informal ratification plays an effective role in shaping intergovernmental negotiations.

These issues have traditionally not played an important role in theorizing about the EU, especially in contrast to highly-institutionalized procedures such as cooperation or codecision. The academic debate over intergovernmentalism (Hosli 1993, 1995, 1996; Moravcsik 1996; Moser 1996ab; Tsebelis 1994, 1996) has hinged on the question of formal rules and not informal processes. Bringing informal domestic political processes into the theory enriches intergovernmentalism while also expanding the theoretical reach of institutionalism. This agenda may produce some hypotheses that help us evaluate the relative contributions of intergovernmentalism and institutionalism for our understanding of the European Union.

APPENDIX: FORMAL PROPOSITIONS AND PROOFS

FORMAL RATIFICATION.

See Game 1 for structure of the game.

Additional Notation. Distinguish the intergovernmental win-set w_G (the win-set if there were no ratifier) and the win-set w . Note that $w_G = c_A \cap c_B \cap x_A x_B$; while a necessary condition for any x_N to be a member of w is that $x_N \in \{c_A \cap c_B \cap c_R\}$, w will be the set of points that are Pareto-efficient for A and B within this set.

Proposition 1. The solution of the formal ratification game may be described as follows:

- (a) if $c_A \cap c_B \cap c_R = \emptyset$, then $w = \emptyset$;
- (b) else if $c_A \cap c_B \cap c_R = c_A \cap c_B$, then $w = c_A \cap c_B \cap x_A x_B$;
- (c) else if $c_A \cap c_B \cap c_R \cap w_G \neq \emptyset$, then $w \subset w_G$;
- (d) else, then $w \neq \emptyset$ and $w \cap w_G \neq \emptyset$

Proof. Each $i \in \{A, B, R\}$ must prefer N to SQ and (1) defines the conditions under which there is no such N. If R will ratify all points in w_G , as described in (2), then ratification is irrelevant and $w = w_G$. If R will ratify some but not all points in w_G , as described in (3), then A and B will choose some point in $w_G \cap c_R$; clearly $w = w_G \cap c_R \subset w_G$. Note that if A and B were to choose some $x_N \notin w_G$, then the projection of x_N onto $x_A x_B$ is Pareto superior to x_N . When $c_A \cap c_B \cap c_R \neq \emptyset$ and $w_G \cap c_R = \emptyset$, then there are ratifiable points that A and B prefer to x_{SQ} but no such point lies on $x_A x_B$. Thus, A and B choose some $x_N : x_N \notin c_R$ and $x_N \notin w_G$. QED

$\lambda 1$. If $x_A, x_B \notin c_R$ then ratification is irrelevant.

Proof. Because R has convex preferences, when x_A and x_B are in its acceptance set the convex combination of x_A and x_B (that is, $x_A x_B$) also lies entirely within its acceptance set and will be ratified. QED

$\lambda 2$. If x_{SQ} is in the triangle $x_A x_B x_R$ and on the plane defined by $x_A x_B x_R$, then no ratifiable agreement is possible ($w = \emptyset$)

Proof. This triangle defines the simplex of Pareto-efficient points for A, B, and R, such that any agreement increasing the utility of both A and B must by definition reduce R's utility. QED

INFORMAL RATIFICATION

Notation. I will treat any point x_i as a vector in n-dimensional space $[x_{i1}, x_{i2}, x_{i3}, \dots, x_{in}]$, or for simplicity $[x_i]$.

$\lambda 3$. A's utility is at a maximum at $[x_m] = [x_A] + (1-\alpha)[x_G]$

Proof. Define a line L with origin at x_A through x_G and scaled such that $x_G = 1$. The point $[x_m]$ must lie on L in the interval $[0, 1]$ because for any other point x^* there is a projection of x^* onto L that reduces both $d(x^*, x_A)$ and $d(x^*, x_G)$ and therefore increases U_A ; if that projection x_p lies outside $[0, 1]$, then either x_A or x_G will reduce both x_A and x_G , again increasing U_A . A's utility for any point x on L in $[0, 1]$ is $U_A = -\alpha x^2 - (1 - \alpha)(1 - x)^2$. This function is at a maximum at $(1 - \alpha)$, which we may also describe as $[x_A] + (1 - \alpha)[x_G]$. QED

$\lambda 4$. Point's outside the triangle $x_A x_G x_B$ are not Pareto efficient.

Proof. For any point x outside $x_A x_G x_B$ there is a projection of x_p of x onto one of the three line segments bounding $x_A x_G x_B$ such that $d(x_p, x_i) < d(x, x_i) \forall i \in \{A, G, B\}$; therefore $U_A(x_p) > U_A(x)$ and $U_B(x_p) > U_B(x)$. QED.

$\lambda 5$. On the $x_A x_G x_B$ plane, the set of points off the line $x_A x_G$ that maximizes U_A is described by the line perpendicular to $x_A x_G$ through $(1 - \alpha) = [x_A] + (1 - \alpha)[x_G]$. (Define this as the alpha-line.)

Proof. Define a line Y parallel to L at distance y . Let x_Y be the point on Y that maximizes U_A , and let x_Z be the projection of x_Y onto L . Define $z = d(x_Z, x_A)$ and therefore $(1 - z) = d(x_Z, x_G)$. This means that $d(x_Y, x_A) = \sqrt{z^2 + y^2}$ and $d(x_Y, x_G) = \sqrt{(1 - z)^2 + y^2}$, so that $U_A = -(z^2 + y^2) - ((1 - z)^2 + y^2)$. The function U_A is at a maximum when $z = (1 - \alpha)$. QED.

Definition. The beta-line is the line connecting x_B , with x_B^* , the projection of x_B onto the line $x_A x_G$.

$\lambda 6$. At any point outside the space defined by alpha-line and beta-line and inside the triangle $x_A x_G x_B$ is not Pareto-efficient.

Proof. Any point x^* inside the triangle $x_A x_G x_B$ defines a line Y^* parallel to the line $x_A x_G$. Points on Y^* between the alpha-line and beta-line are Pareto efficient because movement toward the alpha-line implies movement away from the beta-line, which necessarily increases the distance to x_B . Movement on Y^* toward the beta-line implies movement away from the alpha-line and therefore reduces A's utility. If x^* is outside these lines, movement toward both lines raises A's and B's utility simultaneously. QED.

Definition. The core is the set of points that cannot be changed if they are the status quo.

Proposition 2. The core in informal ratification games is a subset of the triangle $x_A x_G x_B$ defined by the alpha-line and the beta-line.

Proof. Follows from the above lemmas. QED.

Proposition 3. The win-set of the informal ratification game is the intersection of the core, c_A , and c_B .

Proof. Follows from Proposition 2 and the definition of acceptance sets.

Works Cited

- Alesina, Alberto and Howard Rosenthal. 1995 *Partisan Politics, Divided Government and the Economy*. New York: Cambridge University Press
- Avery, William P., ed. 1993. *World Agriculture and the GATT*. International Political Economy Yearbook, Vol. 7. Boulder: Lynne Rienner.
- Barnett, Michael. 1990. "High Politics is Low Politics: The Domestic and Systemic Sources of Israeli Security Policy 1967 – 1977." *World Politics* 42:539-562 (July).
- Brauninger, Thomas and Thomas Konig. 1999. "The Checks and Balances of Party Federalism." *European Journal of Political Research* 36:207-234.
- Crombez, Christophe. 1986 "Legislative Procedures in the European Community." *British Journal of Political Science* 26(2): 199 - 228 (April).
- Crombez, Christophe. 1997. "The Co-Decision Procedure in the European Union." *Legislative Studies Quarterly* 22(1): 97 – 119 (February)
- Crombez Christophe. 2002 "Information, Lobbying and the Legislative Process in the European Union" *European Union Politics* 3(1): 7 – 32 (March).
- Dai, Xinyuan. 2002 "Political Regimes and International Trade: The Democratic Difference Revisited." *American Political Science Review* 96: 159 – 165 (March).
- Evans, Peter B., Harold K. Jacobson, and Robert D. Putnam, ed. 1993. *Double-edged Diplomacy: International Bargaining and Domestic Politics*. Berkeley: University of California Press.
- Fearon, James D. 1994. "Domestic Political Audiences and the Escalation of International Disputes." *American Political Science Review* 88 (3): 577 – 592 (September).
- Fiorina, Mo. 1992. *Divided Government*. New York: Macmillan.
- Friman, H. Richard. 1993. "Side-Payments versus Security Cards: Domestic Bargaining Tactics in International Economic Negotiations." *International Organization* 47(3): 387 – 410 (Summer)
- Gabel, Matthew J. 1998 *Interests and Integration. Market Liberalization, Public Opinion, and European Union*. Ann Arbor: University of Michigan Press.
- Garrett, Geoffrey and George Tsebelis. 1996 "An Institutional Critique of Intergovernmentalism." *International Organization* 50(2): 269 – 299 (Spring)

Haggard, Stephan. 1990. *Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries*. Ithaca: Cornell University Press.

Hammond, Thomas H. and Brandon Prins. 1998. "Domestic Veto Institutions, International Negotiations, and the Status Quo: A Spatial Model of Two-Level Games with Complete Information." Political Institutions and Public Choice Working Paper 98-05. East Lansing: Michigan State University, Institute for Public Policy and Social Research.

Hammond, Thomas H. and Brandon Prins. 1999. "The Impact of Domestic Institutions International Negotiations: A Taxonomy of Results from a Complete-Information Spatial Model." Paper presented at the Annual Meeting of the American Political Science Association, Atlanta 2 – 5.

Hosli, Madeleine O. 1993. "Admission of European Free Trade Association States to the European Community: Effects on Voting Power in the European Community Council of Ministers." *International Organization* 47(4): 629 – 643 (Autumn).

Hosli, Madeleine O. 1995. "The Balance Between Small and Large: Effects of a Double-Majority System on Voting Power in the European Union." *International Studies Quarterly*. 39(3): 351 – 370 (September).

Hosli, Madeline O. 1996. "Coalitions and Power: Effects of Qualified Majority Voting in the Council of the European Union." *Journal of Common market Studies* 34(2):255 – 273 (June)

Hug, Simon and Thomas Konig. 1999 "Ratifying Amsterdam." Paper presented at the Annual Meeting of the American Political Science Association, Atlanta, September 2 – 5, 1999.

Hug, Simon and Thomas Konig. 2002. "Iv View of Ratification: Governmental Preferences and Domestic Constraints at the Amsterdam Intergovernmental Conference." *International Organization* 56(2): 447 – 476 (Spring).

Iida, Keisuke. 1993. "When and How Do Domestic Constraints Matter? Two-Level Games with Uncertainty." *Journal of Conflict Resolution* 34(3): 403 – 426 (September).

Iida, Keisuke. 1996. "Involuntary Defection in Two-Level Games." *Public Choice* 89(2): 283 – 303.

Ikenberry, G. John, David A. Lake, and Michael Mastanduno, eds. 1988. *The State and American Foreign Policy*. Ithaca: Cornell University Press.

Jackson, John H., Jean-Victor Louis, and Mitsuo Matsushita, eds. 1984. *Implementing the Tokyo Round: National Constitutions and International Economic Rules*. Ann Arbor: University of Michigan Press.

- Karol, David 2000. "Divided Government and US Trade Policy: Much Ado About Nothing?" *International Organization* 54(4): 825 – 844 (Autumn)
- Konig, Thomas, Elmar Riegar and Hermann Schmitt, eds. 1996 *Das europaische Mehrebenensystem*. Frankfurt: Campus Verlag.
- Konig, Thomas and Simon Hug. 2000 "Ratifying Maastricht: Parliamentary Votes on International Treaties and Theoretical Solution Concepts." *European Union Politics* 1(1): 93 – 124
- Konig, Thomas and Mirja Poter. 2001. "Examining the EU Legislative Process: The Relative Importance of Agenda and Veto Power." MS: Universitat Konstanz.
- Krehbiel, Keith. 1996 "Institutional and Partisan Sources of Gridlock: A Theory of Divided and Unified Government." *Journal of Theoretical Politics* 8(1): 7 – 40 (January)
- Laver, Michael and Kenneth Shepsle. 1991. "Divided Government: America is not 'Exceptional.'" *Governance* 4(3): 250 – 269 (July).
- Lehman, Howard P. and Jennifer L. McCoy. 1992. "The Dynamics of the Two-Level Bargaining Game: The 1988 Brazilian Debt Negotiations." *World Politics* 44(4): 600 – 644 (July).
- Li, Chien-pin. 1994. "Trade Negotiations between the United States and Taiwan: Interest Structure in Two-Level Games." *Asian Survey* 34(8): 692 – 705 (August).
- Lohmann, Susanne. 1992. "Electoral Cycles and International Policy Cooperation." *European Economic Review* 36(1): 1 – 19 (March).
- Lohmann, Susanne. 1997. "Linkage Politics." *Journal of Conflict Resolution* 41(1): 38 – 68 (February).
- Lohmann, Susanne, and Sharyn O'Halloran. 1994. "Divided Government and US Trade Policy: Theory and Evidence." *International Organization* 48(4): 595 – 632 (Autumn).
- Mansfield, Edward D., Helen Milner, and B. Peter Rosendorff. 2000. "Free to Trade: Democracies, Autocracies, and International Trade." *American Political Science Review* 94(2): 305 – 321 (June).
- Mansfield, Edward D., Helen V. Milner, and B. Peter Rosendorff. 2002. "Replication, Realism, and Robustness: Analyzing Political Regimes and International Trade." *American Political Science Review* 96(1): 167 – 169 (March).
- Martin, Lisa L. 1993. "Credibility, Costs, and Institutions: Cooperation in Economic Sanctions." *World Politics* 45(3): 406 – 432 (April).

- Mastanduno, Michael, David A. Lake, and G. John Ikenberry. 1989. "Toward a Realist Theory of State Action." *International Studies Quarterly* 33(4): 457 – 474 (December).
- Mayer, Frederick W. 1992. "Managing Domestic Differences in International Negotiations: The Strategic Use of Internal Side-Payments." *International Organization* 46(4): 793 – 818 (Autumn).
- Mayhew, David R. 1991. *Divided We Govern*. New Haven: Yale University Press.
- McGinnis, Michael D. and John T. Williams. 1993. "Policy Uncertainty in Two-Level Games: Examples of Correlated Equilibria." *International Studies Quarterly* 37(1): 29 – 54 (March).
- Meunier, Sophie. 2000. "What Single Voice? European Institutions and EU-US Trade Negotiations." *International Organization* 54(1): 103 – 135 (Winter).
- Milner, Helen V. 1997. *Interests, Institutions, and Information. Domestic Politics and International Relations*. Princeton: Princeton University Press.
- Milner, Helen and B. Peter Rosendorff. 1996. "Trade Negotiations, Information and Domestic Politics: The Role of Domestic Groups." *Economics and Politics* 8(2): 145 – 189 (July).
- Milner, Helen V. and B. Peter Rosendorff. 1997. "Democratic Politics and International Trade Negotiations: Elections and Divided Government as Constraints on Trade Liberalization." *Journal of Conflict Resolution* 41(1): 117 – 146 (February).
- Mo, Jongryn. 1994. "The Logic of Two-Level Games with Endogenous Domestic Coalitions." *Journal of Conflict Resolution* 38(3): 402 – 422 (September).
- Mo, Jongryn. 1995. "Domestic Institutions and International Bargaining: The Role of Agent Veto in Two-Level Games." *American Political Science Review* 89(4): 914 – 924 (December).
- Moravcsik, Andrew. 1991. "Negotiating the Single European Act: National Interests and Conventional Statecraft in the European Community." *International Organization* 45(1): 19 – 56 (Winter).
- Moravcsik, Andrew. 1993. "Introduction: Integrating International and Domestic theories of International Bargaining." In Evans *et. al.*, eds., pp. 3 – 44.
- Moravcsik, Andrew. 1998. *The Choice for Europe. Social Purpose and State Power from Messina to Maastricht*. Ithaca: Cornell University Press.

Moser, Peter. 1996a. "A Theory of the Conditional Influence of the European Parliament in the Cooperation Procedure." Twente, Netherlands: Network on Enlargement and new Membership of the European Union Working Paper No. 96 – 1.

Moser, Peter. 1996b. "The European Parliament as a Conditional Agenda Setter: What Are the Conditions? A Critique of Tsebelis (1994)." *American Political Science Review* 90(4): 834 – 838 (December).

Moyer, H. Wayne. 1993. "The European Community and the GATT Uruguay Round: A Two-Level Game Approach." In Avery, ed. 1993: 95 – 120.

O'Halloran, Sharyn. 1994. *Politics, Process, and American Trade Policy*. Ann Arbor: University of Michigan Press.

Pahre, Robert. 1995. "Wider and Deeper: The Links between Expansion and Enlargement in the European Communities." In *Towards a New Europe: Stops and Starts in Regional Integration*. eds., Gerald Schneider, Patricia A. Weitsman, and Thomas Bernauer. Praeger/Greenwood, pp. 111 – 136.

Pahre, Robert. 1997. "Endogenous Domestic Institutions in Two-Level Games: Parliamentary Oversight in Denmark and Elsewhere." *Journal of Conflict Resolution* 41(1): 147 – 174 (February).

Pahre, Robert. 2001 "Divided Government and International Cooperation in Austria-Hungary, Sweden-Norway, and the European Union." *European Union Politics* 2(2): 132 – 162 (June).

Pollack, Mark A. 1999. "Delegation, Agency, and Agenda Setting in the Treaty of Amsterdam." *European Integration Online Papers* 3(6), April 1999, <http://eiop.or.at/eiop/texte/1999-006a.htm>.

Putnam, Robert D. 1988. "Diplomacy and Domestic Politics: The Logic of Two-Level Games." *International Organization* 42(3): 427 – 60 (Summer).

Putnam, Robert D. and C. Randall Henning. 1986. "The Bonn Summit of 1978: How Does International Economic Policy Coordination Actually Work?" Washington: Brookings Discussion Papers in International Economics No. 53.

Putnam, Robert D. and Nicholas Bayne. 1987. *Hanging Together: Cooperation and Conflict in the Seven-Power Summits*. London: Sage Publications, rev. ed.

Rapkin, David P. and Aurelia George. 1993. "Rice Liberalization and Japan's Role in the Uruguay Round: A Two-level Game Approach." in Avery, ed. 1993: 55 – 94.

Schelling, Thomas C. 1961. *Strategy of Conflict*. Cambridge: Harvard University Press.

Schneider, Gerald. 1993. "Getting Closer at Different Speeds: Strategic Interaction in Widening European Integration." in *Game Theory and International Relations*, ed. Pierre Allan and Christian Schmidt. Cheltenham: Edward Elgar, pp. 125 – 155.

Schneider, Gerald. 2000. "The Two-level Dilemma of European Politics: The Empirical Relevance of Threats and Promises in Interstate Negotiations." MS: Universitat Konstanz, October.

Schneider, Gerald and Lars-Erik Cederman. 1994. "The Change in Tide in Political Cooperation: A Limited Information Model of European Integration." *International Organization* 48(4): 633 – 662 (Autumn).

Schoppa, Leonard J. 1993. "Two-Level Games and Bargaining Outcomes: Why *Gaiatsu* Succeeds in Japan in Some Cases but Not Others." *International Organization* 47(3): 353 – 386 (Summer).

Smith, Alastair. 1998. "International Crises and Domestic Politics." *American Political Science Review* 92(3): 623 – 638 (September).

Smith, Alastair and David R. Hayes. 1997. "The Shadow of the Polls: Electoral Effects on International Agreements." *International Interactions* 23(1): 79 – 108 (January-March).

Snyder, Jack. 1993. "East-West Bargaining over Germany: The Search for Synergy in a Two-Level Game." In Evans, *et. al.*, eds., 1993: 104 – 127.

Solingen, Etel. 1993. "Macropolitical Consensus and Lateral Autonomy in Industrial Policy: The Nuclear Sector in Brazil and Argentina." *International Organization* 47(2): 263 – 298 (Spring).

Sverdrup, Ulf. 1998. "Precedents and Present Events in the European Union – An Institutional Perspective on Treaty Reform." ARENA Working Paper WP 98/21, http://www.sv.uio.no/arena/publications/wp98_21.htm

Tarar, Ahmer. 2001. "Presidents, Prime Ministers, and the Basis of Domestic Constraints in Two-Level Games." Paper presented at the Annual Meeting of the Midwest Political Science Association.

Tsebelis, George. 1995. "Decision Making in Political Systems: Veto Players in Presidentialism, Parliamentarism, Multicameralism, and Multipartism." *British Journal of Political Science* 25(3): 289 – 325 (July).

Tsebelis, George. 1996. "More on the European Parliament as a Conditional Agenda Setter: Response to Moser." *American Political Science Review* 93(3): 591 – 608 (September).

Tsebelis, George. 1999. "Veto Players and Law Production in Parliamentary Democracies: An Empirical Analysis." *American Political Science Review* 93(3): 591 – 608 (September).

Tsebelis, George and Geoffrey Garrett. 2000. "Legislative Politics in the European Union." *European Union Politics* 1(1): 9 – 36 (March).

Tsebelis, George and Jeanette Money. 1997. *Bicameralism*. New York: Cambridge University Press.