

## Abstract

The Single European Act (SEA) institutionalized qualified-majority voting for most decisions of the European Community (EC) Council of Ministers that pertain to the "internal market." The de jure Banzhaf voting power of members of the Council is compared with their power under the assumption that France and Germany have de facto vetoes in a new weighted voting body. The power of plausible groupings of members is also analyzed and related to the negotiations leading to the SEA. The power of the Council to act under qualified-majority voting is shown to be 300-400 times greater than under the previous unanimity rule--with or without the de facto vetoes--suggesting a radical shift by the Council toward democratic rule by its members.

A 3-person game is used to analyze the negotiations among the US, the EC, and Japan on two major issues related to the liberalization of trade, agricultural price supports and access to markets. Disagreement on the first issue was the principal reason for the breakup of the Uruguay Round of GATT in December 1990, whereas the second issue has been a bone of contention among the three players for some time. A dynamic negotiation model illustrates both the conditions that led to the conflict and what compromises will be needed to overcome it.

Comparisons are made between the models used to analyze the two cases, and conclusions are drawn about the advantages of using n-person game theory to study multilateral negotiations.