Enlargement and Exit

The Origins of Article 50

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Abstract

Many international organizations and the vast majority of federations lack exit clauses. Existing theoretical explanations of this stylized fact focus on issues of credible commitment, signaling, and the risk of strategic exploitation. However, such accounts are unable to explain the adoption by the European Union (EU) of Article 50, which allows withdrawal. I theorize and demonstrate empirically that in the case of the EU, an exit-voice logic lies at its origin during the 2002-2003 European Convention. As a protection to undesired policy changes post entry, countries of the 2004 Eastern accession demanded an exit right. Underlying the fear for policy changes was their much lower level of economic development and corresponding differences in policy preferences. As a mirror image, rich outliers like the UK and Denmark also supported Article 50, which likely contributed to its final adoption through the Treaty of Lisbon.

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Introduction

The EU first adopted an exit right during the 2002-2003 Convention on the Future of Europe. The clause came into force with the Treaty of Lisbon as Article 50 of the Treaty on European Union (Athanassiou, 2009). On March 29, 2017 the United Kingdom triggered Art. 50 and set in motion the process of its withdrawal from the EU, known as Brexit. Clearly, Article 50 matters. This article provides a theoretical and empirical account of its origins.

Temporary escape and withdrawal clauses are present in many but far from all international treaties (Helfer, 2005; Koremenos, 2016; Rosendorff and Milner, 2001). In contrast, the vast majority of federations lack exit clauses.[1] Existing theoretical explanations focus on issues of credible commitment, signaling, and the risk of strategic exploitation. However, such accounts are unable to explain the adoption of Article 50 by the EU, and even less its timing.

Regarding international agreements, Koremenos (2016) demonstrates that when exit clauses are present, they have longer notice and wait periods in the presence of enforcement and commitment problems. Extending this logic, one could easily conclude that given the importance of stability and credible commitment for its success, the EU should lack an exit clause. From this perspective, the timing of its adoption is even more striking. As the EU became further integrated and adopted a common currency, commitment should have become more important – and hence the adoption of an exit clause less likely rather than more.

A similar argument regarding federations is developed into a formal model by Bordignon & Brusco (2001). They find that even in the presence of exogenous shocks, constitutions may optimally avoid exit clauses. The reason is that the benefits of a union may depend on its perceived stability: "The absence of explicit secession rules can be seen as a commitment device to increase the stability of the federation. By not introducing these rules, the federation raises the exit cost for its members, thus reducing the probability of a break-up in the future." (Bordignon and Brusco, 2001: 1812). Again, following this argument one would expect the EU not to have an exit clause, and expect the probability of adoption to decrease with further integration.

As pointed out by Spier (1992) and Rainer (2007), contracts may lack exit clauses because of signaling. Parties committed to the success of the cooperation may want to signal this

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[1] According to data from the Constitute Project (Elkins et al., 2009) among 192 constitutions currently in force, only 23 address the secession of territory. Among these, only 6 explicitly recognize some right to secede: Ethiopia, Liechtenstein, Saint Kitts and Nevis, Sudan, United Kingdom, Uzbekistan. Of these six, only Ethiopia, Saint Kitts and Nevis, and Sudan are federal. For more background, see Sorens (2012).

by foregoing exit provisions. Finally, exit clauses may be avoided because they may be exploited strategically for blackmailing the rest of the union into concessions, especially in the presence of incomplete information (Chen and Ordeshook, 1994; Sunstein, 1991). In order to explain the adoption of Article 50 based on these arguments, one would have to take the tenuous position that concerns of signaling or strategic exploitation in the EU have gone down rather than up.

To conclude, none of these theoretical arguments can explain why the EU has an exit clause, and even less why it was only adopted later in its institutional development. This is the contribution of this article. It is, to the best of my knowledge, the first to address theoretically and empirically why and when the EU adopted an exit clause.[2]

The remainder of this paper starts with the central theoretical argument, followed by a discussion of the EU's 2002-2003 Convention on the Future of Europe. At the time of the Convention, 10 Candidate States were expected to join the EU in 2004. The heterogeneity-veto argument developed in this article is shown to be able to account for the timing of the EU's adoption of an exit clause, since these Candidate States were the first new Member States to both differ significantly from the existing Member States and to enter when the EU had moved from unanimity decision-making to qualified majority voting.

After discussing the timing of the EU's adoption of an exit right, the paper moves to data and regressions. For the dependent variable, the positions of Convention delegates and their national parties were newly coded by the author from Convention documents. The results of a series of probit regressions further support the hypothesis that heterogeneity leads to a desire for an exit right. They also show that the heterogeneity-veto argument predicts well which Member States would support an exit right, namely those with outlying preferences. The article then concludes after discussing the role of the United Kingdom in the adoption and use of Article 50.

Exit, voice, veto rights and heterogeneity

The exit-voice argument of this article fits in a tradition of exit-voice-loyalty models building on Hirschman (1970). It also relates to the work by Buchanan and Tullock (1962) and Buchanan (1991) regarding the need for minority protection. In this literature exit rights are seen as enabling credible threats in order to prevent exploitative policy changes and overreaching by the central government (Apolte, 1997; Buchanan, 1995; Buchanan and Faith, 1987; De Figueiredo and Weingast, 2005; Hirschman, 1970; Slapin, 2009; Weinstock, 2001).

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[2] For an overview of literature on EU disintegration rather than its adoption of an exit clause, see Vollaard (2018).

My specific theoretical argument is as follows. When thinking about joining the EU (or another type of political union), prospective members reflect on the benefit this will yield. A first proxy is the estimated benefit under the existing policies. However, depending on the policy-making rules, prospective members realize that these policies may be changed later on.

Without a veto, they cannot block changes and policies may be changed to such an extent that a member stops benefitting from the union. Given the reputational costs of unilateral exit (Helfer, 2005), members may be forced to stay even in such cases. However, if they are given an ex-ante exit right, they know that they will be able to leave at a more limited cost.

The problem of unwanted policy changes is most urgent for prospective members that are outliers in terms of characteristics and preferences. The more heterogeneity across members, the higher the possibility that some members will be consistently outvoted. This is especially true in a setup with a relatively homogeneous core of members that has a sufficient legislative majority to push through policy changes at the expense of a periphery with different preferences.[3]

This implies that a core could only successfully attract a periphery with (1) a set of initial policies such that the periphery would benefit from the union and (2) a legislative veto or a constitutional exit right. With a legislative veto, any member of the periphery could block any unwanted policy change. With an exit right, a member of the periphery would leave only if so many policy changes had occurred that it was no longer benefiting from the union at all. Hence from the point of view of the core, offering a constitutional exit right is the better option.

In conclusion, in unions that are strongly heterogeneous across members, the expectation is that the core will offer the periphery an exit right in order to give it some protection against unwanted policy changes. Consistent with the literature on the size of jurisdictions (Alesina and Spolaore, 2003; Tullock, 1969), the core will be willing to do this if the additional economies of scale from attracting the periphery are worth it.

Another way to phrase the heterogeneity-veto explanation of exit clauses is the following: veto rights and exit rights can act as substitutes in offering constitutional protection to peripheral members in heterogeneous unions. However, given that veto rights are more

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[3] Members of the core may have norm-based reasons for refraining from pushing through legislative programs that would hurt the periphery. However, if the core expects to be fully bound by norms of universalism or consensus, then giving a free exit right to the periphery will not change its own expected benefits. Hence refusing to give such a right sends a signal to the periphery that the core actually expects not to be bound by them.

costly to the core in terms of inhibiting policy changes, the expectation is that an exit right will be offered instead.

The EU's adoption of an exit right at the European Convention

The second part of this paper assesses the empirical merits of the heterogeneity-veto argument in more detail. After discussing the timing of the EU's introduction of an exit right, regression analyses provide statistical evidence for the role of heterogeneity.

This section starts with summarizing the context of the Convention on the Future of Europe (2002-2003) and the subsequent Intergovernmental Conferences of 2004 and 2007. Next it considers the EU's broader institutional history and the timing of its adoption of an exit right.

The Convention on the Future of Europe (2002-2003)

The Convention on the Future of Europe was chaired by Valéry Giscard d'Estaing. The 15 Member States and 13 Candidate States[4] had one representative of their government, and two representatives of their national parliaments. The European Parliament (EP) had 16 representatives and the Commission 2. In this setup, as formulated by van Hecke (2012: 846), "each Convention member was subject to three loyalties: nationality, institution and ideology".

Prior to the Convention the legality of unilateral exit from the EU had been contentious (Athanassiou, 2009; Berglund, 2006; Harbo, 2008; Herbst, 2006; Hofmeister, 2010; Weiler, 1985; Wyrozumska, 2012). Most of the cited authors do not take a strong position themselves. Those that do take a position tend to conclude that unilateral withdrawal was not possible.[5] Below, I summarize the most common arguments on both sides.

Arguments that unilateral exit was possible are usually based on the Vienna Convention on the Law of Treaties (VCLT), the acceptance of the 1975 British referendum on European Community membership, or the withdrawal of Greenland (a part of Denmark) in 1985. Since the withdrawal of Greenland was not unilateral but based upon unanimous agreement, most authors consider the last argument void in relation to unilateral exit.

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[4] Of these 13 Candidate States, 10 states acceded in 2004 after signing an Accession Treaty in 2003: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia, Slovakia. The other three Candidate States at the time were Bulgaria and Romania (acceded in 2007) and Turkey (which has not acceded to date).
[5] Athanassiou (2009: 7) concludes that "unilateral withdrawal from the EU would not, as a matter of public international law, be inconceivable, although there can be serious principled objections to it". According to Berglund (2006: 147) "there is no guaranteed legal right to withdraw in the current situation". Herbst (2006: 383) concludes that "currently, there exists no unlimited right of an EU Member State to withdraw from the Union, i.e. without any further prerequisites and simply at the free discretion of the respective Member State". Hofmeister (2010: 590-591) writes that "neither the EC Treaty nor the EU Treaty provided for an express or implicit right to unilateral withdrawal […] even if one accepts the applicability of Arts 54–62 VCLT it would be difficult to construe a right to withdraw unilaterally based on these Articles". Finally, Weiler (1985: 287) concludes that "orthodox legal analysis would confirm, in the context of the EEC, Feinberg's general conclusion against the automatic right of unilateral withdrawal".

Based on the first two arguments, the House of Lords (2016) concludes that exit was possible prior to Article 50. However, now that Article 50 exists, they acknowledge that it overrides any general exit right conferred by the VCLT to treaties that are silent on the matter.

Arguments that unilateral exit was not possible are usually based on the unlimited duration of the treaties (Art.312 EC, later Art.53 TEU), the principle of "ever-closer union" and the autonomous and superseding character of the European legal sphere. While the first two arguments undermine the claim that the treaties are silent on exit (so that VCLT Art.56 does not apply), the third argument on the "primacy of EC law" implies that Member States could not withdraw unilaterally, because they are not allowed to overturn the application of EU law to their citizens (Wyrozumska, 2012: 1394). To conclude, while unilateral exit was possible according to some, it clearly would have been more difficult and costly prior to Article 50.

The first substantive draft of a withdrawal right was proposed by the Praesidium on April 2, 2003 (document CONV 648/03). The draft Article 46 (reproduced in the Appendix) allowed unilateral withdrawal i.e. exit. If a withdrawal agreement could not be reached within two years, the withdrawing state would no longer be bound by the EU's constitution.

The draft of Article 46 proved controversial (Spinant, 2003), and many amendments were proposed (European Convention, 2003). The Convention plenary of April 25, 2003 saw a strong discussion: "the 105-member body was split as to whether such a clause would appease Eurosceptics or give ammunition to them" (Mahony, 2003).

Representing the Dutch parliament, Frans Timmermans (plenary of April 25, 2003; intervention 5-066) formulated the following position, which showed understanding for the Baltic countries but still demanded stringent conditions for exit:

"[…] think of our Baltic friends: they have indeed lived in a prison and it is important for them to be able to say to their citizens, 'we can leave'. […] If we maintain Article 46, I would support […] three conditions, namely that you can leave at the next stage of European integration, […]; you can leave by the same procedure as that by which you joined; and, thirdly, a mutually acceptable agreement is compulsory before you can leave."

In the end, none of the conditions proposed by Timmermans and others were added to the draft. The Convention adopted by consensus a final draft and presented it to the European Council in Rome on July 18, 2003. The withdrawal clause, now numbered Article 59 but essentially unaltered, is reproduced in the Appendix.

The 2004 and 2007 Intergovernmental Conferences (IGCs)

Based on the draft Constitutional Treaty, the IGC started in October 2003 adopted the Treaty Establishing a Constitution for Europe (TCE) on June 18, 2004. The withdrawal clause was now numbered Article I-60 (reproduced in the Appendix). However, referenda in France and the Netherlands failed to approve ratification and the TCE never came into force. This setback led to a period of reflection.

When Germany assumed the presidency of the Council in 2007, it decided to strive for a new Treaty that would contain the most important reforms of the failed TCE (König et al., 2008). Lord Kerr, who had been Secretary General of the European Convention, pushed for the inclusion of the withdrawal clause he had drafted (Kerr, 2007). This attempt was successful and the withdrawal clause was indeed reproduced in the Treaty of Lisbon. Since the Treaty of Lisbon was successfully ratified, the exit clause has been numbered Article 50 of the Treaty on European Union (TEU), reproduced in the Appendix.

The EU's institutional history and the timing of its adoption of an exit right

Table 1 gives an overview of the EU's recent history. More details can be found in Crombez & Hix (2011) and Kelemen, Menon, & Slapin (2014). Historically, the Council made all decisions by unanimity. Qualified majority voting (QMV) was introduced through the 1986 Single European Act (SEA). This change from unanimity to QMV supermajority eliminated the Member States' individual veto on the concerned policy areas. All Treaties adopted after the SEA further expanded the use of QMV to more policy areas: Maastricht (1992), Amsterdam (1997), Nice (2001) and Lisbon (2007).[6]

The historical use of unanimity also extended to the nomination of the European Commission. This is important because the Commission holds the legislative initiative right, implying that Member States could indirectly enforce the legislative status quo by refusing to nominate Commissions that would move away from it (Crombez and Hix, 2011). However, since the Nice Treaty the European Commission has also been nominated by QMV, thus opening the possibility of majority-approved legislative programs that move away from the status quo.

The decision to abandon unanimity voting allowed the EU, which was relatively homogeneous up to that point (Maggi and Morelli, 2006), to escape a joint-decision trap in which one dissenting country could block efficient collective action (Scharpf, 1988). It is important to point out that even the UK and Denmark, two later supporters of a free exit

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[6] In addition to the move towards QMV on existing policy areas, there was also more centralization through an expansion of policy areas on which the EU produced legislation (Pollack, 2000). The expansion and related increase in complexity may also have contributed to the desire for an exit clause. Its more direct effect was to increase support for the subsidiarity principle and for an Early Warning System to police it (Huysmans, forthcoming).

right, accepted to give away their individual veto power. In accordance with my theoretical argument, this suggests that they were not too heterogeneous from the rest of the EU at that time, and willing to accept being outvoted occasionally. As it turned out, while the UK and Denmark were sometimes outvoted in the Council, both Sweden and Germany voted no or abstained more often (Mattila and Lane, 2001).

Table 1. Treaty Reforms and Accessions to the EU from the Single European Act to the Treaty of Lisbon

Treaty	Signed	Council decision rule	Member States
Pre-SEA		Unanimity	Belgium, Germany, Denmark, Greece, France, Ireland, Italy, Luxemburg, Netherlands, Portugal, Spain, UK (EU-12)
SEA	1986	Introduction of QMV	
Maastricht	1992	Extended use of QMV	
Accession	1994		+ Austria, Finland, Sweden (EU-15)
Amsterdam	1997	Extended use of QMV	
Nice	2001	Extended QMV, incl. to Commission nomination	
Accession	2003		+ A-10: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia, Slovakia (EU-25)
Lisbon	2007	Extended use of QMV	

Table 1 also shows the EU's expanding membership. Prior to the SEA, 12 Member States had joined the European Economic Community. In 1994, Austria, Finland, Sweden and Norway signed an Accession Treaty, bringing the EU to 15 members (ratification failed in Norway). On 16 April 2003, the so-called A-10 Candidate States (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia, Slovakia) signed an Accession Treaty, which took force after ratification on 1 May 2004.

The theoretical argument presented earlier leads to the conclusion that prospective members of a union will require an exit right if (a) they are strongly heterogeneous from the core majority and (b) they will lack a legislative veto after joining. Applying this to the EU, both conditions apply clearly to the countries that acceded in 2004, and much less to those that acceded before.

Austria, Finland and Sweden were arguably much more similar to the EU-12 than the A-10 were to the EU-15.[7] The A-10 accession states were mostly Eastern European and former communist countries. Average Gross Domestic Product (GDP) in 2003 was 29,124 euros/capita for the EU-15, and only 8,571 euros/capita for the A-10 (Eurostat, 2016).

Because the A-10 countries were so different from the EU-15, in particular with respect to economic development, they expected to benefit from EU policies such as cohesion spending and the Common Agricultural Policy (König and Bräuninger, 2004; Swinnen, 2001). However, in line with my theoretical argument, they knew that once they entered the EU-15 might attempt to reduce these policies. For divergences in economic development as drivers of conflict in the Council more generally, see also Bailer, Mattila, and Schneider (2015).

In terms of lacking a legislative veto to block such policy changes, the prospective Member States in 2003 would clearly have less veto power than those of 1994 due to the expansion of QMV to more policy areas and to the nomination of the European Commission.[8]

The timing of the EU's introduction of an exit right is therefore consistent with the heterogeneity-veto argument presented in this article: it came at a time when a set of new and heterogeneous states were about to become members of the EU, knowing that they would lack a legislative veto. This conclusion is supported by statements such as that of Liene Liepina (plenary of April 25, 2003, intervention 5-076, in German). Speaking on behalf of the Latvian Parliament, she said that the article was symbolically necessary in order to convince the Latvian population that they were entering a free union, from which they could leave. Clearly, Liepina saw the exit right as important for the Latvian accession referendum to be held on 20 September 2003.

In an article on the earlier Hungarian accession referendum taking place on April 12, The Economist (2003) wrote the following about the fear of losing sovereignty: "Viktor Orban […] said that today's Eurocrats view Hungary much as its former Soviet masters used to". The introduction of an explicit exit right, while perhaps not salient to the average voter in the accession countries, made it at least more difficult to make such statements undermining support in subsequent accession referenda.

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[7] For specific sensitive issues on which countries are heterogeneous, the EU also sometimes grants permanent policy derogations at the time of accession. An example of such a derogation is the right of Sweden not to ban the sale within Sweden of an oral tobacco product known as Snus, as codified in Annex XV corresponding to Article 151 of the Accession Treaty of Austria, Finland, and Sweden.

[8] As a group, the A-10 countries would have 37 votes out of 124 in the Council, versus 87 for the EU-15 countries. A qualified majority in the Council would require 88 out of 124 votes, giving the A-10 countries as a group a blocking minority of just one vote. Leaving out Cyprus and Malta, with two votes each, the 8 Eastern European countries among the A-10 would have only 33 votes, leaving a qualified majority of 91 votes for the EU-15 plus Cyprus and Malta.

In addition to the wish of positively affecting the accession referenda, the exit clause also served the purpose of shoring up support for the Constitutional Treaty in the accession countries and in Eurosceptic Member States such as the UK and Denmark. As said by Henrik Hololei, representing the Estonian government: "I extend my sincere support for Article 46 […] Not having this article makes it very difficult for me to defend the new Constitutional Treaty in my own country" (plenary of April 25, 2003; intervention 5-053).

Heterogeneity and the desire for an exit right: empirical evidence

From the Convention documents, amendments and newspaper articles discussed above emerges a consistent picture. The Praesidium of the Convention felt an exit clause was necessary to convince Eurosceptics in the Candidate States and elsewhere (mostly the UK and Denmark) that the EU was not a prison.[9] The Candidate States desired an exit right in light of their accession referenda, and the others accepted this in order to benefit from increased economies of scale and buy-in from the UK and Denmark on the Constitutional Treaty.

In order to directly assess the theoretical claim developed in this article that heterogeneity creates a desire for an exit right, this section systematically analyzes all amendments and plenary interventions made at the Convention plenary on April 25, 2003 regarding the proposed Article 46. The analysis is conducted at the level of Convention delegates. On the basis of their amendments and plenary statements, delegates were coded as being either in favor or against a free exit right. Using a probit regression, the positions regarding a free exit right are regressed on a measure of heterogeneity and a set of control variables.

Dependent variable: positions in favor or against a free exit right
The European Convention published summaries of the amendments to Article 46 (CONV 672/03) and the plenary debate of April 25 (CONV 696/03) on its website. The full text of all amendments was collected from the Convention's website (European Convention, 2003), while the verbatim text of the plenary interventions was obtained from the European Parliament after a request under the right of access to documents.

A total of 43 amendments were submitted to Article 46, and 60 plenary interventions were made on title X "Union Membership" which contained Article 46. Of these, 36 amendments and 39 plenary interventions from EU-25 delegates substantively addressed the withdrawal right. All of these were classified as being either in favor of a free exit right or against. Observations proposing to delete the clause, or arguing exit was only possible at certain moments (e.g. Treaty change) or on certain conditions (e.g. a negotiated exit agreement),

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[9] This picture is also broadly consistent with expert judgments that only 8 out of 25 countries favored an unconditional exit right as was adopted (Hug and König, 2007).

were counted as being against. Indeed, taking a game-theoretical perspective, an exit clause that requires a negotiated exit agreement does not provide effective insurance against unwanted policy changes.

To ensure the reliability of the coding, a second coder independently coded each of the 75 amendments and plenary interventions from EU-25 delegates that addressed the withdrawal right. The coding was different for 6 of these 75, yielding an intercoder reliability of 92%. Results with the alternative coding are reported as a robustness check.

Next, these positions in favor or against were traced to the delegates who signed the amendments or made the plenary interventions. While plenary statements are always made by one person, amendments can be signed by multiple delegates. This yielded a list of 94 delegates, 23 of which had more than one amendment or plenary intervention. Of these 23, only one had items against and in favor. Having two items against and one in favor, this delegate was coded as being against.

The result of this coding process is a dummy variable "Exitfree" with a value of 1 for delegates in favor of a free exit right, and a value of 0 for delegates against. As an example, consider the plenary statement made by Frans Timmermans quoted above (intervention 5-066 of April 25, 2003). Given the conditions mentioned, this statement is clearly against a free unconditional exit right, and was coded as a 0 by the author and by the second coder. Since there was no other relevant amendment or plenary statement for Frans Timmermans, he was coded as a 0, i.e. being against a free exit right.

The Convention had 105 delegates and 102 alternates, of which 189 from EU-25 countries. Of these 189, only 94 delegates were observed through an amendment or a plenary statement. The remaining 95 delegates from EU-25 countries were not observed. This limitation will be the focus of two robustness checks reported later.

Because some of the control variables introduced later are at the party level, each of the delegates was linked to their national party at the time of the Convention, using a list of the delegates and their parties (Coffey, 2003: 133-137) complemented with Convention documents, the repository of the EP, and national parliament and party websites. Five delegates without affiliation (4 diplomats and 1 academic) were attributed to the party of the Minister who appointed them. Parties were coded by their PartyID used in the Parlgov database (Döring and Manow, 2016).

The 94 observed delegates belong to 65 different national parties.[10] As a robustness check, the regressions will also be run at the level of the parties with errors clustered at the

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[10] In total, the population of 189 EU-25 delegates belonged to 99 different national parties, so at the party level 65 out of a total of 99 parties were observed in the sample.

country level. This requires addressing the problem of parties with multiple observations. Of the 65 parties, 31 have multiple observations, of which three parties have conflicting observations. One party had 4 against and 1 in favor, and so was coded as being against. The other two parties had an equal number of observations in favor and against, requiring an overall judgment in order to code these two parties' positions.

To illustrate the process of linking delegates to parties and deriving parties' positions, I return to the example of Timmermans. Since he belonged to the Dutch party PvdA or "Partij van de Arbeid" (Labor Party) his party was coded as 742, the Parlgov code for this party. There were no other delegates belonging to PvdA, so the party was also coded as 0, i.e. against a free exit right.

Independent variables: measuring heterogeneity and identifying the periphery

In the theoretical section, the periphery was defined as the members of the union that stand to lose from majority-approved legislative programs because of their level of heterogeneity from the rest of the union. In the context of the EU, one key hurdle that legislation needs to pass is obtaining a qualified majority in the Council (Crombez and Hix, 2015). This section describes how the rules for QMV can be used to identify the periphery in the EU.

After the accession of the A-10 countries, a qualified majority in the Council would require 88 out of 124 votes. In the context of a spatial model, this threshold can be used to compute a Council gridlock interval between its left and right pivot (Crombez and Hix, 2015). After having sorted the Member States according to their ideal policies along a dimension and adding up their votes, the right pivot is the country with the 88th vote starting from the left. Similarly, the left pivot is the country with the 88th vote starting from the right. The interval between these two pivots is a gridlock interval: policies can be moved into this interval, but there will never be a qualified majority to move policies out of this interval. Given that policies can only move into the gridlock interval, a natural way to identify the periphery is to look at countries outside of the gridlock interval.

As noted before, the A-10 accession countries were on average much poorer than the existing EU-15. To investigate the importance of heterogeneity along this dimension, each delegate was associated with the 2003 per capita GDP of its country, calculated based on Eurostat (2016). The pivotal countries in the Council were calculated as described above, yielding a left pivot of €13,994/capita (Portugal) and a right pivot of €27,293/capita (Belgium).

As reported in the Appendix, all of the A-10 countries except for Cyprus had a level of GDP per capita below the gridlock interval, while none of the EU-15 did. This means that the EU-15 together with Cyprus had a qualified majority to adopt policies that would be more

favorable to Member States with higher levels of economic development. Conversely, the 9 countries below the gridlock interval can indeed be said to constitute the poor periphery of the EU-25 in terms of economic development.

The dummy variable "GDP_Peripheral_below" captures this as follows: it is equal to 1 for delegates from countries with levels of GDP/capita below the left pivot of €13,994. In terms of theory presented above, the expectation is that delegates for whom GDP_Peripheral_below is equal to 1 are more likely to be in favor of a free exit right. In the case of Frans Timmermans, being from the Netherlands with a GDP/capita of €31,290, i.e. not below the gridlock interval, GDP_Peripheral_below takes a value of 0.

Countries with levels of economic development above the gridlock interval constitute a different kind of periphery. Indeed, they may fear increases in regulation or immigration. The dummy variable "GDP_Peripheral_above" is equal to 1 for delegates from countries with levels of GDP/capita above the right pivot of €27,293. In the case of Frans Timmermans, being from the Netherlands with a GDP/capita of €31,290, i.e. above the gridlock interval, GDP_Peripheral_above takes a value of 1.

Control variables
Since the economies of scale from the EU may be less relevant for larger countries, controlling for country population is in order. The variable "Pop_M" captures the 2003 population in millions (Eurostat, 2016). In the example, the Netherlands in 2003 had a population of 16,192,572, yielding a value of 16.2 for the variable Pop_M.

Because of the history of their countries, delegates from ex-Soviet countries may have a particular desire for a free exit right. The dummy variable "Ex_Soviet" is equal to 1 for countries that were part of the Soviet Union, i.e. the Baltics (Estonia, Latvia and Lithuania).

Individuals and parties may have ideological objections to European integration, and hence desire a free exit right from the EU irrespective of whether their country is peripheral. To control for this, a variable capturing parties' stance on European integration is added to the regression. The variable "Anti_EU" is constructed based on the variable "eu_anti_pro" in the Parlgov database (Döring and Manow, 2016). This latter variable presents expert judgments on a 10-point scale, where 0 is completely against the EU and 10 is completely in favor. The transformed variable Anti_EU is calculated as follows: Anti_EU = (10-eu_anti_pro)/10. Returning to the example of Frans Timmermans, his party PvdA has an eu_anti_pro score of 8, resulting in a value of 0.2 for the variable Anti_EU.

Parties with peripheral positions on the left-right dimension may also be more in favor of a free exit right. The variable "left_right" of the Parlgov database was used to score parties on this dimension (Döring and Manow, 2016). These are expert judgments on a 10-point scale, where 0 is extreme left and 10 is extreme right. Member States' positions on this

dimension were computed as the seat-weighted position of parties in government on April 25, 2003. This yields a Council left pivot of 4.0 (Slovenia) and a right pivot of 7.1 (Slovakia). Using these pivots, a dummy variable "LR_Peripheral" was constructed to identify peripheral parties. Parties with a left-right score outside of the Council gridlock interval $[4.0, 7.1]$ received a score of 1. Timmermans' party PvdA has a left-right score of 3.6, so he was coded as a 1 on LR_Peripheral.

Finally, compared to delegates from national governments and parliaments, delegates representing supranational institutions (the European Commission and the European Parliament), could be expected to have more integrationist preferences, i.e. to be against an exit right (Vaubel, 2002). To control for this, the dummy variable "Supranational" is 1 for delegates from supranational institutions. In the example, Timmermans represents his national parliament and is hence coded as a 0 for the variable Supranational.

Descriptive statistics

A descriptive summary of the data is provided in Table 2. Tables with delegate level, party level and country level data, as well as a correlation table are presented in the Appendix.

Table 2. Regression variables: descriptive statistics and sources.

Variable	Min	Max	Average	Source of underlying data
Exitfree	0	1	0.33	Coding of plenary statements and amendments
GDP_Peripheral_below	0	1	0.18	Eurostat (2016)
GDP_Peripheral_above	0	1	0.41	Eurostat (2016)
Pop_M	0.40	82.5	24.7	Eurostat (2016)
Ex_Soviet	0	1	0.06	Countries that used to be in the Soviet Union
Anti_EU	0.03	0.95	0.25	Parlgov (Döring and Manow, 2016)
LR_Peripheral	0	1	0.59	Parlgov (Döring and Manow, 2016)
Supranational	0	1	0.27	List of Convention delegates

N = 94 delegates

Empirical strategy and results

This article contends that in the absence of a veto, members of a periphery will require a veto right in order to join. This can be tested by investigating whether delegates from the EU's less developed periphery (roughly corresponding to the A-10 accession states) were indeed more likely to be in favor of a free exit right. While members of the EU's more developed periphery could no longer threaten not to join, they might also fear policies moving into the gridlock interval.

Considering delegate i from party p and country c, one can model her utility from having a free exit right as follows:

$$U_{ipc}(\text{exit right}) = \alpha + \beta.\text{GDP\_Peripheral}_c + X'\gamma + \epsilon_{ipc} \qquad (1)$$

where α is a constant, GDP_Peripheral_c a vector with the variables $\text{GDP\_Peripheral\_below}_c$ and $\text{GDP\_Peripheral\_above}_c$, β a vector with the two coefficients of interest, X' a vector of control variables with coefficients γ, and ϵ_{ipc} an error term. The control variables contained in X' are Pop_M_c, Ex_Soviet_c, Anti_EU_p, LR_Peripheral_p and Supranational_i.

Delegates' utilities from having a free exit right are unobserved. However, the unobserved utilities can be seen as the latent variable driving their position on the free exit right. It is natural to assume that a delegate would be in favor of a free exit right in case her utility from it would be positive. Assuming that the error term in (1) follows a standard normal distribution with cumulative density function $\Phi(\epsilon)$, this results in the following probit model:

$$\begin{aligned} p(\text{Exitfree}_i = 1 | \text{GDP\_Peripheral}_c, X') &= p\big(U_{ipc}(\text{exit right}) > 0\big) \\ &= \Phi(\alpha + \beta.\text{GDP\_Peripheral}_c + X'\gamma) \end{aligned} \qquad (2)$$

In order to assess the role of heterogeneity in driving the preferences for a free exit right, the probit model was estimated for the 94 observed delegates. Standard errors were clustered at the party level. The results of this regression are reported in Table 3.

Table 3. Probit regression of Exitfree at the delegate level (1 = in favor of a free exit right).

Probit of Exitfree	Probit coefficients	Marg. effects at means	Variable coding
GDP_Peripheral_below	1.675*** (0.609)	0.542*** (0.197)	1 if GDP/capita below €13,994
GDP_Peripheral_above	1.443*** (0.479)	0.461*** (0.159)	1 if GDP/capita above €27,293
Pop_M	0.017** (0.008)	0.005** (0.003)	Population in Million
Ex_Soviet	1.230 (0.775)	0.398 (0.253)	1 if ex-Soviet country (Baltics)
Anti_EU	2.851*** (1.077)	0.923** (0.373)	Strength of anti-EU position, range [0,1]
LR_Peripheral	0.184 (0.422)	0.060 (0.136)	1 if 0-10 left-right position $\notin$ [4.0,7.1]
Supranational	1.038*** (0.321)	0.336*** (0.107)	1 if delegate from EP or Commission
Constant	-3.130		
N (delegates)	94	94	

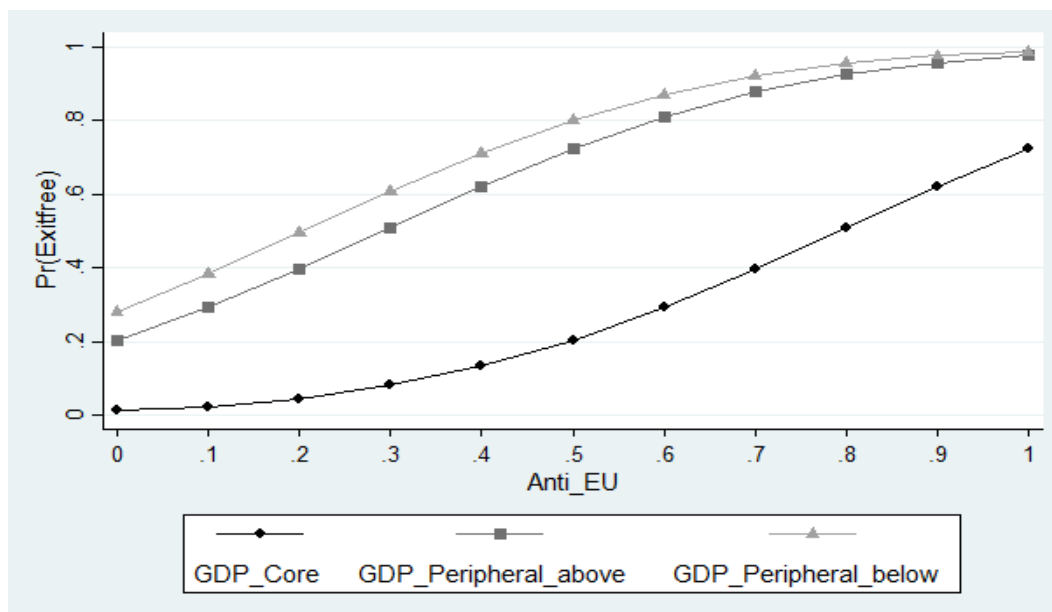*Robust standard errors clustered at the party level in brackets. *p<10%, **p<5%, ***p<1%*

The results are consistent with the heterogeneity-veto theory presented in this article. The probit coefficients for both GDP_Peripheral_below and GDP_Peripheral_above are significant at the 1%-level. Hence, delegates from both the less and more developed peripheries are significantly more likely to be in favor of a free exit right. The marginal effects (computed at the means of all variables) are substantial: delegates from countries with a level of GDP/capita below the Council gridlock interval are 54 percentage points more likely to support a free exit right. For delegates from countries with a level of GDP/capita above the gridlock interval, the effect is 46 percentage points.

The results for all but one control variables are intuitive. For each additional million inhabitants in their country, delegates are 0.5 percentage points more likely to want a free exit right. An increase in a delegate's party anti-EU score has a marginal effect of 92 percentage points. The coefficients for delegates from ex-Soviet countries or from parties with a peripheral left-right position are positive but not significant.

Finally, delegates from supranational institutions are 34 percentage points more likely to be in favor a free exit right. This finding goes directly against the expectation that self-interested supranational delegates will favor integration. Although this issue merits further study, one speculative explanation is that directly elected Members of European Parliament were responding to electoral fears of a European superstate at least as much as delegates from national institutions. Alternatively, some supranational delegates may have preferred deeper integration over wide integration, and hence wanted to give doubters an elegant way out.

To conclude, the estimated effects of GDP_Peripheral_below and GDP_Peripheral_above are strongly statistically significant, and of substantial magnitude. Hence I argue that the results of this regression support the theory developed in this article: heterogeneity from the rest of a prospective union drives preferences for a free exit right.

Figure 1 illustrates the predicted probabilities of being in favor of a free exit right. The x-axis corresponds to the anti-EU position of a delegate's party, while the three different graphs show the predicted probabilities for the different categories of economic development. Those in the core, i.e. with a level of GDP/capita in the Council gridlock interval of [€13,994; €27,293], are much less likely to support a free exit right. Those in the rich periphery are more likely to support a free exit right, and those in the less developed periphery more likely still.

GDP_Peripheral_below: Latvia, Lithuania, Poland, Slovakia, Estonia, Hungary, Czech Republic, Malta, Slovenia. GDP_Core: Portugal, Greece, Cyprus, Spain, Italy, France, Germany, Belgium. GDP_Peripheral_above: Austria, Finland, United Kingdom, Netherlands, Sweden, Denmark, Ireland, Luxembourg

Figure 1. Predicted probabilities of being in favor of a free exit right.

Robustness

The results of five robustness checks are reported in the Appendix. Of the 189 EU-25 delegates, only 94 have an observation for Exitfree. The first robustness check reports the results of an ordered probit regression assuming that the remaining 95 delegates had no strong opinion. Since this is an ordered probit regression with three possible outcomes, two cut points were estimated for the index function, and the sizes of the coefficients are not directly comparable to the previous regression. However, the coefficient for GDP_Peripheral_below is again positive and significant at the 1%-level. Note that the coefficient for Supranational is no longer significant, so that the finding for national versus supranational delegates is not robust.

An alternative assumption is that the remaining 95 delegates did not voice their opinion because they were actually in favor of the Praesidium's proposal to introduce a free exit right. In this second robustness check, most of the marginal effects are smaller than in the main regression. The marginal effect of GDP_Peripheral_below drops to 32 percentage points. However, the effect remains of substantial magnitude and is still significant at the 1%-level.

For the third robustness check, the regression was conducted at the party level (excluding the delegate-level variable Supranational), with standard errors clustered at the country level. The estimated coefficients are similar to the main regression. In particular, the

marginal effect of GDP_Peripheral_below is 51 percentage points, significant at a p-value of 1.3%.

The results are robust to using the second coder's coding of the dependent variable: under the fourth robustness check the marginal effect of GDP_Peripheral_below is 50 percentage points, significant at a p-value of 1.2%.

Finally, after adding GDP per capita as an additional control variable, the marginal effect of GDP_Peripheral_below is 42 percentage points, significant at a p-value of 5.5%. The estimated effect of GDP_Peripheral_above is 54 percentage points under this specification, significant at the 1%-level. This robustness check confirms that the result for GDP is really due to countries being peripheral, and not to an indirect effect of omitting GDP per capita.

Discussion: the role of the UK

This section provides a discussion of the UK's role in the adoption of Article 50 and of Brexit.

The UK's role in the adoption of Article 50

Because the documents relating the Convention are public, the empirical part of this paper focused on the position of delegates at the Convention, rather than on the Intergovernmental Conferences (IGCs) leading to the Treaty Establishing a Constitution for Europe and the Lisbon Treaty. In other words, it focused on the *origins*, rather than the final *adoption* of Article 50.

As can be seen from the data presented in the Appendix, the UK was peripheral on the dimension of economic development: it was richer than the core of the EU-25 (rather than poorer, like the A-10 countries). It might hence have feared more regulation or more immigration as EU-policies are brought into the gridlock interval. Consistent with the hypothesis that heterogeneity drives the desire for an exit right, the UK was a strong supporter of introducing Article 50.

However, contrary to the accession states the UK could not bargain at the European Convention on the basis of not becoming a member if it did not get an exit right. That is why I argue that the A-10 countries were crucial in getting the exit right into the draft Constitution. Indeed, according to Le Monde (2003), the exit clause was "chiefly aimed at reassuring the future members of the EU".

On the other hand, I am far from claiming that the support of the UK and Denmark (members of the rich periphery) was not important in the final adoption of an exit right at the IGCs. While they could not threaten not to join, they could threaten not to accept Treaty change. Consistent with this observation, the drafter of Article 50, Lord Kerr, has

said that it was included "partly to undermine an argument made by British opponents of EU membership" about being trapped in an ever-closer union (Gray, 2017).

A final observation on why the A-10 countries were crucial at the origins of Article 50 is the following. If the UK and Denmark by themselves had the will and necessary bargaining power, then why did they not obtain an explicit exit right prior to the Convention, for instance in the 2001 Nice Treaty?

The Brexit referendum

The Brexit referendum of June 23, 2016 has shown that when an exit right is in place governments may be willing to take recourse to uncertain referenda. This may be attributed to purely intra-party or domestic politics. Alternatively, consistent with the logic of two-level games (Hug and König, 2002; König et al., 2008; Putnam, 1988) and brinkmanship (Schelling, 1980), the decision to call a referendum may also have been a deliberate attempt to generate uncertainty and use this to extract surplus from the rest of the union.

This argument is consistent with the observation that in anticipation of the Brexit referendum David Cameron obtained an emergency brake on welfare payments to immigrants, should the UK have decided to remain in the EU. However, the facts have confirmed that the strategy of brinkmanship is dangerous: although it allowed the UK to extract some concessions, the end result was the decision to leave and trigger Article 50 on March 29, 2017.

Conclusion

This article presented a theoretical argument and empirical evidence regarding heterogeneity, vetoes and exit clauses in the EU and political unions more generally. By including an exit right at the constitutional stage, political unions can ex-ante insure prospective members against undesired policy changes. Members of a periphery that is strongly heterogeneous from the core will require an exit right if they will lack a legislative veto. This conclusion is supported by detailed evidence from the EU.

The EU adopted a free exit right during the 2002-2003 Convention on the Future of Europe, which developed a draft Constitution for the EU. The draft Constitution was ultimately not ratified, but through the 2007 Treaty of Lisbon the withdrawal clause containing the free exit right was adopted as Article 50 of the Treaty on European Union.

The case of the EU presents a twofold puzzle from the point of view of the most common theories about exit clauses in international treaties and federations. These theories tend to explain the absence of exit clauses by referring to stability and commitment problems, signaling, or the risk of strategic exploitation. The first puzzle is that these theories cannot

explain why the EU would have an exit clause. The second puzzle is that they cannot account for the timing of its adoption. The heterogeneity-veto argument can solve both puzzles. In addition, it correctly predicts that preference outliers will support an exit right.

The Candidate States which would join in 2004 were the first new Member States to both differ significantly from the existing members and to enter when the EU had largely moved from unanimity decision-making to qualified majority voting, eroding Member States' veto power.

The hypothesis that heterogeneity leads to a desire for an exit right is further supported by probit regressions at the level of 94 Convention delegates and their 65 national parties. In these regressions, delegates were coded as being peripheral if their country fell outside the Council gridlock interval in terms of GDP/capita. Nine of the 10 Candidate States from the Eastern enlargement had a level of GDP/capita below the gridlock interval. For the dependent variable, two independent coders classified all amendments and plenary statements made at the Convention on April 25, 2003 as either in favor or against a free exit right.

In the main regression, the expected effect of being from a country with a level of GDP/capita below the gridlock interval is a 54-percentage point increase in the probability of being in favor of a free exit right. For delegates from countries above the gridlock interval, i.e. those in the rich periphery of the EU-25, which includes the UK and Denmark, the corresponding increase is 46 percentage points.

Unsurprisingly, the regressions also show that the stronger the anti-EU ideology of a delegate's party, the stronger the desire for a free exit right. Delegates from larger countries were also found to be somewhat more likely to support a free exit right. In the main regression delegates from supranational institutions (the European Parliament and the Commission) were found to be more likely to support a free exit. However, this counterintuitive result was not robust.

Finally, while this article advances a heterogeneity-veto argument rather than an argument about commitment, signaling and strategic exploitation, it does not deny that such phenomena can and do occur. The Brexit referendum is a case in point. However, such arguments cannot account for the adoption of Article 50, while the heterogeneity-veto argument can.

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Appendix

Article 46, Draft Constitutional Treaty published on April 2, 2003

Article 46: Voluntary withdrawal from the Union

1. Any Member State may decide to withdraw from the European Union in accordance with its own constitutional requirements.

2. A Member State which decides to withdraw shall notify the Council of its intention. Once that notification has been given, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the assent of the European Parliament. The withdrawing State shall not participate in the Council's discussions or decisions concerning it.

3. This Constitution shall cease to apply to the State in question as from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2.

Article 59, Draft Constitutional Treaty presented to the Council on July 18, 2003

Article 59: Voluntary withdrawal from the Union

1. Any Member State may decide to withdraw from the European Union in accordance with its own constitutional requirements.

2. A Member State which decides to withdraw shall notify the European Council of its intention; the European Council shall examine that notification. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be concluded on behalf of the Union by the Council of Ministers, acting by a qualified majority, after obtaining the consent of the European Parliament.

The representative of the withdrawing Member State shall not participate in Council of Ministers or European Council discussions or decisions concerning it.

3. The Constitution shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, decides to extend this period.

4. If a State which has withdrawn from the Union asks to rejoin, its request shall be subject to the procedure referred to in Article 57.

Article I-60, Treaty Establishing a Constitution for Europe published on August 6, 2004

ARTICLE I-60 Voluntary withdrawal from the Union

1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.

2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be negotiated in accordance with Article III-325(3). It shall be concluded by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.

3. The Constitution shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.

4. For the purposes of paragraphs 2 and 3, the member of the European Council or of the Council representing the withdrawing Member State shall not participate in the discussions of the European Council or Council or in European decisions concerning it. A qualified majority shall be defined as at least 72% of the members of the Council, representing the participating Member States, comprising at least 65% of the population of these States.

5. If a State which has withdrawn from the Union asks to rejoin, its request shall be subject to the procedure referred to in Article I-58.

Article 50, post-Lisbon consolidated TEU published on May 9, 2008

Article 50

1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.

2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be negotiated in accordance with Article 218(3) of the Treaty on the Functioning of the European Union. It shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.

3. The Treaties shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.

4. For the purposes of paragraphs 2 and 3, the member of the European Council or of the Council representing the withdrawing Member State shall not participate in the discussions of the European Council or Council or in decisions concerning it. A qualified majority shall be defined in accordance with Article 238(3)(b) of the Treaty on the Functioning of the European Union.

5. If a State which has withdrawn from the Union asks to rejoin, its request shall be subject to the procedure referred to in Article 49.

Data

Table 4. Delegate-level data

Country	Delegate	Party	Institution	Exitfree
Austria	Einem	SPO	Parliament	1
Austria	Farnleiter	OVP	Government	0
Austria	Rack	OVP	European Parliament	0
Austria	Tusek	OVP	Government	0
Austria	Lichtenberger	Gruene	Parliament	0
Austria	Voggenhuber	Gruene	European Parliament	0
Belgium	Nagy	Ecolo	Parliament	0
Belgium	Michel	MR	Government	0
Belgium	Van Lancker	SP	European Parliament	0
Belgium	Chevalier	PVV|VLD	Government	0
Belgium	De Gucht	PVV|VLD	Parliament	0
Belgium	Di Rupo	PS	Parliament	0
Cyprus	Demetriou	DISY	Parliament	0
Czech Republic	Zahradil	ODS	Parliament	1
Czech Republic	Zieleniec	ODS	Parliament	0
Czech Republic	Kroupa	KDU-CSL	Parliament	0
Denmark	Dybkjaer	RV	European Parliament	1
Denmark	Bonde	JuBe	European Parliament	1
Denmark	Thorning-Schmidt	Sd	European Parliament	1
Estonia	Hololei	ERP	Government	1
Finland	Vanhanen	KESK	Parliament	1
Finland	Kiljunen	SSDP	Parliament	1
Finland	Korhonen	KOK	Parliament	0
Finland	Peltomäki	KOK	Government	0
Finland	Tiilikainen	KOK	Government	0
Finland	Seppänen	DL|VAS	European Parliament	1
France	Andreani	RPR	Government	0
France	de Villepin	RPR	Government	0
France	Haenel	RPR	Parliament	0
France	Lamassoure	UDF	European Parliament	0
France	Badinter	PS	Parliament	0
France	Berès	PS	European Parliament	0
France	Duhamel	PS	European Parliament	1
France	Abitbol	RPF	European Parliament	1
Germany	Kaufmann	SPD	European Parliament	0
Germany	Meyer	SPD	Parliament	0
Germany	Fischer	B90/Gru	Government	0
Germany	Brok	CDU+CSU	European Parliament	0
Greece	Giannakou	ND	Parliament	0
Greece	Stylianidis	ND	Parliament	0
Greece	Avgerinos	PASOK	Parliament	0
Hungary	Szajer	Fi-MPSz	Parliament	0
Hungary	Vastagh	MSZP	Parliament	1

Ireland	Roche	FF	Government	1
Ireland	Cushnahan	FG	European Parliament	0
Ireland	Gormley	Green	Parliament	1
Italy	Fini	AN	Government	1
Italy	Muscardini	AN	European Parliament	1
Italy	Basile	FI-PdL	Parliament	0
Italy	Paciotti	DS	European Parliament	1
Italy	Dini	DL-M	Parliament	0
Italy	Speroni	LN	Government	1
Latvia	Zile	TB/LNNK	Government	0
Latvia	Kalniete	JP	Government	1
Latvia	Piks	TP	Parliament	0
Latvia	Liepina	JL	Parliament	1
Lithuania	Jusys	NS	Government	1
Luxembourg	Wagener	Greng	Parliament	0
Luxembourg	Fayot	LSAP	Parliament	0
Luxembourg	Schmit	LSAP	Government	0
Luxembourg	Santer	CSV	Government	0
Malta	Dolores	PN	Parliament	0
Malta	Frendo	PN	Parliament	0
Netherlands	Maij-Weggen	CDA	European Parliament	0
Netherlands	Van Der Linden	CDA	Parliament	0
Netherlands	Van Dijk	CDA	Parliament	0
Netherlands	de Bruijn	D66	Government	0
Netherlands	De Vries	D66	Government	0
Netherlands	Timmermans	PvdA	Parliament	0
Poland	Fogler	PO	Parliament	0
Poland	Hübner	PO	Government	0
Portugal	Queiró	CDS-PP	European Parliament	1
Portugal	Lobo Antunes	PS	Government	0
Portugal	Marinho	PS	European Parliament	0
Portugal	Vitorino	PS	European Commission	0
Portugal	Azevedo	PSD	Parliament	0
Portugal	Lopes	PSD	Government	0
Portugal	Nazaré Pereira	PSD	Parliament	0
Slovakia	Migas	SDKU-DS	Government	0
Slovenia	Rupel	SDS	Government	1
Spain	Alonso	AP-P	Parliament	0
Spain	Cisneros	AP-P	Parliament	0
Spain	Borrell Fontelles	PSOE	Parliament	0
Sweden	Lennmarker	M	Parliament	0
Sweden	Kvist	V	Parliament	0
Sweden	Lekberg	SAP	Parliament	0
United Kingdom	Heathcoat-Amory	Con	Parliament	1
United Kingdom	Kirkhope	Con	European Parliament	1
United Kingdom	Stockton	Con	European Parliament	1

Country	Party			
United Kingdom	MacCormick	SNP	European Parliament	1
United Kingdom	Duff	LD	European Parliament	1
United Kingdom	Hain	Lab	Government	1
United Kingdom	McAvan	Lab	European Parliament	1
United Kingdom	Stuart	Lab	Parliament	1

Table 5. Party-level data.

Country	Party	left_right	LR_Peripheral	Anti_EU
Austria	SPO	3.7	1	0.2
Austria	OVP	6.5	0	0.1
Austria	Gruene	2.5	1	0.3
Belgium	Ecolo	2.6	1	0.2
Belgium	MR	6.7	0	0.2
Belgium	SP	3.2	1	0.2
Belgium	PVV|VLD	7.0	0	0.1
Belgium	PS	2.9	1	0.2
Cyprus	DISY	8.7	1	0.1
Czech Republic	ODS	7.4	1	0.6
Czech Republic	KDU-CSL	5.8	0	0.2
Denmark	RV	4.9	0	0.2
Denmark	JuBe	2.6	1	0.9
Denmark	Sd	3.8	1	0.3
Estonia	ERP	8.5	1	0.1
Finland	KESK	5.8	0	0.4
Finland	SSDP	3.6	1	0.1
Finland	KOK	7.2	1	0.1
Finland	DL|VAS	2.2	1	0.5
France	RPR	7.5	1	0.3
France	UDF	6.1	0	0.1
France	PS	3.2	1	0.2
France	RPF	7.4	1	0.9
Germany	SPD	3.6	1	0.2
Germany	B90/Gru	2.9	1	0.2
Germany	CDU+CSU	6.3	0	0.1
Greece	ND	6.7	0	0.1
Greece	PASOK	4.5	0	0.1
Hungary	Fi-MPSz	6.5	0	0.3
Hungary	MSZP	2.9	1	0.0
Ireland	FF	6.1	0	0.2
Ireland	FG	6.4	0	0.1
Ireland	Green	2.4	1	0.7
Italy	AN	8.1	1	0.6
Italy	FI-PdL	7.1	1	0.5
Italy	DS	2.6	1	0.1
Italy	DL-M	4.0	1	0.1
Italy	LN	7.8	1	0.7
Latvia	TB/LNNK	8.3	1	0.3

Latvia	JP	7.4	1	0.2
Latvia	TP	7.8	1	0.1
Latvia	JL	7.3	1	0.1
Lithuania	NS	4.3	0	0.1
Luxembourg	Greng	2.5	1	0.3
Luxembourg	LSAP	3.3	1	0.2
Luxembourg	CSV	6.4	0	0.2
Malta	PN	5.7	0	0.1
Netherlands	CDA	5.9	0	0.2
Netherlands	D66	4.5	0	0.1
Netherlands	PvdA	3.6	1	0.2
Poland	PO	6.2	0	0.1
Portugal	CDS-PP	8.0	1	0.6
Portugal	PS	4.0	0	0.1
Portugal	PSD	6.3	0	0.2
Slovakia	SDKU-DS	7.4	1	0.1
Slovenia	SDS	7.0	0	0.1
Spain	AP-P	7.6	1	0.2
Spain	PSOE	3.7	1	0.1
Sweden	M	7.9	1	0.1
Sweden	V	1.5	1	0.9
Sweden	SAP	3.4	1	0.3
United Kingdom	Con	7.4	1	0.8
United Kingdom	SNP	3.6	1	0.2
United Kingdom	LD	4.1	0	0.1
United Kingdom	Lab	4.4	0	0.3

Table 6. Country-level data.

Country	Pop_M	GDP/Cap	GDP_Peripheral_below	GDP_Peripheral_above
Austria	8.1	28 517	0	1
Belgium	10.4	27 293	0	0
Cyprus	0.7	18 034	0	0
Czech Republic	10.2	8 630	1	0
Denmark	5.4	35 916	0	1
Estonia	1.4	6 333	1	0
Finland	5.2	29 113	0	1
France	61.9	26 468	0	0
Germany	82.5	26 898	0	0
Greece	10.9	16 390	0	0
Hungary	10.1	7 416	1	0
Ireland	4.0	36 718	0	1
Italy	57.1	24 343	0	0
Latvia	2.3	4 557	1	0
Lithuania	3.4	4 858	1	0
Luxembourg	0.4	57 723	0	1
Malta	0.4	12 068	1	0
Netherlands	16.2	31 290	0	1

Poland	38.2	5 031	1	0
Portugal	10.4	13 994	0	0
Slovakia	5.4	5 594	1	0
Slovenia	2.0	13 184	1	0
Spain	41.8	19 209	0	0
Sweden	8.9	32 821	0	1
United Kingdom	59.5	30 175	0	1

Correlation table

The highest correlation is 0.56, occurring between Ex_Soviet and GDP_Peripheral_below. On the whole, multicollinearity does not appear to be a substantial concern.

Table 7. Correlations between the regression variables.

correlations	Exitfree	~below	~above	Pop.	Sov.	Anti_EU	LR_Per.	Supra.
Exitfree	1.00							
GDP_Peripheral_below	0.08	1.00						
GDP_Peripheral_above	0.19	-0.40	1.00					
Pop_M	0.14	-0.29	-0.21	1.00				
Ex_Soviet	0.19	0.56	-0.22	-0.23	1.00			
Anti_EU	0.44	-0.17	0.19	0.24	-0.12	1.00		
LR_Peripheral	0.18	-0.05	-0.04	0.19	0.13	0.38	1.00	
Supranational	0.29	-0.28	0.13	0.29	-0.16	0.22	0.02	1.00

Correctly predicted observations

The predictions were made using the estimates of the main model. A delegate was predicted to be in favor if her predicted probability of being in favor exceeds 50%. Note that out of 94 observations, 31 are in favor and 63 against. An empty model would hence correctly predict 63 out of 94 observations, or 67%. The estimated model correctly predicts 76 observations out of 94 or 81%. The proportionate reduction of error is $\frac{76-63}{94-63} = \frac{13}{31} = 42\%$.

Table 8. Fit of the model.

	Observations	% of sample
Correctly predicted in favor	20	21%
Correctly predicted against	56	60%
Incorrectly predicted in favor	7	7%
Incorrectly predicted against	11	12%
Total	94	100%
Correctly predicted	76	81%

Robustness checks

Assumed that unobserved delegates have no strong opinion

Table 9. Ordered probit regression of Exitfree at the delegate level (-1 = against, 0 = no information, 1 = in favor).

Ordered probit of Exitfree	Probit coefficients
GDP_Peripheral_below	0.718***
	(0.246)
GDP_Peripheral_above	0.574**
	(0.284)
Pop_M	0.010**
	(0.004)
Ex_Soviet	0.576*
	(0.295)
Anti_EU	1.650***
	(0.510)
LR_Peripheral	0.135
	(0.194)
Supranational	0.265
	(0.249)
Ordered Probit cuts	0.670, 2.260
N (delegates)	189

*Robust standard errors clustered at the party level in brackets. *p<10%, **p<5%, ***p<1%*

Assumed that unobserved delegates are in favor of a free exit right

Table 10. Probit regression of Exitfree at the delegate level (0 = against, 1 = in favor of a free exit right or no information).

Probit of Exitfree	Probit coefficients	Marg. effects at means
GDP_Peripheral_below	0.891***	0.315***
	(0.300)	(0.105)
GDP_Peripheral_above	0.331	0.117
	(0.285)	(0.099)
Pop_M	0.006	0.002
	(0.005)	(0.002)
Ex_Soviet	0.511	0.181
	(0.467)	(0.164)
Anti_EU	1.461**	0.516**
	(0.590)	(0.206)
LR_Peripheral	0.177	0.062
	(0.219)	(0.078)
Supranational	1.022*	0.361*
	(0.605)	(0.215)
Constant	-0.548	
N (delegates)	189	189

*Robust standard errors clustered at the party level in brackets. *p<10%, **p<5%, ***p<1%*

Conducted regression at party level

Table 11. Probit regression of Exitfree at the party level (1 = in favor of a free exit right).

Probit of Exitfree	Probit coefficients	Marg. effects at means
GDP_Peripheral_below	1.380**	0.508**
	(0.568)	(0.206)
GDP_Peripheral_above	1.307**	0.482**
	(0.611)	(0.232)
Pop_M	0.014	0.005
	(0.011)	(0.004)
Ex_Soviet	0.841	0.310
	(0.594)	(0.220)
Anti_EU	2.525***	0.930**
	(0.963)	(0.380)
LR_Peripheral	0.114	0.042
	(0.335)	(0.123)
Constant	-2.328	
N (parties)	65	65

*Robust standard errors clustered at the country level in brackets. *p<10%, **p<5%, ***p<1%*

Used second coder's coding of the dependent variable

Table 12. Probit regression of Exitfree (1 = in favor of a free exit right).

Probit of Exitfree	Probit coefficients	Marg. effects at means
GDP_Peripheral_below	1.453**	0.504**
	(0.593)	(0.201)
GDP_Peripheral_above	1.153**	0.400**
	(0.482)	(0.167)
Pop_M	0.009	0.003
	(0.009)	(0.003)
Ex_Soviet	0.356	0.124
	(0.710)	(0.247)
Anti_EU	2.137**	0.741**
	(0.976)	(0.347)
LR_Peripheral	0.353	0.123
	(0.405)	(0.134)
Supranational	0.755**	0.262**
	(0.327)	(0.115)
Constant	-2.468	
N	94	94

*Robust standard errors clustered at the party level in brackets. *p<10%, **p<5%, ***p<1%*

Added control for GDP_PC

Table 13. Probit regression of Exitfree (1 = in favor of a free exit right).

Probit of Exitfree	Probit coefficients	Marg. effects at means
GDP_Peripheral_below	1.297*	0.422*
	(0.678)	(0.220)
GDP_Peripheral_above	1.645***	0.535***
	(0.583)	(0.199)
Pop_M	0.017**	0.005**
	(0.008)	(0.003)
Ex_Soviet	1.130	0.368
	(0.784)	(0.257)
Anti_EU	2.801***	0.911**
	(1.058)	(0.368)
LR_Peripheral	0.212	0.069
	(0.432)	(0.140)
Supranational	1.011***	0.330***
	(0.319)	(0.106)
GDP_PC	-0.000	-0.000
	(0.000)	(0.000)
Constant	-2.55	
N	94	94

*Robust standard errors clustered at the party level in brackets. *p<10%, **p<5%, ***p<1%*