



National Parties and European Parliamentarians: Developing and Testing an Institutional Theory

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ABSTRACT

The European Parliament is a European-level institution, yet most of its members retain strong ties to nationally-based political parties. For those parties, MEPs can be regarded as ‘agents’ with a significant capacity to advance parties’ policy goals. This paper develops our understanding of how parties structure relations with their European representatives. I develop a theory, based around a ‘principal-agent’ approach, that accounts for apparent contradictions in existing work and generates further testable hypotheses regarding institutional sources of variation between parties in the control and monitoring exercised over their European representatives.

These hypotheses are then tested via data from a survey of MEPs in the current parliament. The results suggest that how parties structure relations with MEPs may be partly explained by institutional sources of variation. The implications of these findings are addressed in the conclusion.

1. INTRODUCTION

It is now well established that the development of the European Union (EU) has not been the death-knell of nationally-based political parties. Though the Union's development towards a highly institutionalized form of international cooperation generates certain challenges for parties – notably that the expanding scope of EU policy competences further attenuates any connection between national elections and policy outcomes, drawing into deeper question the notion of 'responsible' parties¹ – the national (or sometimes sub-national) level remains the dominant one for party organisation in western Europe. In a similar manner to their previous resilience despite large-scale social change,² parties and party systems have broadly sustained themselves in the face of the major institutional change of European integration. As Mair concludes, "of the many areas of domestic politics that may have experienced an impact from Europe, party systems have perhaps proved to be most impervious to change".³

To acknowledge this, however, does not mean that 'Europe' fails to affect parties. The EU forms a substantial component of the daily business of government to those parties holding executive office, while in many states 'Europe' has become a significant source of intra- and/or inter-party conflict.⁴ And this paper addresses a third means through which the EU matters to parties: the development of a significant European-level institution – the European Parliament (EP) – in which most major, and many minor, parties in western Europe have representation. Though operating in an EU-level institution, most EP members (MEPs) retain strong ties to nationally-based parties, for whom the substantial recent growth in EP

¹ Fritz Scharpf, *Governing in Europe: Effective and Democratic?* (Oxford: Oxford University Press, 1999).

² S.M. Lipset and Stein Rokkhan (eds.) *Party Systems and Voter Alignments* (New York: Free Press, 1967).

³ Peter Mair, 'The Limited Impact of Europe on National Party Systems', in (K.Goetz & S.Hix, eds.) *Europeanised Politics? European Integration and National Political Systems* (London: Frank Cass, 2001), p.28.

⁴ Gary Marks and Carol Wilson, 'The Past in the Present: A Cleavage Theory of Party Response to European Integration', *British Journal of Political Science* (2000) 30:433-460; Paul Taggart, 'A Touchstone of Dissent', *European Journal of Political Research* (1998) 33:363-388.

powers renders their European representatives increasingly important, notably for their potential to make a substantial contribution to the achievement of a party's policy goals.⁵

Understanding how parties structure relations with their European-level representatives is clearly important. It offers not only to contribute to our developing knowledge of the EP, but also, and of broader significance, to help build a fuller understanding of the role of political parties in a more integrated Europe. It is, therefore, unfortunate that the very limited empirical work in this area reaches apparently contradictory conclusions (appearing to suggest that parties both neglect their European representatives *and* keep them under firm control), while the literature lacks an established framework for interpreting or advancing upon such findings.

This paper develops our understanding of how national parties structure relations with their European representatives. After reviewing the limited existing literature, identifying both implicit contradictions in it and questions yet to be addressed, I then develop a theoretical approach based on a 'principal-agent' conceptualisation of the relationship between parties and their European representatives. I demonstrate how propositions derived from this approach can account for previously observed phenomena, explain anomalies in previous accounts, and generate further, testable hypotheses. I then go on to test these hypotheses – concerning institutional sources of variation between parties in the degree of control and monitoring they exercise over their European representatives – by drawing on data derived from a survey of MEPs in the current parliament. Implications of the findings are addressed in the conclusion.

2. NATIONAL PARTIES AND EUROPEAN PARLIAMENTARIANS: WHAT WE KNOW

⁵ On the growth in powers experienced by the EP in recent times, see Richard Corbett, Francis Jacobs and Michael Shackleton, *The European Parliament (fourth edition)*, (London: John Harper, 2000), chs 12-14.

Until recently, few researchers explored the relationship between national parties and MEPs. While most academics ignored the topic, the fragmentary early literature suggested a similar ‘benign neglect’ by parties of their European representatives. For instance, Hearl and Sargent, surveying MEPs in the pre-direct election EP, found members reporting much greater freedom of action in the EP than in their national legislature.⁶ But the negative side of benign neglect was marginalization. Thus, Thomas concluded that British MEPs’s role in their parties, even in developing and implementing European policy, was minor.⁷ More recently, Hix and Lord have suggested that, “Relative to national parliamentarians... the status of MEPs in the national party apparatus is weak”.⁸

However, recent work by Hix, Gabel and colleagues has indicated national parties according greater attention to, and seeking closer control of, their MEPs, in response to the EP’s growing prerogatives. Hix and Lord’s case study of the July 1994 parliamentary vote to confirm Jacques Santer’s appointment as European Commission President found strong ideological divisions within the EP as Santer, a Christian Democrat, was supported by his ideological brethren on the centre-right throughout the various national delegations, but opposed by many MEPs on the centre and left.⁹ However, ideological divisions were generally overridden by support for Santer from representatives of all *national* parties represented at the European Council summit that nominated him. Centre-left MEPs from domestically governing parties largely endorsed Santer rather than oppose the nominee of

⁶ Derek Hearl and Jane Sargent, ‘Linkage Mechanisms between the European Parliament and the National Parliaments’, in (V. Herman & R. van Schendelen), *The European Parliament and the National Parliaments*, (Farnborough: Saxon House, 1979).

⁷ Stafford. T. Thomas, ‘Assessing MEP Influence on British EC Policy’. *Government and Opposition*, (1992) 27:3-18.

⁸ Simon Hix and Christopher Lord, *Political Parties in the European Union*, (London: Macmillan, 1997) p.60. Similar conclusions have been suggested by Martin Westlake, *Britain’s Emerging Euro-Elite? The British in the Directly-Elected European Parliament, 1979-1992*, (Aldershot: Dartmouth, 1994); Luciano Bardi, ‘Transnational Trends in European Parties and the 1994 Elections of the European Parliament’, *Party Politics*, (1996) 2:99-114; and in Roger Morgan and Clare Tame (eds.), *Parliaments and Parties: The European Parliament in the Political Life of Europe*, (London: Macmillan, 1996).

⁹ Simon Hix and Christopher Lord, “The Making of a President: the European Parliament and the Confirmation of Jacques Santer as President of the Commission”, *Government and Opposition*, (1996) 31:62-76.

their national party leaders. Supported by observational data, Hix and Lord argue that MEPs' votes were strongly guided by national parties when national party preferences contradicted those of party groups.¹⁰

Gabel and Hix subsequently generalised the implications of the Santer vote, suggesting that national parties' control over MEPs' re-nomination and/or domestic political preferment means that parties will always have more ability to control MEPs' behaviour than EP party groups.¹¹ 'The Ties that Bind' MEPs to national parties, they suggest, are strong, and grounded in basic political motives. Along with Carruba, Gabel has developed this argument further, asking whether the EP can be considered an arena for 'National Politics by Other Means?' and observing that "The more influence the EP has over the final form a bill will take, the more likely a national party is to care about how its MEP votes".¹² As the EP gains power, national parties have incentives to control their European representatives more closely. Comparative statics point to stronger controls when legislative procedures giving the parliament greater prerogatives are in use; the general temporal trend should be towards closer scrutiny and control of MEPs by national parties.¹³

¹⁰ Hix and Lord's qualitative data includes observing Spanish Socialist MEPs having left a meeting of the Socialist PES group to receive voting instruction (to support Santer) from Madrid! Similar observations on the Santer vote are also reported by Johansson, who, in addition, points to somewhat similar pressures being placed on a large number of MEPs in votes to permit the 1995 accession of new member states to the EU. He comments that "we can safely conclude that MEPs were subject to clear instructions from governments and mother parties to show up and vote in approval of the Accession Agreements. It is understood that MEPs faced threats of deselection from party lists contesting the European elections if they disobeyed" (p.33). See Karl Magnus Johansson, 'Party Group Dynamics in the European Parliament', (University of Lund: Unpublished Paper, 1995).

¹¹ Matthew Gabel and Simon Hix, "The European Parliament and Executive Politics in the EU: Voting Behaviour and the Commission President Investiture Procedure", in (M.Hosli, ed.), *Institutional Challenges in the European Union*. (Ann Arbor: University of Michigan Press, 2000).

¹² Clifford Carruba and Matthew Gabel, 'National Politics by Other Means? Voting Behaviour in the European Parliament in the Post-reform Era'. Paper presented to the Southern Political Science Association, Atlanta, 1998, p.15.

¹³ The conclusion of these scholars is supported by the evidence of other recent work. Through an empirical analysis of MEPs' behaviour on several high profile votes in the parliament (mainly around issues of closer European integration and more powers for the parliament), Scully finds that while general ideological divisions help to explain voting patterns, a large degree of variance is still accounted for by national distinctions, and particularly so when a member's national party is in government at the time of the vote. National parties, the analysis tentatively suggests, will go to some lengths to avoid their parliamentary representatives in the EP

This work indicates both that national parties' incentives to control their European representatives have increased alongside the powers of the EP, and that parties may increasingly be acting on such incentives.¹⁴ However other recent research paints a rather different picture. Raunio's recent survey of national parties suggests that, while contacts between national parties and their MEPs may have increased somewhat, the 'benign neglect' pattern still largely obtains.¹⁵ MEPs are often represented on parties' national executives – this is true for 79.7% of Raunio's sample. But only 8.5% (5 national parties) indicated that that they would 'regularly' issue voting instructions to their MEPs, with 32% stating that instructions would be given only on issues of 'fundamental importance', and almost 50% reporting that such instructions are never given. When asked whether they deployed other means of controlling their MEPs, "No control was reported in 72.1% of the parties".¹⁶ Raunio concludes that:

National parties pay attention to the EP mainly when nationally important matters enter the legislative arena. [However e]ven on such issues it is still better to speak of consultation rather than control.¹⁷

This evidence fits rather poorly with the image suggested above: the 'ties that bind' MEPs to their national parties seem loose indeed.¹⁸

coming into conflict with their ministerial delegates to the Council of Ministers. See Roger Scully, 'MEPs and the Building of a "Parliamentary Europe"', *Journal of Legislative Studies*, (1998) 4:92-108.

¹⁴ Further evidence consistent with this line of thinking can be adduced. One prominent example is that of the British Labour party, which has established an elaborate system of links between its MEPs and the (formerly Shadow) Cabinet. As part of this link system, one Labour MEP now acts as a European Parliamentary Private Secretary for each Government Department. See Shaun Spiers, 'Relations Between the Government and the European Parliamentary Labour Party', in (S. Tindale & E. Barrett, eds.), *Britain in Europe: Initiatives for the 1998 Presidency*, (London: Institute for Public Policy Research, 1997).

¹⁵ Tapio Raunio, 'Losing Independence or Finally Gaining Recognition? Contacts Between MEPs and National Parties', *Party Politics*, (2000) 6:211-224.

¹⁶ Raunio, 'Losing Independence...?', p.218.

¹⁷ Raunio, 'Losing Independence...?', p.221.

¹⁸ The ambivalent picture suggested is further enhanced by Hix and Lord, who comment that, "There have been some notable attempts by domestic parties to instruct their national delegations on how they should vote. This would seem to be fairly widespread on questions of fundamental political importance"; but the authors go on to observe that "However, there would seem to be only two major instances of domestic parties attempting to

Thus, our understanding of how parties structure relations with their European representatives remains limited. Only recently has detailed attention been paid to this topic, and this new literature has generated somewhat contradictory findings. Moreover, further problems persist. Although ideas contained within recent work (such as that a more powerful EP increases parties' incentives to monitor and control their MEPs' activities) are intuitively appealing, no general theoretical framework exists to incorporate them, to suggest a resolution of the apparent contradictions of existing work, or to generate further testable hypotheses. And important aspects of the relationship between parties and MEPs remain virtually unexplored. In particular, recent work has done little to examine whether significant differences exist *between* parties in how they structure relations with their MEPs, and if so, to consider how such differences might be explained.¹⁹ Beginning to address these and other gaps in our knowledge is the task undertaken in the following section of the paper.

3. AN INSTITUTIONAL THEORY OF MEP-PARTY RELATIONS

3.1. A 'Principal-Agent' Framework: Theories of 'principal-agent' (PA) relations are concerned with the delegation of power from one individual or entity (the Principal) to others (the Agent). Theories based around this framework have, of course, been used in numerous contexts, with a common concern being "how to design these structures so that the principal [] can ensure that the agent [] fulfils the principal's wishes".²⁰ The basic contention of this part of the paper is that similar concerns pervade the relationship between parties and their MEPs.

'mandate' MEPs on a more regular basis: the French Socialists in the early '80s and the British Labour party since 1984". See Hix and Lord, *Political Parties in the European Union*, p.129.

¹⁹ The only exception to this statement is the recent (unpublished) work of Ovey that compares Labour party and SPD management of MEPs between 1994 and 1999. This highly interesting study, however, is limited to two major social democratic parties, and thus provides little scope for generalization. See Joey-David Ovey, *Between Nation and Europe: Labour, the SPD and the European Parliament, 1994-1999* (University of Osnabrueck: Unpublished Doctoral Thesis, 2001).

i. MEPs as Agents: The vast majority of MEPs are members of recognized national parties, and seek and win election under the label of that party. Furthermore, the party usually remains an important focus of loyalty and attachment for MEPs. Although we have no direct measure of this loyalty, Table 1, based on a question asking MEPs ‘how important is it to you to represent the following groups of people in the European Parliament’, shows that national parties rate highly – certainly more so than the multi-national party groups in the chamber.

TABLE 1 about here.

However, important though the party is to most MEPs, the leadership and main focus of the party itself are usually located outside the EP, in national political institutions. With rare and notable exceptions (mainly confined to smaller parties), MEPs are not party leaders, nor do they constitute the main part of the elite of their parties. While generally represented in leading party bodies, MEPs virtually never dominate them, and “usually only the leaders of the EP delegation are members of the executive organs”.²¹ In short, most EP members operate apart from the central focus and power-base of their parties.

ii. Parties as Principals: I assume, at least initially, that a party can be conceived of as a unitary actor, roughly equivalent to the party leadership. Thus understood, there are important benefits that the party can obtain from MEPs. Building on the work of Raunio, we can identify two main types:²²

²⁰ B. Guy Peters, *Institutional Theory in Political Science: the ‘New Institutionalism’*, (London: Pinter, 1999:50).

²¹ Raunio, ‘Losing Independence...?’, p.213.

²² Raunio, ‘Losing Independence...?’, pp.211-212. Raunio identifies three points; however, one of them – embarrassment or other problems caused to a party by public disagreement – can plausibly be regarded as being subsumed under the two benefits identified above.

- *Information*: Much of what occurs in EU has domestic ‘reverberation’ that is, developments at the EU-level often have significant domestic-level implications.²³ Through their work in the chamber (in legislative committees, working groups and elsewhere), MEPs generally acquire expertise about the technicalities of European policy, the EU policy process, and about the internal political dynamics of the EP itself. This information may be less important to parties in government, who have an entire governmental apparatus to advise them; conversely, for opposition parties it may be particularly valuable.
- *Policy*: The increased powers of EP within the EU policy process mean that MEPs can potentially make a *direct* contribution to the achievement of the policy goals of a party by influencing policy choices made by Parliament.

3.2. *The Problem of ‘Agency Drift’*: A rational party would wish to maximise the informational and policy benefits accrued from their MEPs, while minimising costs. Costs for parties in structuring relations with their MEPs arise from the potential for ‘agency drift’ or ‘shirking’ – agents behaving contrary to party preferences – and involve the expenditure of resources to ensure that such shirking does not happen. Why might MEPs’ wish to shirk from party preferences, and how, exactly, might parties incur in preventing shirking? I will now elaborate on both of these matters.

i. Preference differences: “If we assume that agents act in their own self-interest, then ensuring that that self-interest of agents coincides with the self-interest of principals becomes

²³ Robert Putnam, ‘Diplomacy and Domestic Politics: the Logic of Two-Level Games’, *International Organisation*, (1988) 42:427-60.

a central concern”.²⁴ There are two main ways in which preference differences between agent and principal can arise. The first is ‘adverse selection’: choosing “an individual who has preferences that are poorly aligned” with the principal.²⁵ The second is changing preferences on the part of either agent or principal. Leaving aside the innumerable potential reasons for changing attitudes within parties, three main reasons for significant preference differences occurring in the specific context of the EP seem plausible:

- *Candidate selection*: Candidates for the EP may be unrepresentative of the wider party, possibly because of ‘self-selection’ effects among those offering themselves for candidature.²⁶
- *Socialisation*: A common hypothesis is that MEPs are subject to intensive socialisation effects after entering the chamber, making them more supportive of integration (or, as it has more crudely been put, MEPs ‘going native’).²⁷
- *Competing Goals*: Hix et al have argued that MEPs, as with other elected politicians, try to balance the achievement of 3 principal goals: policy, office and re-election.²⁸ It may be that the achievement of some of these goals means downgrading the promotion of the party’s policies.

ii. The ‘Costs of Control’: In a stylised world of perfect information, any preference differences between a principal and agent might matter little, as the principal would be fully

²⁴ J. March and J. Olsen, *Rediscovering Institutions: the Organisational Basis of Politics* (New York: Free Press, 1989), pp.10-11.

²⁵ Huber and Shipan, ‘The Costs of Control’, p.27.

²⁶ Such self-selection effects were identified, for instance, among members of the pre-direct election EP by Henry Kerr: see “Changing Attitudes through International Participation: European Parliamentarians and Integration”, *International Organization*, (1973) 27:45-83.

²⁷ It should be noted, however, that little systematic evidence in support of such socialisation notions operating amongst MEPs has ever been adduced: see Roger Scully, *Becoming Europeans? Attitudes, Roles and Socialization in the European Parliament*, (London: Palgrave, forthcoming).

aware of such differences and could act to ensure agent compliance. In more realistic circumstances, however, informational asymmetries generate ‘transaction costs’ that render control of agents problematic.²⁹ Thus, parties are faced with the question of whether they can ensure compliance by their MEPs with leadership preferences, and if so, whether the likely benefits from such compliance outweigh associated costs.

As discussed earlier, the main compliance tool that parties possess over MEPs would appear to be control over re-nomination and/or political advancement. However, such control is not absolute in all parties,³⁰ may be of little use when applied to individuals without long-term political ambitions (such as those approaching retirement), and may incur costs in terms of negative publicity and/or the creation of internal party divisions.

Furthermore, to know that any such sanctions are being deployed appropriately, or taking other actions to forestall the need to use them, may require significant efforts by the principal. Oversight activities require considerable expenditure of precious time and effort – an expenditure of resources that detracts from other activities. Many scholars of the U.S. Congress suggest that legislators are generally loath to engage in intensive ‘police patrols’ of government agencies; rather, they seek to establish ‘fire alarm’ warnings to alert them when things start to go wrong.³¹ For national parties, intensive ‘monitoring’ of their MEPs would consume precious staff time. Thus, parties might seek alternatives: the ‘link system’ established in recent times by the British Labour party, whereby mutual information gathering and policy discussion occurs between individual Labour MEPs and national ministers, is one example of an attempt by a party to build in an automatic ‘fire alarm’ mechanism to prevent MEPs taking a policy line contrary to the national party.

²⁸ Simon Hix, Tapio Raunio and Roger Scully, ‘An Institutional Theory of Behaviour in the European Parliament’, *European Parliament Research Group Working Paper Series* (1999) 1/99.

²⁹ John D. Huber and Charles R. Shipan, ‘The Costs of Control: Legislators, Agencies and Transaction Costs’, *Legislative Studies Quarterly*, (2000) 25:25-52.

³⁰ Notably, many parties involve rank-and-file party members in candidate selection.

Overall, then, we can summarise the utility function facing a party in structuring its relationship with MEPs thus:

$$U_{pi} = f((L + I) - O)$$

(where U_{pi} = Utility of Party i , L = the contribution towards policy goals made by MEPs, I = the provision of valuable information by MEPs, and O = the costs of active oversight).

3.3. Implications for Party-MEP Relations: Reconciling the Existing Literature: What implications does the above discussion generate regarding how parties will structure relations with their MEPs? Most obviously, and following Carruba and Gabel, we can assume that the importance of MEPs' actions to parties increases as the EP becomes more powerful – the value of L potentially increases. Therefore, parties' incentives to ensure the absence of agency drift grow as the power of EP also increases, and are greater at any single point in time in areas where the EP has more power.

A first, specific implication that we can draw is the following hypothesis:

H1. *As the powers of the EP increase, parties should take greater care over whom they nominate as candidates for the EP.*

Ensuring the greatest possible preference congruity between the principal and agent will help avert future costs for parties of monitoring and control activities. The necessary evidence to test this hypothesis systematically is not currently available; however, recent evidence from the UK, where the governing Labour party reformed the electoral system and introduced a 'closed'-list version of Proportional Representation that gave the party leadership much greater control over candidate nomination is at least consistent with the hypothesis.

³¹ For a classic discussion, see Matthew D. McCubbins and Thomas Schwartz, 'Congressional Oversight

The issue that animates recent literature, however, and where that literature appears to reach contradictory conclusions, is active control over MEPs: perhaps most specifically, should parties be increasingly willing to issue voting instructions to their European representatives? Clearly, Carruba and Gabel are correct to state that as the EP's powers grow, parties' incentives to seek favourable outcomes from the parliament also increase. However, it does not necessarily follow that parties should issue large numbers of voting instructions.

In discussing political control of agents in the U.S. context, Huber and Shipan observe that 'micromanagement' "can be a risky strategy, however, if politicians do not know precisely what outcomes will result".³² Such problems may face political parties in structuring relations with their MEPs. The issuing of accurate voting instructions would certainly require parties to be aware of what votes are coming up in the chamber, their subject matter, relationship to party policy etc, implying some monitoring costs being incurred.

But a further complicating factor is the internal political environment of the EP. The current EP contains over 100 national party delegations from the 15 countries: the relative voting weight of even the largest party contingent being quite small, working to gain beneficial policy outcomes may therefore require considerable tactical skill by a party's MEPs.³³ Moreover, MEPs vote on draft legislation that is frequently highly complicated and multi-faceted – essentially multi-dimensional in nature. It requires little imagination to see that in these circumstances, a party mandating its MEPs to support a strictly-defined position may actually damage its chances of obtaining a beneficial outcome from the policy process.³⁴ It is well understood within the realms of formal theory that as the dimensionality of the policy space increases, and if the number of actors involved is greater than two, the number of

Overlooked: Police Patrols versus Fire Alarms', *American Journal of Political Science*, (1984) 28:165-179.

³² Huber and Shipan, 'The Costs of Control', p.27.

³³ Madelaine Hosli, 'Voting strength in the European Parliament: The influence of national and of partisan actors', *European Journal of Political Research*, (1997) 31:351-366.

³⁴ This is, indeed, suggested by Hix and Lord, *Political Parties in the European Union*, pp.129-130, for reasons roughly similar to those outlined here.

possible policy outcomes in a bargaining process is virtually infinite.³⁵ Indeed, even a very simple model can show a lack of flexibility in such a bargaining situation to be harmful.

FIGURE 1 ABOUT HERE

Consider the heuristic example in Figure 1, which posits a three-actor, two-dimensional model of bargaining. I assume Euclidian preferences around ideal points represented for each actor by points **A**, **B** and **C**. If unanimity were required for an agreement, the only available agreement would be at the intersection (X) of the respective indifference curves OA, OB and OC, but if bargaining for a majority agreement were the order of the day, there would be no stable ‘core’ to the game. Consider, however, that the three actors represent national party contingents within the EP; and further that national party **A** issues its MEPs’ voting instructions such as to prevent them moving further from their ideal point than the outer limit of indifference curve OAi. This gives parties **B** and **C** have a clear incentive to make a deal between themselves, excluding **A**, as they have considerable scope for reaching an agreement that offers both an outcome much closer to their ideal point than any agreement that could be reached with **A**. The practical importance of this elementary model is to suggest that in a political environment like that of the EP, tying the hands of one’s agents to a particular position will often be an unwise strategy; it may actually impede MEPs from advancing a party’s policy objectives.

We can thus develop the following hypothesis:

H2. *The incentive for political parties to mandate their MEPs with voting instructions should decline as the complexity of the policy space increases.*

³⁵ Richard D. McKelvey, ‘Intransivities in Multidimensional Voting Models and Some Implications for Agenda

This reasoning plausibly helps to explain Raunio's findings – that voting instructions from parties to MEPs were more the exception than the norm. The apparently contrary findings of Hix, Gabel and colleagues, however, are also consistent with this reasoning. The Santer vote was an occasion when what was at stake was clear and unambiguous, and the number of potential outcomes was strictly limited. The vote occurred in what was essentially a uni-dimensional policy space: here, national parties could mandate their MEPs' votes with few risks. What may be erroneous, however, is to generalise about the party-MEP relationship from such an exceptional case.

This discussion suggests the following potential refinements of H2:

H2a. *Parties should issue voting instructions more often on votes that are perceived as of greatest importance (perceived importance likely being correlated with the clarity of the issue); and*

H2b. *The frequency of voting instructions should vary by type of vote – being less common on legislative votes (where the issues may be most complex) compared to non-legislative votes where the EP also has considerable powers (over the accession of new states or the endorsement of nominated candidates for EU executive positions) but where the issues at stake should be clearer.*

Although the necessary data to test these hypotheses in detail are not currently available, these refined hypotheses are potentially testable. Moreover, they follow from an approach that is consistent with findings in the existing literature, and which explains apparent contradictions within that literature.

Control', *Journal of Economic Theory* (1976) 12:472-82.

3.4. *Generating Further Hypotheses: Variation Between Parties*: One problem in the above discussion is that it makes no allowance for differences *between* parties in how they structure relations with their MEPs. This is a problem shared by analyses of other principal-agent relationships – a recent review of the literature in the American context argued that excessive attention has focused on developing models proving either that control of agent by principals may occur or that it might not, and suggested that:

political scientists need to turn attention away from whether or not control actually exists, and instead should examine factors underlying variation in institutional choices for political control.³⁶

Such concerns are clearly relevant to the analysis of how parties structure relations with MEPs. Intuitively, it would be surprising if parties as different as the French *Chasse, Pêche, Nature et Tradition*, the Swedish Social Democrats, the Ulster Democratic Unionists and the German Greens (to pick but a few examples) all behaved identically. This section of the paper, therefore, seeks to identify testable hypotheses concerning institutional sources of variation in party behaviour.

i. ‘Size Matters’: The incentives for parties to engage in costly monitoring exercises over their MEPs or establish other mechanisms for oversight – to engage in ‘police patrols’ or to establish and pay attention to ‘fire alarms’ – will plausibly depend on the size of a party’s delegation in the EP. The costs of simply letting them do what they want may be more substantial if a party has a large delegation of MEPs, with a concomitantly greater chance of influencing the policy outcomes emerging from the EP; on the other hand, if a party’s delegation to the EP is small, then however they behave the consequences of their actions

³⁶ Huber and Shipan, ‘The Costs of Control’, p.26.

(beyond, perhaps, political embarrassment) is more likely to be limited. Thus, one plausible hypothesis that we can specify is:

H3. *Voting instructions (and other forms of control activity) should be more frequent for larger national delegations.*

ii. ‘Centrality Matters’: The potential of a party’s EP delegation to influence policy outcomes will not only be a function of the size of the delegation. The location of the delegation on the political spectrum of the EP will also matter. Those parties that are more central on the spectrum are more likely to be part of a potential ‘winning coalition’ in the chamber.

However, and for reasons explained in the previous section of the paper, exactly what this might imply for frequency of voting instructions is unclear: does greater centrality make a party more inclined to mandate its members, or does it increase the incentive for a party not to reduce the scope for bargaining manoeuvre of its delegation? We therefore specify two variants of the following hypothesis:

H4a. *Voting instructions should be more frequent among delegations towards the centre of the political spectrum, and less frequent for those on the fringes.*

H4b. *Voting instructions should be less frequent among delegations towards the centre of the political spectrum, and more frequent for those on the fringes.*

iii. ‘Unity Matters’: Not all national political parties are equally unified. Indeed, party organizations appear, on the surface, to vary from rigid, Stalinist discipline to near anarchy. The degree of unity may vary according to broad political traditions and individual party

idiosyncrasies, but it may also be a function of the political system a party functions within: federal political systems engender a greater diffusion of authority than do unitary ones, and this may plausibly shape the parties that operate within them, generating a less clearly unified ‘principal’. We can therefore hypothesize that:

*H5. Parties from non-unitary states will be less inclined to issue voting instructions than those from unitary states.*³⁷

4. AN EMPIRICAL EXPLORATION OF THE PARTY-MEP RELATIONSHIP

This section of the paper will test the hypotheses specified above. It will do so principally by drawing on data gathered via a survey of MEPs conducted in the post-1999 European Parliament by the European Parliament Research Group. The survey was completed by 199 MEPs, or 32% of the total membership of the chamber, with the sample obtained being reasonably representative of the chamber as a whole (see Appendix for details).

The survey contains a number of questions that are pertinent to the concerns of this paper. For instance, paralleling Raunio’s survey of national parties, one question asked whether an individual MEP was “a member of the executive organ of your national party?” Exactly 40% of respondents answering this question (N=195) said that they were.³⁸ Of greatest relevance to this paper, however, we asked MEPs “how often do you receive recommendations on which way to vote from your national party leadership?” with possible responses varying on a 5-point scale from ‘On almost every vote’ at one end to ‘never’ at the

³⁷ I am grateful to Thomas Saalfeld for first suggesting this point to me.

³⁸ Although this figure is substantially lower than that (reported above) obtained by Raunio for the number of parties who have MEPs on these executive organs, the discrepancy reflects the fact that – as mentioned previously – such bodies often only include the leader of an EP delegation.

other. (The frequency of voting instructions coming from other sources was also enquired about, and this information is included in the table for comparative purposes).

TABLE 2 about here

As can be seen in Table 2, the responses to this question for frequency of national party vote instructions were skewed fairly heavily towards the low side; voting instruction from the leadership of parties being rather less common than from several other sources. However, we are still left with considerable variance in the frequency of national voting instructions to explain. In an attempt to do this, several independent variables related to potential institutional sources of variation, most of them linked to the hypotheses specified in the previous section of the paper, have been developed.

In relation to H3, I include for each survey respondent a measure of the size of their national delegation to the EP – specified, simply, as the number of MEPs in the delegation.³⁹ To explore further the implications of H4, I include a measure of the position of each MEP's national party on the left-right spectrum; this measure, based on expert ratings of parties, is 'folded' around the middle point of the left-right scale so that more extreme parties score more highly.⁴⁰ And in an attempt to test H5 (concerning the unity of the party as principal), I specify two dummy variables: one coded '1' if an MEP is from a federal state and '0' if from a unitary state;⁴¹ the second is coded '1' if the MEP is from a state whose electoral system for EP elections allows for regional representation, '0' otherwise. This allows us to distinguish

³⁹ For both the size of national delegation variable and that concerning whether a national party was in government or not, the variable is coded according to the situation as of 1st September 2000, the approximate date on which the survey was distributed to MEPs.

⁴⁰ The expert ratings of parties are taken from the work of Lubbers (2000); for the very small number of parties for which ratings could not be obtained, the average rating for all other parties in their party group was entered.

⁴¹ Three states were counted as 'federal': Germany, Belgium and Austria.

between any electoral system effect on party behaviour and one based on factors more deeply-rooted in the structure of the national political system.

Three other variables, while not linked so closely to specific hypotheses, were also included. One is a dummy variable for whether an MEP's national party was an office holder in the national government at the time of the survey (coded '1' if so, '0' otherwise). This factor is something that previous work (notably that of Hix and Lord, reviewed above) has suggested is of importance.⁴² The second variable is linked to the electoral system, and concerns whether the MEP was elected via a system that is broadly candidate- or party-centred.⁴³ It is plausible that a party might consider MEPs from electoral systems where the individual candidate has more control over their own fate and opportunity to develop some sort of 'personal vote' more immune to pressure from the national party leadership; conversely, those whose electoral prospects depend on the party may be more amenable to following party instructions, and so may receive more of them. Finally, a variable is included based on a survey question concerning the frequency of contacts that MEPs reported with their national party leadership. This might be seen as a general measure of the interest that party leaderships take in the EP; however, it may not be conceptually entirely distinct from the dependent variable (see below), as one purpose of contacts might be to issue voting instructions. I therefore run two versions of the statistical analysis: one with this latter variable included (model 2 in Table 3), and one without (model 1).

The reported frequency of voting instructions from the MEP's national party is the dependent variable that is then regressed on the independent variables specified above. OLS regression estimates (standard errors in parentheses) are reported in Table 3.

⁴² See also the analysis of MEPs' voting behaviour in several crucial divisions in Roger Scully, 'MEPs and the Building of a "Parliamentary Europe"', *Journal of Legislative Studies* (1998) 4:91-107.

TABLE 3 about here

The models attain a moderate fit to the data, with an adjusted R^2 of .21 for model 2 and .17 for model 1. Doubtless a much higher figure could have been obtained by included various country dummies; this course was not taken in the analysis because of our desire to try to explain *systematic* sources of difference in party behaviour.

Several aspects of the findings are of interest. Unsurprisingly, the variable for frequency of contact with the party leadership is, when included, a highly significant predictor of frequency of voting instructions, although this leaves unresolved the issue of the degree to which this variable is conceptually distinct from our dependent variable. The dummy variable for whether an MEPs' party is in the national government fails to come close to attaining statistical significance – whatever the experience in particular votes, such as the one on Santer, this factor does not appear to have any generalisable impact on how parties structure relations with their European representatives. Similarly, the electoral system variable does not point to any systematic differences in terms of frequency of voting instructions: more candidate-centred electoral systems do not seem to promote a significant diminution of party voting instructions.

As far as the variables most closely linked to specific hypotheses are concerned, however, we find somewhat greater support. Our second electoral system variable – whether or not the system encompasses regional representation – fails to come close to attaining statistical significance.⁴⁴ But the story is different as regards several other variables. The size of a party's delegation to the EP is, as hypothesized (H3), positively related to the frequency

⁴³ This variable was coded '1' for Denmark, Finland, Ireland, Italy and Luxembourg (which have open lists or use the single transferable vote system), '0' for all other states.

⁴⁴ The coefficients reported for this variable include Belgium, Ireland, Italy and the UK as countries allowing regional representation. The German system for electing MEPs is formally based on a unitary national list; however, in practice, MEPs have been allocated different regions of the country to represent. An alternative

of voting instructions from the national party, although the relationship is not strong, and only barely attains statistical significance in model 2 (and not at all in model 1).

In regard to H4a and b – the impact of a national party's centrality on the political spectrum, the variable is strongly related to frequency of voting instructions in both versions of the model. The direction of the relationship indicates that national parties further from the centre are more likely to mandate their European representatives: thus endorsing H4b rather than H4a. Parties more central to the political spectrum are, this evidence suggests, perhaps aware of the potential negative side to overly frequently instructing their representatives.

Finally, H5 is strongly supported by the data. In both versions of the model, the dummy variable for whether or not a country is a federal state is highly significant and in the hypothesised direction – voting instructions are more frequently issued from parties operating in unitary political systems, less by those operating in federations. This indicates that the unity of the principal is an important factor in shaping party behaviour to their European agents. Overall, the findings suggest that there is a considerable systematic component to how parties structure relations with their MEPs, and that this can be directly linked to institutional sources of variation in behaviour.

5. CONCLUSION

This paper has sought to make a significant contribution to an important, though hitherto largely neglected, aspect of political parties' relationship to the evolving process of European integration. That is, the paper has attempted to advance our conceptual understanding and empirical knowledge of how national political parties structure relations with their representatives in the increasingly important European Parliament. The focus of the paper has been two-fold: first, an attempt to develop a theoretical understanding of the forces

version of the models was therefore run, with Germany coded '1' on this variable, rather than '0'. However, this

driving the party-MEP relationship, and second, to develop and begin testing specific hypotheses derived from that theoretical understanding.

The principal-agent based theory developed in section 3 of the paper, though far from fully developed, has enabled two things to be accomplished. First, it has allowed for certain apparent contradictions in the existing literature to be resolved, by indicating that although there are circumstances in which many parties may wish to mandate their MEPs, there are also good reasons why such behaviour will not be frequent and universal across all parties. Second, the theoretical approach has helped in the development of testable hypotheses concerning variations between parties in how they structure relations with their MEPs. Though this paper is very much a provisional effort, it does indicate that scholars can hope to develop more systematic knowledge about how national political parties and important European representative institutions co-exist.

alternative specification did not make any substantial difference to any of the results reported.

APPENDIX: THE MEP SURVEY 2000

The MEP Survey 2000 was co-authored by Simon Hix and Roger Scully, on behalf of the European Parliament Research Group (<http://www.lse.ac.uk/depts/eprg>), and funded by a grant to Simon Hix under the ‘One Europe or Several’ research programme of the Economic and Social Research Council (Grant: L213252019). The survey was administered in September 2000; response rates were as detailed in the table below.

	No. respondents	No. MEPs	Response rate (%)
Austria	2	21	9.5
Belgium	6	25	24.0
Denmark	7	16	43.8
Finland	7	16	43.8
France	22	87	25.3
Germany	27	99	27.3
Greece	8	25	32.0
Ireland	4	15	26.7
Italy	23	87	26.4
Luxembourg	5	6	83.3
Netherlands	15	31	48.4
Portugal	11	25	44.0
Spain	17	64	26.6
Sweden	10	22	45.5
United Kingdom	35	87	40.2
Total	199	626	31.8

TABLE 1: PERCEIVED IMPORTANCE AMONG MEPs OF DIFFERENT GROUPS REPRESENTED, %^a

Group	Of Little Importance			Of Great Importance			N =
	1	2	3	4	5		
All People in Europe	13.7	8.9	18.9	26.3	32.1	190	
All in Own County	3.7	6.9	19.1	34.0	36.2	188	
Voters for Own Party	4.3	9.6	24.5	33.0	28.7	188	
Voters in Own Constituency	6.1	7.3	16.2	33.0	37.4	179	
National Party	4.9	11.4	24.3	33.5	25.9	185	
EP Party Group	7.0	11.4	28.6	38.4	14.6	185	

^a Source: The MEP Survey 2000

TABLE 2: FREQUENCY OF VOTING INSTRUCTIONS TO MEPS, %^a

	On Almost Every Vote				Never	
Source	1	2	3	4	5	N =
National Party Leadership	4.8	10.2	17.1	34.2	33.7	187
EP Party Group Leadership	64.4	16.0	9.5	4.6	5.7	194
National Party Delegation	32.8	25.4	19.6	13.2	9.0	189
EP Comm. Leadership	20.6	17.2	13.3	15.6	33.3	180
National Government	4.8	10.1	30.3	30.3	24.5	181
European Interest Groups	11.2	29.0	31.4	14.9	12.8	188
National Interest Groups	7.0	32.1	32.6	18.7	9.6	187
Private Citizens	2.7	8.1	23.1	42.5	23.7	186

^a Source: The MEP Survey 2000

TABLE 3: OLS REGRESSION ESTIMATES (STANDARD ERRORS) FOR FREQUENCY OF VOTING INSTRUCTIONS BY MEP'S NATIONAL PARTY LEADERSHIP

Variable	Model 1	Model 2
Size of Nat. Delegation	.00 (.01)	.01 (.01)*
Ideological Position of Party	3.27 (.94)***	2.24 (.96)**
Federal State	-1.01 (.22)***	-1.02 (.22)***
Regional Representation	.12 (.18)	.11 (.18)
Party in Nat. Government	- .00 (.16)	- .10 (.16)
Candidate-centred electoral system	- .16 (.21)	- .01 (.21)
Contact with National Leadership		- .32 (.08)***
Constant	1.74 (.24)	2.54 (.31)
Adjusted R ²	.17	.21
N = 187		
* = p < .10; ** = p < .05; *** = p < .01		

FIGURE 1

