

ECSA Conference, Charleston, 11-14 May 1995**Wolfram Kaiser****The EU Referenda in Austria, Finland, Sweden and Norway**

Since January 1, 1995 Austria, Finland and Sweden have been members of the European Union. The citizens of all four applicant countries, that is, including Norway, which had negotiated EU entry by March 1994, decided on EU entry in referenda. In Austria on June 12 66,6% voted in favour and 33,4 % against. Turnout was 82,4 %. In Finland on October 16 56,9 % voted in favour and 43,1 % against. Turnout was 74,0 %. In Sweden on November 13 52,3 % voted in favour and 46,8 % against. Turnout here was 83,3%. Finally, in Norway on November 28 47,8 % voted for EU membership and 52,2 % against. At 88.8% turnout was particularly high.

In this paper I will summarize the main findings of a research project on these EU referenda which I have carried out jointly with colleagues from Scandinavia. After a brief introduction to the constitutional foundations of the respective referenda, I will give an overview, based on opinion and exit poll data, of the most important factors and motives which influenced the course of the referendum debates and the results, and of the most significant regional and social cleavages we have identified. I will then go on to discuss briefly the potential influence of the referenda on the formation of policy preferences of the new member-states within the Union.

For those of you who are interested in a more detailed analysis, particularly of the referendum debates, I have brought copies of a research report on the EU referenda which gives a much fuller picture and includes an appendix with some opinion poll data.

I.

A referendum was constitutionally required only in Austria. EU membership was generally considered to affect central principles of the constitution, such as the democratic or the federal principle, amounting to a so-called *Gesamtänderung*, or total revision of the constitution for which in addition to a two-thirds majority in Parliament and in the Federal Council a simple majority in a referendum is required.

In the Scandinavian countries the referenda had been announced when the respective membership applications were launched in 1991/92. Even though in constitutional terms they were only consultative, the supporters of EU membership in all three countries made it clear from the very beginning that they would consider the outcome politically binding. It was unclear, however, whether the Finnish Parliament would ratify EU entry in case of a negative outcome of the Swedish referendum. In addition, it was expected that in Norway, where a three-fourths majority in the Storting would have been required for ratification, the opponents might still block EU entry even after a positive outcome of the referendum.

As it was widely expected that the timing of the various referenda would have a significant and perhaps even decisive influence on the outcome in each country, it was hotly disputed when they should be held. In Austria, where opinion polls during the negotiations had regularly shown the greatest degree of support for membership, the government decided in favour of the early date in June chiefly in order to prevent the referendum debate from being influenced by the more controversial debates in Scandinavia and the campaign for the Austrian federal elections scheduled for October. In Finland the government fixed a date well before the Swedish referendum. It

was expected that a positive outcome of the Finnish referendum would in turn strengthen the supporters of membership in Sweden. Finally, it had been clear all along that the Norwegian referendum would take place last. Only if a positive outcome of the other referenda were to threaten Norway with isolation, so the supporters of membership believed, might a bare majority be found in favour of EU entry.

Comparative data of opinion and exit polls shows, however, that the timing had a much smaller effect on the final results than the supporters of membership had hoped. To begin with, the clear result in Austria, which had been expected to send a positive signal to the other applicant countries, had no measurable influence on the referendum debates in Scandinavia due to the lack of economic, political and cultural contacts. The positive outcome of the Finnish referendum probably did add a few extra points to the Yes-side in Sweden, but far less than had been expected. The same applies to Norway, where despite the tactical timing of the referendum the majority against membership was only very slightly smaller than in 1972. At that time, the Norwegians voted before the Danes, and opinion polls subsequently showed that, had the referenda been held in the reverse order, a majority of Norwegians would have followed the Danes into the Community.

II.

A comparison of the main themes of the referendum debates shows certain regional or national peculiarities. In western Austria, for example, the issues of transit and trade in real estate played an important role and in Norway the fisheries question which, apart from the economic and regional interests involved, was debated in the context of its wider cultural significance for Norway's Nordic identity.

But there are also striking similarities. In all four countries general economic arguments and particular problems of certain sectors, mostly agriculture or fisheries, were important - as were the potential effects of EU membership on social security provisions. Other important issues included the impact of EU membership on external security as well as the democratic legitimacy and transparency of decision-making procedures in the Union and environmental policy.

How these issues were assessed by the electorate becomes clear through an analysis of the existing exit poll data. Unfortunately, different methods of questioning were used, that is, in Austria and Norway the most important motive had to be identified, whereas in Finland and Sweden more than one motive could be named. Nonetheless, the existing data allows for at least the identification of general trends.

Everywhere general economic advantages were expected to result from EU membership. In Austria, 39% named this motive as the most important. In Finland, it was mentioned as one motive among several by 52% and in Sweden by 67%. Only in Norway, where economic fears of exclusion from the EU were less pronounced largely because of its rich oil and gas reserves, did the general economic advantages of EU membership play a much diminished role. The assumed positive impact of the Union on the external security of its member-states was another important argument for membership. By comparison, the future of neutrality played a relatively smaller role on the No-side.

Whereas the abstract expectation of general economic advantages was the most important motive for those who voted Yes, the opponents of membership often referred to special problems of certain sectors, particularly alpine and arctic agriculture and - in Norway - fisheries. In addition, it was

feared that EU entry might have adverse effects on what, particularly in Scandinavia, are still widely seen as progressive systems of social security. Equally, opponents of membership expected a lowering of the high national environmental standards as a result of EU entry. Finally, the decision-making structures of the Union were widely seen as undemocratic and lacking in transparency. In Sweden, this was the most important argument on the No-side. It was mentioned by 65% of those who voted No.

III.

A recurrent theme in the study of referenda is the conflict between direct and representative democracy. Some scholars argue that parties are sidelined in referenda as voters will not follow normal partisan loyalties. Others tend to give parties a more decisive role in shaping the referendum vote decisions of citizens.

When comparing the 1994 EU referenda we have found that the results were, to some extent at least, correlated with the degree of the elite consensus on the necessity or desirability of EU membership, which was most pronounced in Austria. Even though interest groups, the media etc. all played a role in shaping the referendum debates, the position taken by the major parties was particularly important. Wherever the pro-EU parties gave a clear lead, a large majority of supporters followed the party line. For example, in Austria, according to exit poll data, 73% of Social Democrat supporters, 66% of Christian Democrat supporters and 75% of Liberal Party supporters voted Yes in the referendum. In Sweden the respective numbers for the very strongly pro-EU parties, that is, the Conservatives and the Liberals, were as high as 88% and 84%. The position taken by the party leadership hardly made a difference, however, when the party itself was obviously split. This is true of all main governing parties in Scandinavia,

that is, the Centre Party in Finland and the Social Democrats in Sweden and Norway.

Some other striking similarities of the referendum results concern the importance of regional and social cleavages.

Only in Austria were there no significant differences between urban and rural areas. All voting districts, regardless of their population distribution, returned a Yes-vote. According to the Länder, or federal states, support for membership varied from 77.7% in the Burgenland in the east to 56.7% in Tyrol in the west. These regional variations can, however, be explained by the importance of special, highly controversial issues, such as transit.

In comparison, the EU referenda in the three Scandinavian countries were characterized by a very strong cleavage between urban and rural areas. Thus, in Finland the population in the larger cities voted for membership by 63%, in Helsinki even by 73%. The opponents of membership managed to secure majorities in almost all rural voting districts, particularly in the centre and the north of the country. In Sweden the situation was very similar. The Yes-vote was highest in the south-western voting districts, particularly in Malmö, where it was 66%, and also in Stockholm, where it was 61%. By contrast, in the sparsely populated north the No-side secured clear majorities. In Norway only the region of the Oslo-Fjord in the south-east returned a majority in favour. In those rural areas, where more than 15% of the population still works in farming and fishery, more than 70% rejected EU entry.

We have also found that, similarly to the older EU member-states, support for European integration rose in all four countries with higher levels of formal education and income. In addition, in all four states support for membership was roughly 10% lower among women than among men.

In Austria a familiar explanation has been given for this phenomenon, namely, that the main losers in the modernization process, that is less qualified and badly paid female workers, were more afraid of losing their jobs as a result of greater competition and were thus more likely to vote No. It has been pointed out in the Scandinavian countries it has been pointed out that women are generally more dependent on welfare state provisions and that these, as I have said, were seen as threatened by EU membership. It has also been said in Norway that elderly women tend to hold more traditional religious and moral views, so that warnings against a potential Catholic influence after EU entry might have played an additional, if marginal role. Finally, opponents of membership, particularly in Scandinavia, pointed out during the referendum campaigns that EU entry might jeopardize the progress already made in relation to a strengthening of the role of women in society and politics. All of these motives seem to have been relevant to the striking difference in support between men and women, but further analysis is necessary for a conclusive comparative interpretation of this fact.

After the positive outcome of the referenda in Austria, Finland and Sweden, EU entry was smoothly ratified by the respective parliaments - in Austria on November 11 by 140 to 40 votes, in Finland on November 18 by 152 to 45 votes and finally in Sweden on November 23 with 293 votes and only 17 abstentions by Green Party parliamentarians. It is, however, to be expected that the political faultlines existing over Europe which, if anything, were

aggravated in the course of the highly controversial referendum debates, will influence the policies adopted by the new member-states within the EU.

Only the Austrian government generally feels encouraged by the clear result of the referendum to pursue an active integration policy which essentially aims at establishing Austria - in the words of Austrian Foreign Minister Mock - at the core of integration wherever different levels of integration emerge. In Sweden, on the other hand, the bare majority limits the government's general freedom to act decisively in European matters. Since the Social Democrats were deeply split over the issue during the referendum campaign, establishing a consensus on membership will be the first priority of the Carlsson government rather than considering more far-reaching integration steps now.

Also, the fact that the supporters of EU membership tried during the referendum debates to avoid controversial questions about the future development of the Union will presumably have the effect that the domestic political management of such issues as the future development of a more integrated European foreign, security and defence policy and the related neutrality issue will be politically paramount. Up to now, only the Austrian government, including the leadership of the hesitant Social Democrats, seems prepared formally to abandon the neutrality status in connection with the 1996 intergovernmental conference. By comparison, the governments of Sweden and Finland clearly feel bound by the relatively smaller majorities in the referenda and have declared that, for the time being, they will go no further than taking up WEU observer status.

The main concerns voiced in the course of the referendum debates also has an impact on the formation of policy preferences by the governments con-

cerned in relation to other matters, such as institutional reform, which will be discussed in the context of the 1996 conference. To give just one example, in order to underline the argument that, in comparison with the European Economic Area, EU membership would increase national influence over European matters, all three governments insisted in public that they would not tolerate any change in the balance of power between larger and smaller states within the EU, that is, as regards the distribution of votes in the Council of Ministers. It would thus be particularly difficult to deviate from this line.

Furthermore, the great importance of the argument that EU decision-making structures are not democratic enough, is likely to lead the Swedish government in particular to press for much greater transparency in 1996, for example by facilitating access to EU documents or by publicizing voting in the Council of Ministers. Policy preferences, which in this case exist anyway, are being thus being strengthened by the course the referendum debates took. This is also the case in environmental policy, where the three new members are siding with those in the EU who in general prefer stricter laws.

By contrast, the referenda debates and results are unlikely to influence government policy in other areas where there is no strong public interest. This concerns, for example, EU policy towards Central and Eastern Europe and the question of enlargement. However, in relation to this question EU decision-making will be complicated further as a result of the varying economic and political interests of the new members. Since EU entry the Austrian government has generally emphasized that a democratic Slovakia should not be left behind the other Visegrad countries and that on the basis of the association agreement envisaged for this year, Slovenia should

still have the chance to join the Union together with the Visegrad countries. The Finnish and Swedish governments, on the other hand, support the parallel EU entry of the three Baltic states, even though this seems somewhat unlikely.

Finally, a public debate on monetary union has only just begun in the three new member-states. All three governments have made clear their general interest in participating in the third phase of monetary union as early as possible.

Only Austria, however, has a realistic chance to fulfil the convergence criteria by 1997 or 1999. Austria has long followed a hard currency policy. Since 1983 the Schilling has been attached to the German mark with exchange rate fluctuations below 0.3%, which made ERM entry possible merely one week after EU entry on January 9, 1995. Last year inflation and interest rates were identical with those in Germany. In relation to the convergence criteria only the budget and state deficits give rise to concern. According to preliminary estimates these were 4.4% and 64.4% of GDP in 1994. The budget plan recently agreed by the coalition in Vienna is designed to result in spending cuts amounting to some 17 billion marks, or approximately 13 billion dollars, for the period 1995 to 1998. This will lead, it is thought, to a budget deficit of only 2.3% in 1998, but the state deficit would only be stabilized at 66.3%. Proceeds from privatisation may prove useful, but additional spending cuts or tax increases may still be necessary if Austria is to fulfil the convergence criteria as laid down in the Maastricht Treaty.

In contrast, in Finland and Sweden the budget and state deficits in 1994 were approximately 13% and 77% and 12.5% and 90%. For 1998 the Finnish

government expects a state deficit of approximately 90%, as does the Swedish government. However, for Sweden the OECD has even predicted 128% for the year 2000. With regard to the possibility of full monetary union before 1999 the EMU quorum of 7 out of 12 states was changed to 8 out of 15, so that in this context enlargement is unlikely to make a difference.

Finally, I would briefly like to draw your attention to the interesting problem of how in future referenda, if used more frequently than hitherto, might have an impact on the development of the Union. In the new member-states, for example, the question might arise as to whether there should be another referendum in connection with the 1996 intergovernmental conference or the possible formal abandonment of neutrality, even though this would not be required constitutionally even in Austria.

The question of a possible referendum is, of course, already being debated in Britain, where the issue is seen by the leadership of the governing Conservatives as essentially a question of how best to manage a party which is deeply split over European integration. A similar motive might just play a role in the case of the Swedish Social Democrats. In Austria, Finland and Sweden, however, the issue is also discussed in terms of whether referenda might assist in tackling the democratic deficit of the Union.

The arguments brought forward in favour and against the use of such elements of direct democracy are well-known. If, however, referenda were to be used more frequently within the Union, the question would surely arise as to whether any move towards further integration could possibly succeed without clear-cut provisions for different integration speeds or circles, or however you wish to describe such a concept.