

Rules, Ideology and Coalition Formation in the European Parliament: Past, Present and Future

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*EPRG was founded in March 1998 and brings together some of the leading scholars of the European Parliament from Europe and North America. EPRG aims to improve our understanding of all aspects of political behavior and institutions in the European Parliament, and to raise the profile and sophistication of research on the European Parliament.

Within the European Parliament (EP) the Socialist PSE and primarily Christian Democrat PPE have consistently been the two largest groups, controlling between 50%-70% of the total seats. When working together they have the potential to be hegemonic within the EP. As a result there has been a good deal of discussion and even dissatisfaction with their frequent recourse to the formation of a kind of “grand coalition”. This has been expressed both by outside observers (Westlake, 1994:187; Corbett et. al, 1995:92-95; Dinan, 1999:277) and internal activists within the smaller party groups (primarily the Liberal Group). The oligarchic coalition between the PPE and PSE, as epitomized by the (informal) agreement taken over a decade ago to divide the Presidency between them, has left many questioning the role of ideology in the European Union. Of particular interest is the cause of the apparent insignificance that the traditional left-right divide has in EP politics.

The explanation most frequently offered for the regularity of the PPE-PSE coalition is technical and pragmatic (Nugent, 1994; Corbett et al, 1995; Dinan, 1999). The EP has the most legislative power under the cooperation and co-decision procedures.¹ Both of these procedures require an absolute majority *of the component members* of the EP to pass amendments and adopt final resolutions in the second round.² Given that, at most, the average attendance in the EP between 1980-1996 was approximately 65% the absolute majority requirement was really equivalent to a $\frac{3}{4}$ majority requirement.³ This means that the only way that the EP can adopt amendments or resolutions as a whole during the second round or whenever an absolute majority

¹ The co-decision procedure should be subdivided into co-decision I and II. Co-decision I being the version of the procedure used from the implementation of the Maastricht Treaty through the ratification of the Amsterdam Treaty and co-decision II from the implementation of the Amsterdam Treaty on. The differences between the cooperation and co-decision (I and II) in terms of EP legislative influence is still a subject of discussion and debate and not directly related to this research.

² This is the final round for the cooperation procedure but not necessarily for the co-decision procedure.

³ 65% is the average attendance during votes under the co-decision procedure which are prearranged to occur on the Wednesday of every plenary session at noon when attendance is believed to be at its highest.

is required is if the PPE and PSE vote together. If either group were to present a unified opposition the proposal would necessarily fail.

Thus, the common perception of voting/coalition behavior within the EP is that ideology plays a minimal role in the legislative process in the EP, and that this is largely due to the voting rules that exist for cooperation and co-decision. In this paper I challenge both aspects of this interpretation of coalition formation strategy in the EP. I demonstrate that ideology can, and does, play a significant role in voting behavior *in certain issue arenas*. Further, I argue that much of the bipartisanship that occurs in the EP is not due to the absolute majority voting requirements, but rather to the need for moderate proposals that can be accepted by the other institutions, which are themselves multi-partisan. Thus, contrary to the common view, I argue that the frequent recourse to compromise between the PPE and the PSE is a sign of institutional maturity rather than malaise. As a result I argue against those who push for greater ideological conflict within the EP. While some feel that this would create a more “parliamentary” EP I believe it would marginalize the Parliament and could potentially threaten the further progress of EU integration as a whole.

In the first section of the paper I examine the predictions that follow from the current understanding of voting behavior and compare them with empirical data on coalition formation in the EP between 1980 and 1996. In the second section I present a spatial model of coalition behavior that outlines the circumstances under which we should and should not expect a coalition for legislative proposals between the PPE and PSE. Next I examine roll call vote data to test the explanatory value of the model and evaluate the role of ideology in coalition formation in the EP. In the final section I discuss the significance of these findings for our understanding of

the EP and our expectations for the future given the Amsterdam Treaty revisions, the most recent electoral results and current political discourse.

Understanding the Meaning Behind EP Voting behavior:

The fact of frequent cooperation between the PPE and PSE is more often lamented than analyzed. There are, however numerous implicit and explicit attempts to explain the phenomenon by referring to the absolute majority requirements of the cooperation and co-decision procedures in the second round (Corbett et al, 1995; Westlake, 1994). Both of these legislative procedures formally require that “an amendment shall be adopted only if it secures the votes of a majority *of the component Members* of Parliament” (Rule 80, Rules of Procedure (RoP), 14th edition-emphasis added).⁴ As stated above, this absolute majority requirement of 314 Members in reality has been much closer to a $\frac{3}{4}$ qualified majority requirement of those who actually vote due to the high rate of absenteeism in the EP.⁵ Thus, only if the two largest groups work together can the Parliament hope to have any effect on the legislative process, at least during the 2nd (for cooperation the final) round of the procedures. The assumption being that both groups will prefer to work together rather than settle for the alternative of the status quo (or no influence because of an inability to adopt amendments).

If this explanation of voting behavior and the motivations behind it are correct what should we expect to see in terms of actual coalition patterns? Since the assumption is that they two groups work together for largely pragmatic reasons (i.e. the rules made them do it) we

⁴ This includes final votes (on the whole proposal) where there have been amendments proposed. If no amendments and no motion to reject the proposal outright have been proposed within the appropriate time limits, the proposal is declared to have been adopted (Rule 78, RoP 14th edition)

⁵ This situation has changed somewhat since early 1998 when a new financial regulation was established which required Members to participate in at least 50% of all roll-call votes on Tuesdays and Wednesdays to receive their full per diem payments. Rough, unofficial estimates are that on average participation in the Parliament on these days

should *not* expect to see the “grand coalition” between the PPE and PSE occurring regularly where there is no absolute majority requirement. In other words the pragmatic PPE-PSE coalition argument taken to its extreme would predict the grand coalition only during the second round of the cooperation and co-decision procedures and then it should occur universally.⁶ Thus, PPE-PSE cooperation in some sense is only a superficial strategic response to externally imposed rules and little more than a temporary coalition of convenience.⁷

In fact, statistically this argument is correct only in terms of broad tendencies. Between 1987 and 1996 the grand coalition formed an average of almost 61% of the time during the first round (when it was not needed) and failed to form an average of over 31% of the time during the 2nd round (when it was needed).⁸ Even more surprising perhaps was the tendency to form the grand coalition during votes on resolutions during these same years. Table 1 gives the coalition percentage data and Table 2 gives the correlation coefficients for the party groups in each of the procedures. Resolutions have absolutely no voting requirements and are arguably on more ideological (less technical) issues than legislative proposals and yet the PPE and PSE voted together almost 70% of the time between 1987-1996.⁹ These results are simply not explained by an understanding of voting behavior that rests primarily on the impact of the majority requirements. Nor is the fact that prior to 1987 there was significantly less cooperation between the PPE and PSE on resolution votes (see Tables 1 and 2). All of these results are reinforced by the results of the correlation coefficients presented in Table 2.

(when cooperation and co-decision votes are held) has increased by as much as 12-15% or between 80-100 votes. The potential impact of this recent change will be discussed in the final section.

⁶ What is not frequently discussed is that this assumes that there is in fact an underlying *ideological* divide between the PPE and PSE, but that this is overcome during the second round because of the voting requirements.

⁷ The absolute majority requirement originates in the Treaties (The Single European Act, Maastricht and now Amsterdam). As a result it is imposed on the EP by the Member States who drafted and adopted the Treaties

⁸ These statistics are based on a random sample of 200 roll-call votes taken between 1987 and 1996 under the cooperation and co-decision procedures. 107 of the votes occurred during the 1st round and the remaining 93 occurred during the 2nd round.

INSERT TABLES 1 and 2

The data presented in table 1 suggests that actually there is very little voting behavior variation between the first and second rounds of the cooperation and co-decision procedure or votes under resolutions. In general coalitions between the PPE and PSE are formed between 60%-70% of the time between 1987-1996 regardless of legislative stage or procedure.¹⁰ Is it logical then to assume that a voting rule that applies only during the second stage of two of the three procedures is responsible? Likewise what explains the roughly 30%-40% of the time that no grand coalition is formed regardless of stage or procedure? The rules that establish when absolute majorities are required are consistent; voting behavior in the EP is affected, but clearly not determined, by those rules.

What then explains the patterns of voting behavior that emerge across legislative procedure, but apparently not across time (resolutions)? I argue that the apparent shift in voting behavior that has occurred since 1987 (and the introduction of the cooperation procedure in the Single European Act) is largely due to the acquisition of non-hegemonic legislative power by the EP. Though the voting rules may have initially had an effect on coalition formation the data suggest that majority requirements are not a particularly good predictor of voting behavior. By looking at voting behavior on a less restricted set of votes (i.e. not only co-decision and cooperation) and including votes that occurred before the Single Act, I am able to examine voting behavior over a longer period of time and across more varied legislative procedures. In this way, I believe, I am able to achieve a more complete view of the process of political evolution occurring within the EP.

⁹ Based on a random sample of 53 roll-call votes on resolutions between 1987-1996.

¹⁰ The only exception is cooperation in the 1st round where cooperation is slightly lower than average (seen particularly strongly in the correlation coefficients). This data includes many votes which occurred immediately

The data presented here is clearly limited in a number of ways,¹¹ but it does suggest that the existence of the grand coalition is a broader phenomena then just the 2nd round. It also suggests that in some cases the two parties cannot work together despite the cost of non-cooperation. I argue that both of these facts can be better analyzed and understood if we conceive of the EP as a legislature in the process of evolving from a chamber of debate into a legislative body. In this context growing agreement between the two main political families represents a higher level of institutional maturity not insignificance.

The European Parliament only gained the power to directly influence legislative outcomes in the EU in 1987. Prior to the introduction of the cooperation procedure the Parliament was fundamentally a consultative body, or a chamber of debate. The party groups within the EP could argue and discuss issues and attempt to filter these views down to the citizens of Europe but there was little that they could do to directly or independently affect legislative outcomes. With the single European Act (reinforced by the Maastricht and Amsterdam Treaties) the ability of the EP to influence the legislative process has consistently increased. However, the EP is not, and most likely never will be, hegemonic in the legislative arena. As a result the EP, to have any effect, must create legislative proposals (amendments) which are broadly acceptable to the other relevant EU institutions (the Council and Commission). This is particularly true when the ideological composition of the other institutions

after the new procedure was introduced and the Parliament and the party groups had not yet had the time or experience to sufficiently respond and evolve in reaction to the new changes.

¹¹ In particular there are no votes under the consultation procedure that would be the next obvious direction to expand this research given that consultation existed before and after the Single Act. It was included because the role of consultation votes changed after the introduction of the cooperation and co-decision procedure and this might have complicated the data analysis. In this analysis resolutions are used to measure longitudinal changes in coalition patterns because the relative political significance of their (non) legislative role was not directly influenced by the introduction of the new procedures.

is internally divided (as it always has been) and/or leans toward the opposite ideological pole from the EP.¹²

Thus, it is not the voting rules that require the PPE and PSE to cooperate, it is the *institutional system* of checks and balances which require ideological moderation for effective legislative influence. The existence of the voting requirements is secondary and this is why the grand coalition is formed in many situations where there are no formal vote requirements. The level of cooperation between the PPE and PSE should not only be expected given the institutional system in the EU, but also applauded. It mirrors in many respects the bipartisan tendencies of the American parties within the US Congress where a similar set of institutional checks and balances exists and divided government is the norm. In a political system where numerous, ideologically diverse actors have “veto power” over the legislative process we should expect gradual and moderate change to be the norm (Tsebelis, 1995). In the absence of a single hegemonic actor, which dominates all three institutions this is the only type of outcome that can be achieved. That the party groups of the EP have adapted to this situation demonstrates not the weakness of the Parliament and the party groups, but their strength.¹³

What does this imply then for the 30%-40% of the time when the PPE and PSE cannot agree? I argue that these cases are examples of the much sought after “ideological divide” in the European Parliament and that their comparatively frequent occurrence suggests that the laments over the lack of EP ideology have been exaggerated. Just because the two parties frequently are able to agree to compromise proposals (amendments) does not imply that they always can or that they always should. There are clearly cases where for one or both party groups no potential

¹² This is true in the newly elected EP in which the Christian Democratic PPE has a plurality of seats and will hold the presidency for the first 2 ½ years while the Council consists of 11 Socialist led Governments out of 15 total.

compromise position is acceptable. I now turn to an analysis of the role of ideology in the EP beginning with a model, which sets out when we should expect bipartisan cooperation and when we should not regardless of the voting rule.

A Model of PPE-PSE Coalition Behavior in the European Parliament

Clearly there are a number of situations for which no compromise agreement is possible between the PPE and PSE. Overall, regardless of procedure or reading the PPE and PSE fail to come to a compromise agreement an average of over 34% of the time. This suggests that for some issues ideological differences are difficult to overcome. Is there any way then to predict when the PPE and PSE will be able to form coalitions? A simple model of coalition behavior, which incorporates the policy preferences of the PPE and PSE can help us answer this question.

Before we do this it will be helpful to briefly outline the legislative procedures to which the model refers. The cooperation and co-decision procedures both include multiple readings and a kind of shuttling of legislative proposals back and forth between the Commission, EP and Council. In both procedures the Commission drafts a proposal and sends it to the EP. The EP has a “first” reading during which it can amend the proposal by a simple majority of its voting members. After the first reading the proposal goes back to the Commission which can revise its proposal to adopt the EP’s amendments or not. This revised proposal is forwarded to the Council for its “Common Position.” The Council can adopt the Commission proposal (including those EP amendments incorporated by the Commission) by a qualified majority.¹⁴ If it wishes to modify

¹³ I again assert that they have *adapted* because behavior, as far as it can be measured longitudinally, appears to have changed from ideological and dogmatic to moderate and pragmatic. For a more detailed examination of this question please see Kreppel, 1998, 1999.

¹⁴ The Member States are all given a certain number of votes roughly proportional to their size. The qualified majority is of these weighted votes not of individual Member States. The current qualified majority required is 62 out of 87 (roughly 71%).

the Commission proposal unanimity is required.¹⁵ The Council Common Position is then sent to the EP for a “second reading.” The EP can once again modify the proposal but now only by an absolute majority of its component members. In addition amendments are only suppose to include modifications of those already introduced in the first round or address areas of the proposal that have been significantly changed since the first round.

Up until this stage the two procedures are roughly the same. For the cooperation procedure the EP’s activities stop here. After the second reading the Commission can once again revise its proposal to incorporate EP amendments or not and then forwards it to the Council, which adopts the proposal by qualified majority or changes it by unanimity. For the co-decision procedure the process is more complex. If the Council can accept ALL EP amendments (regardless of the Commission’s actions) the procedure ends and the modified proposal is adopted. If not a conciliation committee is convened composed of equal numbers of Council Members and Members of the EP (currently 15 each). They work to achieve a compromise text, which can then be adopted by an absolute majority of *voting* members in the EP and a qualified majority in the Council. No changes are permitted at this point. Prior to May 1999 if no compromise could be achieved the Council had the power to revert back to its previous common position. Since the ratification of the Amsterdam Treaty however the procedure now ends if no compromise text can be achieved.¹⁶

Now that we have a somewhat simplified understanding of the legislative process we can begin to model the process of internal EP coalition formation between the two biggest groups. To begin with we will need to make some assumptions about our actors. First, all actors are assumed to be rational with transitive Euclidean preferences. Information is perfect and complete (to

¹⁵ This includes adopting 1st round EP amendments not incorporated into the Commission’s revised proposal.

simplify the model). Also for simplicity's sake I will model the two party groups as individual actors.¹⁷ Given these restrictions it is possible to create a set of potential outcomes to the bargaining process based on the preference orderings detailed below. There are fundamentally five possible outcomes for each party group.¹⁸

1. **GEP:** The EP makes the strategic proposal that is closest to one party group's ideal point yet still acceptable to the Commission and the pivotal member of the Council. That is both the specific group and the EP "win."
2. **CEP:** A compromise between the PPE and PSE that is acceptable to the Commission and the pivotal member of the Council. The EP "wins" but the party groups must compromise.
3. **OEP:** The strategic proposal closest to the ideal point of the other party group is selected by the EP and is acceptable to the Commission and the pivotal member of the Council. The EP and the other party group "win" (situation 1 in reverse).
4. **CL:** The party groups compromise but the amendment is not acceptable to the Commission and/or the pivotal member of the Council. The EP loses despite group compromise.
5. **NCL:** The groups do not compromise and the EP adopts no proposal or the adopted proposal is not acceptable to the Commission and/or the pivotal member of the Council.

The outcomes of the votes depend on the preferences of each of the two groups. In some cases cooperation in both rounds will be the best strategy. In other case cases cooperation in only one or neither of the rounds will make more sense. What determines the best strategy of the party groups is the *relative position of their preferred outcomes*. For each group there are three possible preference orderings depending on the location of their ideal point *vis á vis* the other group. The primary determinant of behavior is the level of disagreement between the two groups, particularly, the preference of one group for the unmodified proposal or status quo rather than the

¹⁶ This is a very simplified version of the procedures, which are quite complex, especially given the recent Treaty reforms. A good summary of the procedures up to the Amsterdam reforms can be found in Corbett et al., 1995.

¹⁷ Although, given the amazingly high rates of voting cohesion on roll call votes of these two parties (well over the 90% threshold) this is not a very large exaggeration of the actual situation. See Raunio, 1998; Brzinski, 1995; Kreppel and Tsebelis, 1999 and Kreppel 1998.

¹⁸ This section borrows the interpretation of Council, Commission and EP bargaining outlined by George Tsebelis. See Tsebelis, 1994.

ideal “winning” position of the other group. The possible preference orderings for the party groups are listed below.

- (1) If $GEP=CEP=OEP>CL\geq NCL$ then compromise in both 1st and 2nd round.
- (2) If $GEP>CEP>OEP>CL>NCL$ then in 1st round no compromise, 2nd round compromise.
- (3) If $GEP>NCL>CEP\geq OEP>CL$ then compromise in neither the 1st or 2nd round

Once again the fundamental difference between (2) and (3) and is that in the third ordering one (or both) of the groups prefers to have the Parliament do nothing (accept the status quo or proposal) rather than accept the position (amendment) of the other group. In this situation there is no mutually acceptable compromise between groups. A visual representation of the different possible outcomes is given in Figures 1.1-1.3.

INSERT FIGURES 1.1-1.3

Figures 1.1-1.3 are one-dimensional models of the bargaining process between the Council, Commission and the EP. The Council is represented as a seven-member body (labeled 1-7) because the true qualified majority requirement in the current 15 member Council is roughly equal to 5/7. The Commission is represented as a single body and the Parliament is represented by its two largest party groups, the PPE and PSE. The best position that the Parliament as a whole can make is represented by X^* when there is agreement between the two groups and by X^* and X' when there is not. The status quo is SQ and a “P” marks the pivotal member of the Council (i.e. the member whose vote is necessary to achieve or block a qualified majority decision).

The EP must make a proposal (amendment) that makes the pivotal member of the Council marginally better off than the current status quo (SQ) to win her vote. In the first example (Figure 1.1) the PPE and PSE are quite close to each other and can easily agree to the proposal X^* which both the Commission and the pivotal Member of the Council prefer to the

status quo. In this case the PPE and PSE will agree and their amended proposal will be adopted by the other institutions in the first round. If the EP has slightly miscalculated its proposal and a second round amendment is necessary the two groups will agree once again.

In Figure 1.2 the situation is somewhat different. In this case the PPE and PSE are deeply divided. As a result they each have different preferred outcomes that are possible given the location of the Council and Commission. The PPE prefer the X^* proposal while the PSE prefer the X' proposal, which is their own ideal point in this case. Thus in the first round of the procedure both party groups will support different possible proposals (X^* and X'). One of these will win in the EP. Regardless of which initial proposal is successful the two will join forces in the second round to achieve the EP endorsed proposal if necessary because both prefer either proposal to the status quo. Clearly there is a significant amount of ideological difference between the two groups in this case, but they are still close enough that they can and will compromise in the second round to achieve an outcome that both prefer to the status quo.

Figure 1.2b modifies this situation in a small but significant way. Once again the two groups are quite far apart from each other ideologically but here one group (the PSE) actually prefers the status quo to the preferred possible outcome presented by the other group (PPE). In this case as in the previous one there is likely to be stiff competition in the first round. If the PPE wins then the PSE will try to block it in the second round if there is one because it prefers SQ to X^* . On the other hand, if it is the PSE that wins in the first round and it is up to the PPE to attempt to block in the second round the action becomes less clear.

Clearly the PPE prefers X' to the status quo, but the difference is marginal and the cost of agreement might be high. In this case the actions of the group may well be determined by the perceived costs of too much compromise for too little gain. The PSE will get their ideal point

(X') and the PPE will get an outcome only marginally better than the status quo. In other words, if decisions are made only on the basis of strict geographical preferences than the PPE will support the PSE position. If the decision-making process is more complex (as it surely is) then the actions of the PPE in this case become less predictable.

In the final example demonstrated illustrated in figure 1.3 the two groups have irreconcilable differences and will be unable, or at least highly unlikely, to work together in either round. Once the status quo lies between the ideal positions of the two groups it is almost impossible that they will be able to reach a compromise other than the status quo (or no action) since both will prefer the current situation to anything that the other party group prefers more. In this case the EP will become an extremely contentious body. If the PSE is successful at getting its amendments adopted by the EP in the first round they are still unlikely to be adopted by the Commission. Thus requiring unanimity in the Council for adoption which is unlikely given that Members 6 and 7 will prefer the status quo. By the same token if the PPE is successful in the first round the best it can do is nothing (by adopting the SQ position. Thus, in this situation the EP is marginalized in the legislative process.

Thus we can see that the proximity of the two groups is essential for compromise to be achieved. The closer the ideal points are to each other, at least relative to the positions of the Council, Commission and status quo, the more likely it is that compromise will be achieved between the two groups in the EP. These models are not limited to one dimension either. In Figures 2,3 and 4 similar models are given in two dimensions. The above arguments hold in the same way and I will therefore leave the reader to examine the two-dimensional models independently.

We already know from the previous discussion that agreement is not always achieved in the EP under any procedure and that the grand coalition fails to be created approximately 34% of the time. The above models help us to understand theoretically the underlying preferences that form the basis for this coalition behavior. Now we will turn our attention to the empirical reality of when such coalitions form and fail to form.

Where is the Ideology Hiding? Areas of Contention in the EP

To gain a better understanding of when the two groups were unable to find a compromise position it is necessary to disaggregate the data to try and find patterns of coalition formation. To accomplish this task I use logistic analysis with the formation of the grand coalition as the dependent variable.¹⁹ The independent variables include the committee of origin, whether the vote was on an amendment or a final proposal and control variables for procedure (cooperation or co-decision) and reading (first or second). In addition, Because the committees are very broad I isolate several specific legislative topics, some of which cross committee borders (workplace environment) and some of which were largely subsumed within a single committee (public health).

This additional disaggregation was done for two reasons. The first was to try to make distinctions between diverse legislative subjects that are covered by one committee for example the Environment Committee, which includes bills on public health and consumer protection as well as the environment. The second reason was that some topics, such as workers rights appeared to be divided amongst the committees and disagreements between parties would then also be dispersed and not immediately obvious if we looked only at committee of origin. By

¹⁹ The grand coalition was considered formed when a majority from both groups voted together.

codifying the legislation in this way we can capture more of the true impact that subject matter has on coalition formation.

The data used for this analysis is the same as was presented above for the cooperation and co-decision procedure (see footnote 8). There were a total of 200 votes included in the sample, three of which were dropped from the sample because they were statistically identical for all variables. Two logistic analyses were completed, the first with Committees only and the second with legislative topics only because of the high correlation (collinearity) between some topics and some committees.²⁰ The results of the logistic analyses are given in Tables 3.1 and 3.2.

INSERT TABLES 3.1 & 3.2

Table 3.1 examines the influence of committee of origin and Table 3.2 looks at the some recurring legislative topics. Both tables include the additional dummy variables of procedure (cooperation or co-decision), reading (first or second) and type (amendment or final). Of these three dichotomous variables only type is significant. The positive coefficient tells us that there is a significantly greater chance that the grand coalition (GC) will form when the vote is on the resolution as a whole than when it is on a particular amendment. On the other hand there is no apparent statistically significant relationship between either the procedure (cooperation or co-decision) or the reading (first or second) and the formation of the grand coalition. This again goes against popular wisdom, which holds that the grand coalition is more likely to form in the second round given the absolute majority requirement.

The impact of the committee of origin appears to be extremely weak with the surprising exception of the Cultural Affairs committee. This significant negative relationship between grand

²⁰ It should be noted that it was necessary to exclude one of the committees and one of the topics from the analysis to avoid perfect linear correlation. I selected to exclude the Women's Affairs committee because it was the smallest with only 3 roll call votes and the "other" topic committee since this had no empirical value. The excluded

coalition formation and the culture committee is most likely spurious however since 15 of the 16 votes from the Cultural Affairs Committee were on a single, clearly contentious legislative proposal (COD 95/074-Pursuit of Television Broadcasting Activities). Without a larger data sample it is impossible to know if other proposals in this committee are as polemical. The other committees are all far from being of statistical significance in terms of explaining the formation of the grand coalition. This is probably because of the broad range of issues covered within most committees, which potentially serves to hide those issues that are contentious.

Dividing the legislative proposals by topic rather than committee of origin avoids this pitfall and allows us to also look at topics that appear to cut across committees. The results of the logistic analysis by topic are given in Table 3.2. There are three different topics that are statistically significant in the determination of the grand coalition, environmental issues, worker and work place issues, and public health issues. For environmental and public health issues the coefficients are positive suggesting that in these areas the two groups are very likely to form a grand coalition, regardless of procedure or reading. The third statistically significant topic is worker and workplace issues. Here the coefficient is negative suggesting that for proposals within this topic there is a higher level of disagreement between the PPE and PSE and as a result considerably less recourse to the grand coalition.

The usefulness of examining votes by topic as opposed to just committee of origin becomes even clearer when we look at the dispersion of these three topics. Both public health and environment proposals come primarily, and not unsurprisingly, from the Committee on the Environment, Public Health and Consumer Policy. But so do the bulk of the proposals labeled as consumer protection, which were not significant in determining the formation of the grand

committee and topic can be understood to have taken on the value of “other” representing all committees and topics not included in the data set but they are not analyzed independently.

coalition. This helps explain why the Environment Committee as a whole was not significant in Table 3.1.²¹ In contrast, the proposals dealing with worker and workplace issues came from five different committees.²² Their dispersion across committees made it impossible to see the conflict between the two groups on these sorts of issues as long as we focused only on the committees.

The problem with sorting proposals by topic as opposed to committee of origin is that it necessarily involves some level of normative judgement. I divided proposals into topics by examining the title of the proposal. A more accurate approach may have been to read the proposal itself, but this was beyond the scope of this research, and would still have resulted in a normative judgement. As a result of the subjective nature of this approach it is likely that some proposals would have been grouped differently by someone else. Unfortunately this is a problem with all categorization schemes. An additional potential weakness of this analysis is that there were 46 proposals which I grouped simply as “other.” This was done because they were dispersed over a large number of apparent topics which were either completely collinear with a committee (transport) or included too few votes to allow statistical interpretation.

Conclusions

Although limited in scope, the empirical results of this research lend very strong support to the theoretical explanations of grand coalition formation presented in the first part of this paper. Clearly the grand coalition between the PPE and PSE is formed quite frequently as has been asserted. But equally clearly, previous explanations of this tendency that rely on the

²¹ There were 39 votes on public health issues, 21 on environmental issues and 45 on consumer protection issues. All of the environmental, all but two of the public health and 39 of the consumer protection votes were from the Environmental Committee.

weakness of the party groups or the institutional voting rules as an explanation are incorrect, or at least incomplete.

The statistical results presented in Tables 3.1 and 3.2 demonstrate that reading alone does not significantly impact the decision to form a coalition between the PPE and PSE.²³ Nor can the legislative power or influence of the EP since its powers are greatest under co-decision and cooperation and yet the grand coalition is formed almost equally as frequently for resolutions during the 1987-1996 period and there is no significant difference between cooperation and co-decision (Tables 3.1-3.2). The only procedural variable that does have an effect is whether the vote is on the final proposal or an amendment. The groups are much more likely to work together on final proposal (which is a public statement) than on the individual amendments (which are more specific and policy relevant).²⁴ Thus, we are left with the fact that when the grand coalition is and is not formed cannot be explained by procedural variables. We must look instead to ideology and come to the perhaps unpopular conclusion that ideological conflict does exist in the Parliament even between its two largest groups.

In at least one legislative area (worker and workplace) the PPE and PSE are significantly less likely to reach an agreement despite the costs that non-cooperation has for them and the EP as a whole.²⁵ In this case, modeled as Figures 1.3 and 4, no coalition is made in either round and the EP fails to make proposals (amendments) in the second round.²⁶ What does the existence of an ideological divide suggest about the future functioning of the EP, especially given the recent

²² There were 28 votes on worker and workplace issues coming out of the Economic (2), Environment (2), Legal Affairs (5), Social Affairs (16) and Women's Affairs (3) committees.

²³ Although in both cases the coefficient was positive.

²⁴ In fact, the real power of the EP in the legislative arena arises from its power to amend (set the agenda in Tsebelis' terms) so it is not surprising that this should be more contentious.

²⁵ Remember that we cannot say conclusively the impact of the Cultural Affairs Committee, despite its significance in the analysis, because of the limitations of the data.

²⁶ Or fails to pass amendments acceptable to the other institutions, See below for further discussion.

electoral results, political rhetoric and the increased powers of the EP as a result of the Amsterdam Treaty?

While currently no single party has a majority it is possible to imagine stable coalitions of the center-right and center-left with the PPE, Liberals and smaller right wing groups on one side and the PSE, Greens and United (Communist) Left on the other. Depending on attendance and cohesion it would be possible for both of these coalitions to function effectively in both the first and second round. Thus, the ideal of ideological conflict is attainable, and actually has been throughout the EP's history. Since the introduction of the Single European Act it has been largely avoided (Kreppel 1998, 1999). Is the return of wide spread ideological conflict likely, and more importantly should we desire it?

Lets answer the second question first by returning briefly to Figure 1.3. In this case the PPE and PSE were sufficiently divided that no compromise was likely in either round. In the first round the battle would be contentious and in the second, given the majority requirements it was unlikely that any amendments would pass against a concerted opposition. What would happen if this situation were the norm? This is, after all, the standard type of ideological diversity and opposition that occurs in most of the parliaments of the Member States.²⁷ Is this truly the type of political system we want in the EP as well?

Remember that the EP is not a legislative hegemon. It must work with the Council and Commission to achieve anything. Remember also that these two bodies are not constituted around the idea of a governing majority and loyal opposition. On the contrary both of these institutions consist of actors from at least the two largest family groups (Christian Democrat and Socialist) and they both work in a generally non-confrontational manner. Within the Council

²⁷ The British case being the clearest example, but think also of the general left-right opposition in France or the current red-green coalition in Germany.

most often either unanimity or a very large qualified majority is required to act. The Commission is officially a collegial body, which must work to gain general compromises that benefit all of Europe.²⁸ In this context would an ideologically dogmatic EP be a good or effective thing? I think not. At best the EP would end up marginalized as in Figure 1.3, at worst it could bring much European legislative activity to a standstill.

An ideologically polarized EP might easily end up adopting extreme amendments in the first round, which would be rejected by the other (more moderate) institutions. If the winning coalition lacked the absolute majority needed in the second round the battle would end there and the EP would be marginalized. If the winning coalition was successful in the second round as well the situation might be still worse. Under the Amsterdam Treaty most of the legislation that was previously decided under the cooperation procedure will now be decided by co-decision. Under this procedure (which will account for roughly 25%-30% of all EU legislation), where there are irreconcilable disagreements between the EP and the Council in conciliation (i.e. no joint proposal can be found) the legislation simply fails. This means that progress towards further integration (at least under co-decision) is halted. Thus, if the EP refused the type of moderate compromises, which are currently the norm (60-70% of the time), no new legislation could be passed under co-decision.²⁹ Only the most euro-skeptic would view this as a positive outcome. The next question is whether or not it is a likely outcome.

In the last elections (June 1999) the center-right PPE gained a plurality of the seats for the first time since the introduction of direct elections in 1979, winning 234 seats compared to the PSE 's 180. The switch in the relative balance between these two groups is not nearly so

²⁸ Although officially non partisan, the role of ideology in the Commission can be clearly seen in the current debate over the party affiliations of the newly appointed German Commissioners (Socialist and Green) despite the recent victory of the Christian Democrats in the EP elections.

important as the effect that it appears to be having on the ideological rhetoric within the EP. Because of the common negative view of the grand coalition there has been a movement to try and form ideologically based coalitions of the left and right instead. The first, very significant, example of this was the recent alliance formed between the Liberal Group (ELDR) and the PPE for the vote on the EP presidency. These two groups agreed to rotate the office of President between them, leaving the Socialists out in the cold for the first time since direct elections. Although clearly stating that this was not a formal coalition (of the center-right), the alliance suggests what the future may hold. While it is certainly far too early to judge the likelihood of this outcome, it does appear to be more likely than it has been since the Single European Act and the transformation of the EP into a legislative actor.

The conclusions of this research can be very simply stated by answering a few questions, despite the complexity of the issues discussed. First, do voting rules determine voting behavior in the EP? No they do not, at least not for the most part. Second, are there real ideological divisions within the EP and even between the PPE and PSE? Yes, although they may not be the norm, there are clearly areas where the two groups strongly disagree and refuse to compromise regardless of the political or legislative cost. Finally, should we want more ideological division in the EP and movement away from the type of moderate bipartisan coalition formation that has marked the past 10-15 years? No, we should not. Ideological polarization in the EP within the current EU institutional system could easily lead to the marginalization of the EP in the legislative process or worse still the stagnation of the process as a whole.

²⁹ It seems highly unlikely that the Council would want or even be able to capitulate to extremely contentious EP demands given its make-up and voting rules

Table 1: PPE-PSE Coalitions by Procedure and Reading

	Total # Votes	# Split Votes	% Split Votes	# Coalitions	% Coalitions
1st Cod	47	17	36%	30	64%
1st Coop	60	25	42%	35	58%
2nd Cod	53	15	28%	38	72%
2nd Coop	40	14	35%	26	65%
1st Total	107	42	39%	65	61%
2nd Total	93	29	31%	64	69%
Resolutions pre-1987	47	23	49%	24	51%
Resolutions post-1987	53	16	30%	37	70%

Table 2: Correlation Coefficients

<i>1st-coop</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.10	1

<i>1st-cod</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.27	1

<i>1st-all</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.23	1

<i>2nd-coop</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.34	1

<i>2nd-coop</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.39	1

<i>2nd-all</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.39	1

<i>Resolutions pre-1987</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.11	1

<i>Resolutions post-1987</i>	<i>PPE</i>	<i>PSE</i>
PPE	1	
PSE	0.40	1

Table 3.1: Logistic Analysis for Significance of Committee of Origin

Logit estimates	Number of obs	=	197			
	LR chi2(10)	=	38.00			
	Prob > chi2	=	0.0000			
Log likelihood = -107.2968	Pseudo R2	=	0.1504			

gc	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	

reading	-.6690557	.4251422	-1.574	0.116	-1.502319	.1642076
final	1.144272	.6269878	1.825	0.068*	-.0846016	2.373145
coop	.0878155	.4372319	0.201	0.841	-.7691432	.9447742
TRANSPORT	1.26647	1.50602	0.841	0.400	-1.685274	4.218214
SOCIAL	-2.216442	1.423323	-1.557	0.119	-5.006104	.5732196
LEGAL	-1.750186	1.375866	-1.272	0.203	-4.446833	.9464609
ENVIRON	.2376296	1.290983	0.184	0.854	-2.292651	2.76791
ENERGY	-.7953079	1.354888	-0.587	0.557	-3.45084	1.860224
ECONOMIC	.3848503	1.502642	0.256	0.798	-2.560275	3.329975
CULTURE	-2.546745	1.508385	-1.688	0.091*	-5.503126	.4096359

_cons	1.274387	1.38399	0.921	0.357	-1.438184	3.986958

*= P>90%, **=P>95%, ***=P>99%. All tests are two-tailed.

Table 3.2: Logistic Analysis for Significance of Legislative Topic

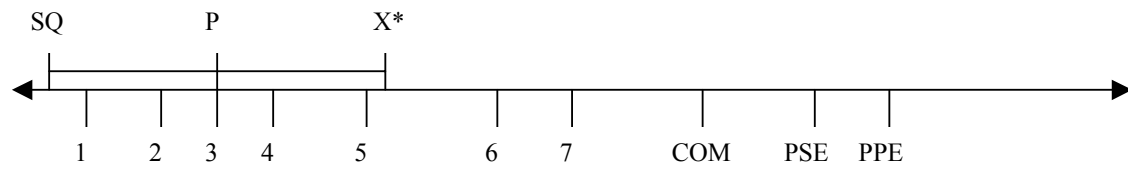
Logit estimates	Number of obs	=	197			
	LR chi2(8)	=	33.67			
	Prob > chi2	=	0.0000			
Log likelihood = -109.4633	Pseudo R2	=	0.1333			

gc	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	

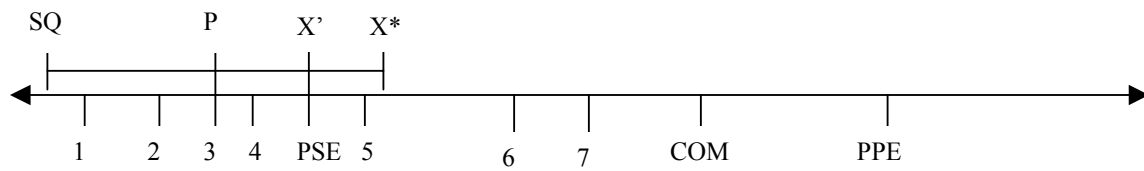
reading	-.1066744	.4768228	-0.224	0.823	-1.04123	.8278812
final	1.429418	.6932333	2.062	0.039**	.0707053	2.78813
coop	.630378	.4113379	1.533	0.125	-.1758294	1.436585
consumer	-.3473115	.4615952	-0.752	0.452	-1.252021	.5573985
Environ	1.878375	.8238125	2.280	0.023**	.2637325	3.493018
Economic	.9655231	.6447319	1.498	0.134	-.2981282	2.229174
workplace	-1.478804	.5916489	-2.499	0.012**	-2.638415	-.3191939
Pub-hlth	1.301831	.5336583	2.439	0.015**	.2558803	2.347782
_cons	-.2234911	.3804064	-0.588	0.557	-.9690741	.5220918

*= P>90%, **=P>95%, ***=P>99%. All tests are two-tailed.

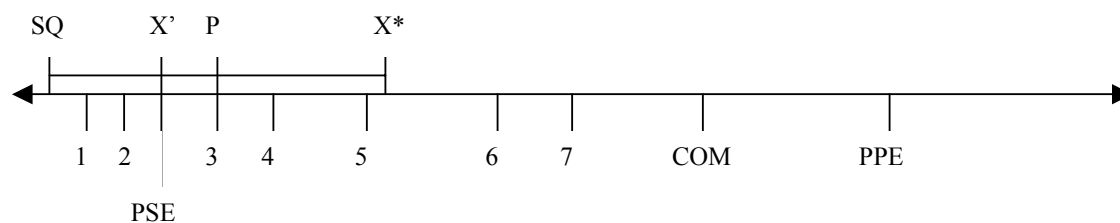
Figures 1.1-1.3: Preference Orderings and One Dimensional Models

1.1 $GEP=CEP=OEP>NCL=CL$ PSE & PPE $\rightarrow X^*>SQ$

Compromise in both rounds

1.2 $GEP>CEP>OEP>NCL>CL$ PPE $\rightarrow X'>X^*>SQ$ PSE $\rightarrow X^*>X'>SQ$ No Compromise 1st roundCompromise 2nd round

1.2b $GEP > CEP > OEP > NCL > CL$



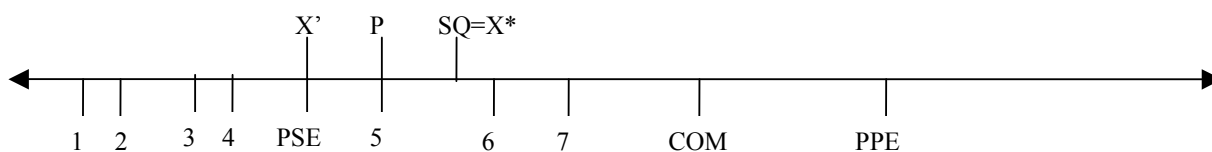
$PSE \rightarrow X' > SQ > X^*$

$PPE \rightarrow X^* > X' > SQ$

No Compromise 1st round

Unclear in 2nd round (depends on cost of compromise)

1.3 $GEP > NCL > CEP \geq OEP > CL$



$PSE \rightarrow X' > SQ = X^*$

$PPE \rightarrow SQ = X^* > X'$

No compromise in either round

Figure 2: Low Ideological divergence in both dimensions-Compromise in both rounds.

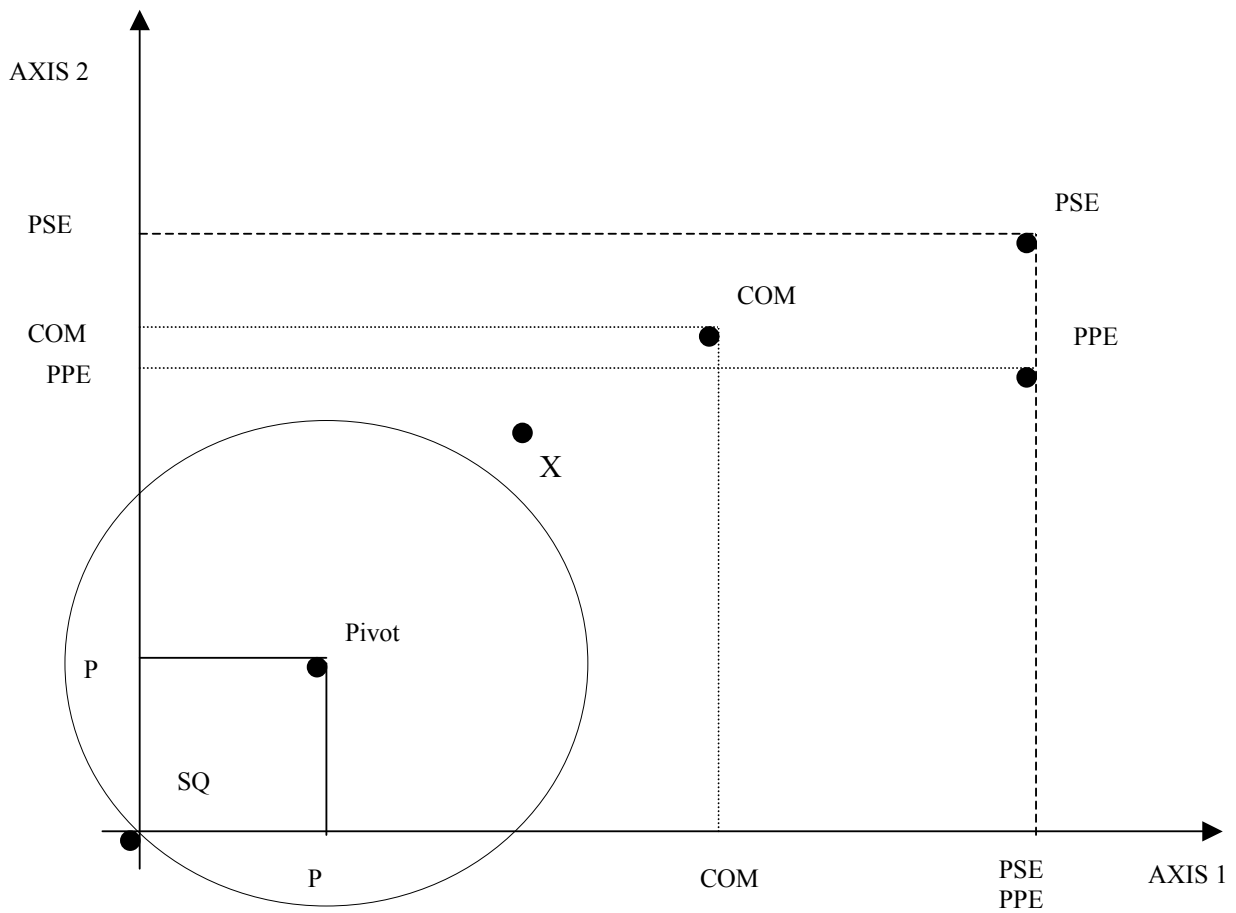


Figure 3: High Ideological Divergence in One Dimension-Compromise Possible in 2nd Round

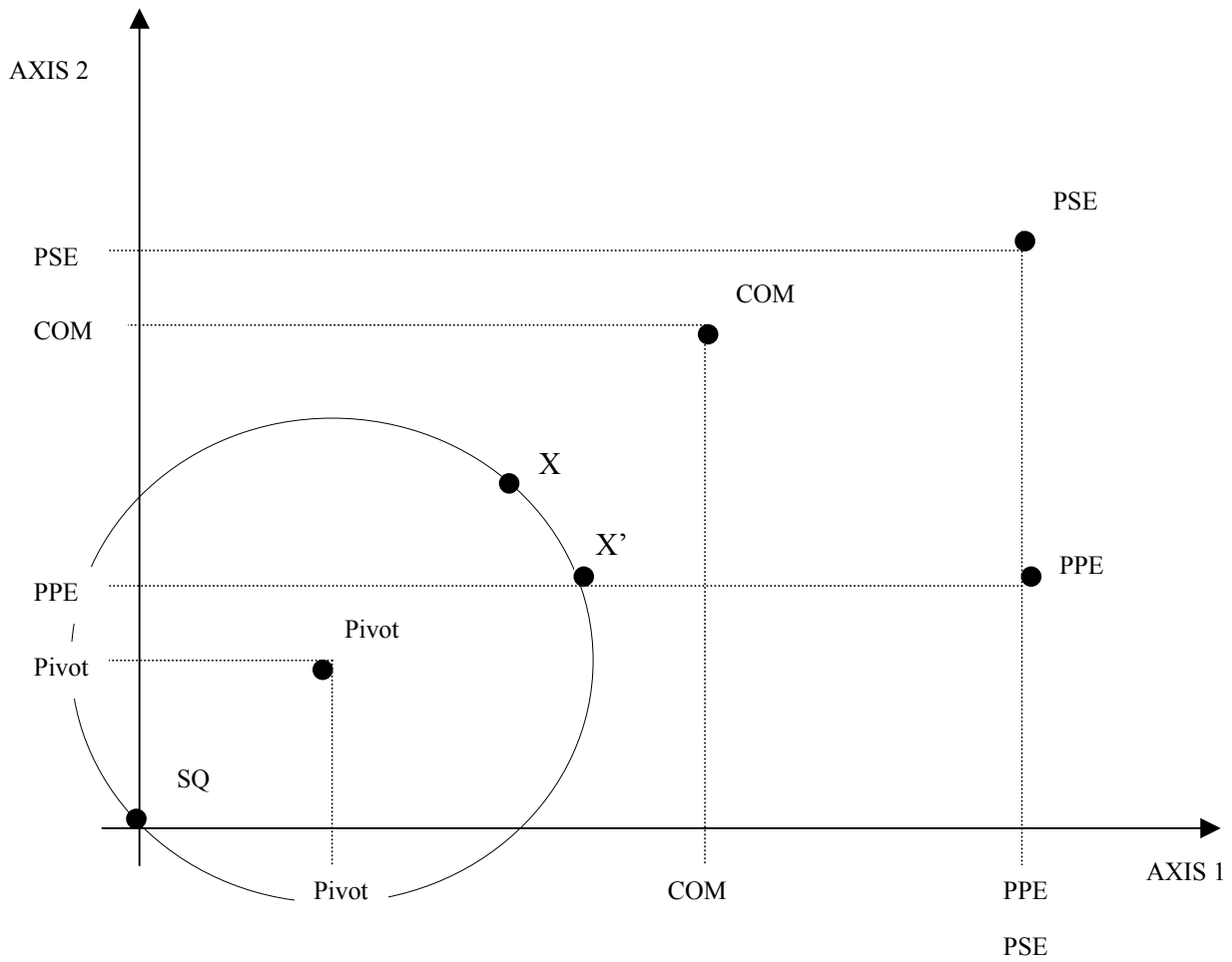
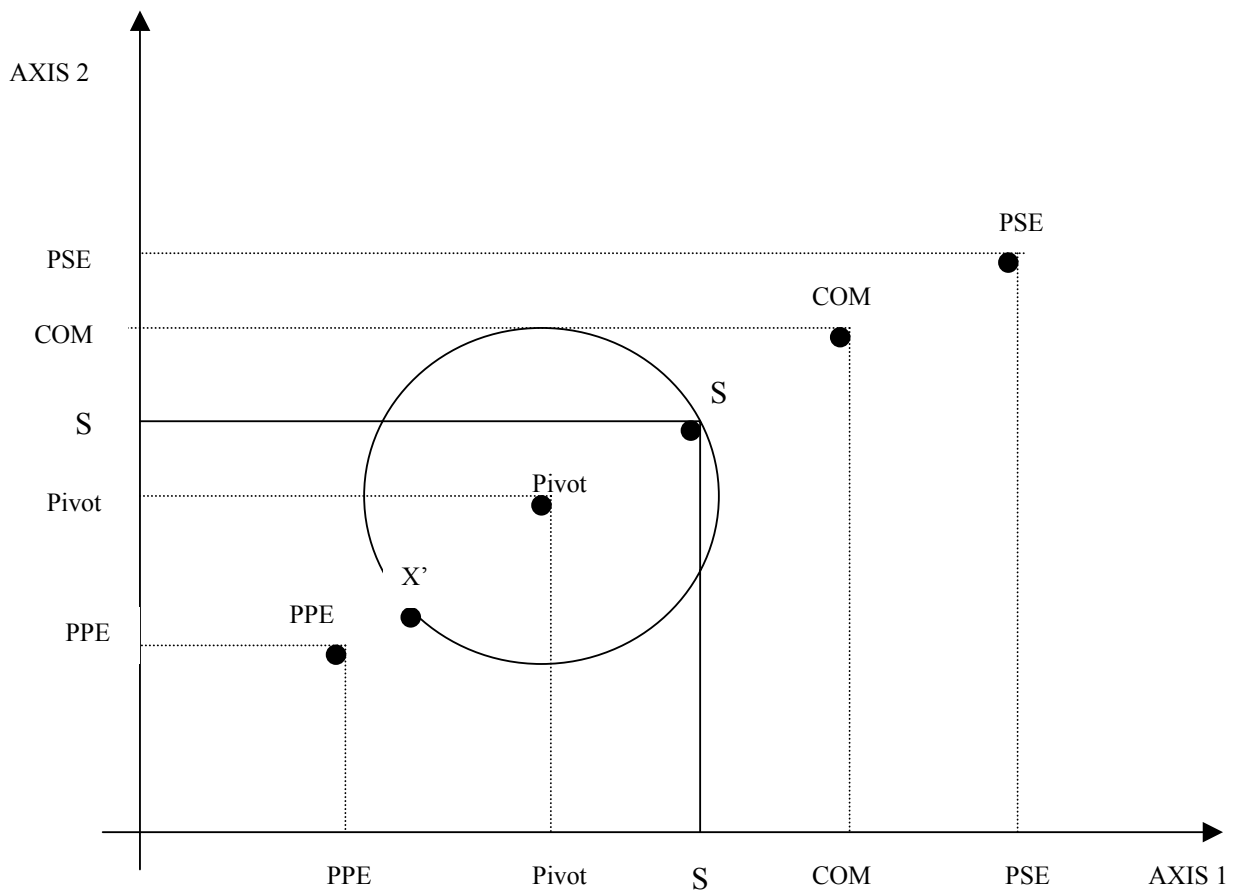


Figure 4: High Ideological Divergence in Both Dimensions-Compromise not Possible in Either Round



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