

## Ireland's Power in Europe

One major criticism of the Lisbon treaty in the run-up to last June's referendum was that it would weaken Ireland's voting power in Europe. Libertas' second reason to vote no was that the treaty "halves Ireland's voting weight while doubling Germany's." The point has been repeated in the Dail, in hearings of the Oireachtas Subcommittee, and in the letters pages of the Irish Times. And Coir and Sinn Fein made similar claims. At least on the "no" side there seemed to be general agreement that Ireland's voting weight would have fallen dramatically under Lisbon and that a no vote was needed to keep Ireland strong in Europe. But given the complex voting rules in Europe, the validity of the claim is actually quite hard to assess. What is Ireland's voting weight? Does it really fall under Lisbon? How much voting weight should we have anyhow? And does it really matter?

The short answers to these questions are: Ireland's voting weight now is about 2%, under Lisbon it would be about 2%, and by at least one standard it probably *should* be about 2%. So insofar as voting weight can be measured at all the rules suggest that Ireland's voting weight won't change very much. But what will change is the type of power all states have: in general more decisions could be made more easily under Lisbon than under Nice. That fact raises the most important question of power in the EU: not who has how much a share of the power but whether the EU as a whole should have power and whether voters want to be part of a powerful or a weak EU. As far as power is concerned, that's the question that matters.

**What is voting weight?** The simplest interpretation of voting weight is that it is the share of votes that you control – if you control a third of the votes you have a third of the voting weight. This definition runs into a number of problems however. First you can't always use it. For example, the Lisbon formula for determining decisions in the European council uses two different measures—how many countries vote for a motion (there must be at least 55% of countries) and how much of the population they represent (they must represent at least 65% of Europe's population); the rules under Nice use three different measures. With such complex rules, different countries do not have different numbers of votes that you can just count. In such cases some more general notion of voting power is needed.

The second problem is that even if you could just count up votes, the answer you get might not be *strategically* relevant. This problem is more subtle and best illustrated with an example. Say that there are four countries with vote shares given by 45%, 45%, 6% and 4% and say that you need a simple majority to pass a bill. At first glance it might look like there are two very powerful countries and two very weak countries. But from a strategic perspective that is not true; the first three countries are all equally important while the last one counts for nothing. The reason is that any two of the first three countries control over 50% of the vote while the support of the fourth country is never needed to form a winning coalition.

For this reason mathematicians and political scientists have put a lot of work into trying to find ways to translate voting rules into voting weights. There are many ways to do this, but perhaps the most intuitive approach uses what's called the Banzhaf index. The Banzhaf index gives a voting weight to each group based on the probability that that group will be pivotal to a random coalition. The idea is that your vote really matters only when it will affect the outcome. To calculate the Banzhaf index in the example above one would look at all the possible winning coalitions and ask in how many of these each country is pivotal. In this case there are eight possible winning coalitions and each of the first three countries is pivotal in four of them while the fourth is pivotal in none. The Banzhaf index would then accord equal weight to the first three (one third each) and zero weight to the last one.

An advantage of the index is that it can be used even for more complex voting rules like those proposed in the Lisbon treaty which combine information on the number of countries (a feature that weights all countries equally) and the population share (a feature that puts more weight on big countries) in order to work out which of these two elements is more important in any given case.

**Does Ireland's voting weight fall under Lisbon?** The example above is quite easy to work through because there are very few countries involved. Voting weights become more difficult to calculate however as the number of countries rises. With 27 countries there are  $2^{27}$ , or 134,217,728, coalitions to examine. Even in this case, however, the logic is just the same and it's an easy matter to ask a computer to run the numbers and report which coalitions are winning and in how many each country is pivotal.

When one does this one finds that, under Lisbon, Ireland would be pivotal in over two million possible winning coalitions; Germany meanwhile would be pivotal in over thirteen million. The corresponding Banzhaf power weights are just over 2% for Ireland and just under 12% for Germany.

Does this represent a halving of Ireland's weight and a doubling of Germany's? To answer the question, we need to do the same calculation for the Nice treaty rules. Doing this we find that under Nice Ireland is pivotal in over half a million coalitions while Germany is pivotal in just under four million. Ireland's voting weight is just below 2.2% while Germany's is just below 7.8%. The effect of the treaty in terms of relative power is not nearly as strong as Libertas and others suggest. Germany's rises, but by 50%, not 100%. Ireland's declines, but by less than 7% not 50%. Countries smaller than Ireland actually gain, with the biggest gain of all made by the smallest country in the EU, Malta. So it is true that Germany gains, but not at the expense of Ireland or of the small countries. In fact, the biggest losers are the medium sized countries, with Hungary and the Czech Republic hardest hit, although even these only lose 25%; Poland is also a big loser; but no country comes close to having its weight halved.

**What voting weights *should* countries have?** Is it fair that Germany's voting weight increases while Ireland's goes down, even if not as dramatically as was suggested by many? Should Ireland have as big a say as Germany or should Germany have a larger vote in light of its much larger population? It largely depends on whether you are more concerned with equality between states or equality between citizens. Much of the no campaign has focused on the democratic ideals, which in most accounts emphasize equality between citizens. While equal voting weight for all countries does accord with a principle of equality of nations, it falls short of the democratic ideal of allowing citizens to have an equal ability to influence outcomes. What voting weight ought countries have in order to provide Europe's citizens with equal voting weight independent of what country he or she lives in?

This can be worked out as follows. The total probability that any given citizen is pivotal is just the probability that they are pivotal inside their own state multiplied by the probability that their state is pivotal. Individuals in large states are less likely to be pivotal within their states, so to equalize pivotal probabilities, larger states should have larger voting weights than small states. But to know how much larger we need to know the probability with which a person is pivotal in his own state. Interestingly it turns out that although voters are more likely to be pivotal than voters in a state four times as large, they are only twice as likely (not four times as likely) to be pivotal. (More generally, the probability that one is pivotal within a state is approximately inversely proportionate to the square root of the size of the country's population.) So to equalize probabilities across individuals, a state that is four times as large as another would only have to have twice the voting weight of the smaller state.

Turning to Lisbon, Germany has a population almost twenty times greater than Ireland's, so if you want to equalize individual voting weights between Ireland and Germany it is enough to give Germany a voting weight approximately four and half times as large as Ireland's. Looking across all EU states, this logic suggests that to equalize the power of individual citizens, Ireland's voting weight should be about 2.1%, while Germany's should be about 9.5%. So relative to this benchmark Ireland is appropriately represented under the Lisbon rules while Germany is somewhat overrepresented. Again the underrepresented states are the midsized ones. Poland again is a big loser relative to this benchmark, which might help explain why Poland argued for a voting system based on these considerations—give each country votes proportional to the square root of its population.

**Does it matter?** Voting weights calculated in this way tell only a small part of the story. The Banzhaf index is calculated on the assumption that any coalition is equally likely to form. In fact, however, any given state is typically more likely to find itself in agreement with some states and in disagreement with others. These and other factors can affect whether *in fact* a given state is likely to be pivotal. States that are always in disagreement with all other states are unlikely to be pivotal under majority rule, for example. Research on voting patterns in the US suggest that such considerations would justify allocating voting weights

approximately proportional to population size, or conversely, that under Lisbon Ireland's citizens would in fact enjoy voting power considerably greater than that of citizens of the larger countries. A broader implication is that there should be less of a focus on the weights implied by the treaties and more of a focus on Ireland's ability to form alliances on key votes in Europe. Increasing a nominal vote share while alienating partners may not, in fact, lead to a stronger Ireland.

A second problem that arises from focusing on voting weights is that by their nature voting weights assume that political power is zero-sum; that there is a certain amount of political power and the question is only who gets how much. Of course this is not the case: it may be better to have a smaller power share over an effective institution than a larger share over an ineffective one.

But there is also a more subtle way in which power is not zero-sum. One useful distinction is between the power to make things happen and the power to stop things from happening. Consider two cases. In each case there are 27 voters, in the first all 27 must agree for a decision to go through; in the second a two thirds majority is all that is needed. In both cases the voters have the same voting weights—one 27<sup>th</sup> each—but there is nevertheless a big difference. In the first each voter can block all developments but has little power to implement changes he or she cares about. A voter might find himself having an equal say in an organization that can do very little. In the second, although each voter cannot block all changes, they can form many different coalitions to bring about change they care about. Although the voting rules, and Ireland's vote share, seem to be about the same under Nice and Lisbon; there is a difference which can be seen in the numbers above. Under Lisbon, Ireland, and all other countries, have many more opportunities to form winning coalitions, but fewer opportunities to form blocking ones.

Ultimately an assessment of voting power under a Lisbon-like treaty depends on what one wants Ireland to do with its power. There is much that we could do, from working for more accountable institutions, for a stronger international development policy, for greater social protection, for a fairer global trading system; for many of the issues that have sustained the no vote. What is really at question is not how much power but what type of power we want: the power simply to make sure that things stay much as they are or the power to contribute to crafting a new agenda for Europe?

Macartan Humphreys