Federalism in the Twenty-First Century: Trends and Prospects

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What is federalism?

- **Two orders of government** (central/regional) each with independent powers
- **Constitutionally created**—not creature of other order (vs. unitary or confederal)
- **Arbitration mechanism** for constitution, usually a court
- **Democratic**: goes with divided power, rule of law
- **Special federal protections**: upper house; amendment formula; court composition; language
Variety of federations: societies

- 25 in world and 40% of population
- All democracies with very large populations or territories
- Some small countries with great social diversity: language, ethnicity, religion, regions
- High, middle and low income countries
Variety of federations: institutions

- Legislative-executive arrangements:
  - Parliamentary
  - Presidential
  - Mixed
- Upper houses:
  - directly-indirectly elected
  - powers
- Electoral and party systems
- Protections of minority rights
- Distribution of powers
- Fiscal sharing
Politics and Language

- Not all 25 federations always meet all elements of definition
- Experts sometimes disagree
- In some countries ‘federal’ carries negative political baggage: South Africa, Spain, Indonesia—even India
- Issue is not use of word ‘federal’, but value of ‘tool kit’ of federal techniques
- Every country must find its own formula
Classic Federations

• United States (1780)
• Switzerland (1848)
• Canada (1867)
• Australia (1901)
• Germany (1871-1918) (1948)
• Austria (1918-1933) (1945)

• All are now well established and successful but three broke down at some point in their history
Latin American Federations

- Venezuela (1811)
- Mexico (1824)
- Argentina (1853)
- Brazil (1891)

- History of military rule and major constitutional rewrites
- Transition to democracy in late twentieth century
  - All but Venezuela now quite stable democracies
Post-Colonial Federations

- **Continuing:**
  - India (1950)
  - Malaysia (1948 and 1963) (lost Singapore)
  - Nigeria (1954)
  - Pakistan (1956) (lost Bangladesh)

- **Failed**
  - West Indies (1958)
  - Indochina (1945-7)
  - French West Africa and Mali (1959)
  - Indonesia (1945-9)
  - Uganda
  - Central African Federation
New Wave of Federalism

• Post-Soviet federations
• Federations emerging from unitary regimes
• European Union
• Post-conflict situations

• Mixed picture regarding prospects
Federalism and the ex-Soviet Bloc

- Soviet Union, Yugoslavia and Czechoslovakia were nominal, not real, federations. Power was always centralized in the party and courts not independent.
- They did not survive the transition to democracy.
- However, Russia, which was half the Soviet Union held together as a federation. Though Putin has moved to centralize, still a federation.
New federations emerging peacefully from unitary systems

Established
• Belgium
• Spain
• South Africa
• United Kingdom?

Potential
• Philippines
• Indonesia
• Italy
• Bolivia
The European Union

• Unique regim
  – Federal: Parliament, Court
  – Confederal: Council of Ministers

• Central motivation was to bring peace to Europe but now much broader

• Started from different functional focus than most federations: economic, not defence and foreign policy
New federations emerging from post-conflict situations

**Established**
- Bosnia
- Ethiopia
- Iraq
- Sudan
- South Africa

**Potential**
- Sri Lanka
- Somalia
- Congo
- Cyprus
- Nepal
Bosnia

- Federal regime imposed by Dayton accord
- Very small country
- Elaborate mechanisms for protecting three communities at centre: not functional
Ethiopia

• Federal regime emerged from victorious revolution—liberation armies based in different regions
• Highly diverse society, undeveloped politics
• Significant push to develop regional structures and politics
• Still one party in control at both levels, but party competition becoming more active
Iraq

• Federalism only solution acceptable to Kurds
• Highly decentralized design but not yet implemented. Many unresolved issues
• Oil dependent state
• Emergence of sectarian politics
• An asymmetric model?
Sudan

• Federal solution central to Comprehensive Peace Agreement
• Special features:
  – Government of national unity
  – Eventual referendum on southern independence
  – South Sudan as federation within federation
  – Oil revenue sharing
• Transitional period before elections
• Unresolved problems of Darfur and North-east
South Africa

• African National Congress traditionally opposed federalism
• But agreed:
  – Inkatha
  – Europeans
  – Asians
• Needed to create provinces
• Successful transition to democracy
Innovations in New Federations

• **Territorial and cultural federalism**: Belgian model

• **Asymmetry**:
  – Spanish separate treaties with autonomous communities
  – UK: Scotland, Wales, Northern Ireland
  – Sudan: federation within a federation

• **Constitution-making**:
  – Reconciliation and constitution-making in South Africa

• **Federalism at the centre**
  – 50-50 Cabinet, ‘alarm bells’ in Belgium
  – Mixed executive in Iraq
Conditions for Federal Success

• Federal culture: can be very divided, but need some elements of shared identity and respect for difference, tolerance; cross-cutting cleavages

• Federal politics: rule of law, leaders (Nehru, Mandele, Trudeau), political game (peaceful, democratic)

• Federal techniques: fiscal federalism, ethnic and language laws, decentralization; consocialtionalism
Federalism and Democracy

• Federalism is a democratic form of government so the first pre-condition of federalism is a democratic environment.

• If this exists, the question becomes what will better ‘fit’ or stabilize a particular democracy: a unitary or federal form.

• Federalism is basic to the stability of many democracies.
Federalism in 21st Century

• Federalism will receive more attention in 21st century because of
  – Democraticization in complex societies
  – International pressures to keep countries united
  – Push for local voice in established democracies

• Will be especially important in Africa and Asia: could a democratic China not be federal?

• However, federalism, like unitary regimes, cannot always succeed. Part of larger challenge of democracy