

4 th International Conference on Federalism

New Delhi, 5. November 2007

Welcome Address

Arnold Koller, chairman Forum of Federations

On behalf of the Forum of Federations I would like to thank India and the Indian Government for hosting the 4th International Conference on Federalism in New Delhi. After Canada, Switzerland and Belgium it is high time that an Asian Federation shares its specific experience of federalism. All previous International Conferences reflected the particular federal culture of the host country.

Thus in Mont Tremblant, Canada, in 1999, the conference, reflected that country's on-going concern with the full integration of Quebec into that large, long-standing federation. The event is also remembered for a remarkable speech on federalism pronounced by former U.S. President Bill Clinton.

In St. Gallen, Switzerland, in 2002, our small but very old multicultural federation made a special effort to ensure that participants, by focusing on the careful preparation of the event, printing a Conference Reader and designing four hour-work sessions, could learn from each other. The 2005 conference was held in the relatively new federation of Belgium, in Brussels, the seat of the European Union. Belgium's membership in the EU and the then peace process in the Sudan gave that conference its own special character.

And now we are delighted that this 4th International Conference on Federalism is being held here in India, an enduring and open democracy in the largest federation in the world, knowing we shall

share their rich experiences and lessons learned in the practice of federalism.

Since our arrival here in New Delhi we have enjoyed your warm welcome and generous hospitality. In the name of all participants I would like to thank you for this great favour. Special thanks go to the Indian organizers of the 4th International Conference on Federalism, the Inter-State Council Secretariat, headed by Mr. Amitabha Pande.

When I first met Amitabha, he told me that federalism is part of the DNA of the Indian people. Simply put, this is why there is no more appropriate venue for this 4th International Conference on Federalism. I am sure we shall share together three, unforgettable, enriching days here in New Delhi.

For the Forum of Federations it has been an honour and a pleasure to cooperate closely with the Indian organizers and to share with them the experiences of the previous International Conferences and thus help to guarantee a certain continuity of the conferences in their content, method and organization, a method that is based on the

premise that our discussions and dialogues take place between are equal partners.

Each International Conference takes place in a different national and regional setting, at a different time and focusing on varying themes – what is a great enrichment, and on the other hand it is remarkable that there are also several common elements that run through each International Conference. All are designed to address the needs of those involved in the practice of federalism at all tiers - federal, regional, and local. From the beginning we ensured that young people interested in federalism could participate actively in the conferences.

All our conferences concentrate on practical issues of federalism and thus are not academic symposia. They nonetheless benefit and are enriched by state-of-the art papers from eminent scholars. All are focused and centre on the dialogues that occur in a large number of workshops. The aim of the International Conferences on Federalism is not to produce resolutions like an international, intergovernmental

conference, but to exchange – in a well prepared fashion – on federal experiences and new ideas **to learn from each other.**

And I think we have - in the past eight years – already learnt a lot from each other. The most important lesson is the widespread insight of federal practitioners that they can learn from the successes and shortcomings of other federations. This method is relatively new for most federal practitioners. For a long time each federation thought itself to be unique because of its different historical, institutional, political, economic and social background and thus could not learn a lot from other federations. That attitude was at least one of the reasons that practically all federations made more or less the same mistakes in the last century, such as carrying out unnecessary centralizations, confusing responsibilities between the central state and the constituent units, in the lack of transparency in fiscal federalism, adopting the wrong kinds of economic incentives by way of federal subsidies and so on. And even worse, some thought that federalism is a chameleon-like concept that can be used or abused for all kinds of political needs.

It is a key merit of the International Conferences on Federalism and the important comparative work done by the Forum of Federations in all continents, that practitioners of federalism have become more and more open to learn from the best practices of other federations.

Of course federalism is not a concept fixed for all time and all regions that can be plucked out of a textbook. Federalism is more a process of constantly looking for a new balance between the central state and the constituent units than a fixed constitutional structure. Flexibility and adaptability to different circumstances and new needs are, and must stay, strong characteristics of federalism. But the awareness has grown over the last decade that the fundamental problems of federalism are more or less the same, and they centre around the distribution of powers; intergovernmental relations; the participation of member states in foreign policy, especially in the negotiation of international treaties affecting their competencies; of fiscal equalization; the role of local government in federations; and generally how you can achieve unity through diversity.

This does not mean that the same problems must lead to the same solutions. But it is always enriching and a great opportunity to identify the best tailored solution for your own federation if you know how a specific problem has been solved with success in other federations.

But is this enough? Should we not try in the longer run to develop and formulate “Principles of Federalism,” in the sense of best federal practices that each federation should for its own benefit consider as a guideline that ought to be followed, and only set aside when compelling reasons so require. These Principles would have a similar function to the Principles of Corporate Governance, which have been developed in recent years by many national and international organisations. Of course, there are other issues to be addressed with regard to federalism. For example there are the problems connected with the growing importance of asymmetric federalism in modern federations or those relating to the federal features of international and supranational organizations, like the European Union.

After a century of centralization, federalism, decentralization and devolution are nowadays again very attractive tools of state-organization throughout the world. There are many reasons for this remarkable renaissance of federalism like the quest for bringing politics closer to the citizen, to better enable people's participation, the old idea of federal liberty, the wish of the people to live their ethnic, religious, linguistic identity in a federal system, a better control of state power, the idea of subsidiarity and so on.

As we launch this conference, I share with you my particular pleasure that the Forum now has nine partner governments, Australia, Austria, Canada, Ethiopia, Germany, India, Mexico, Nigeria and Switzerland.

In closing, I am certain in our time together, we shall have fascinating presentations and discussions on the role and functioning of federalism in our modern world. I hope that above all, in our discussions and learned lessons on the technical means of achieving best federal practices, we never lose sight of the underlying political culture that requires that we "live our diversity in unity respecting one another" as it is so simply and clearly stated in my country's constitution.

May the 4th International Conference on Federalism in New Delhi give federalism a new impetus in India and the world over!