

# Scientific Background: Subtheme Papers

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## Foreign Relations of Sub-national Units

### Constituent Diplomacy in Federal Systems

#### 1. The rise of constituent diplomacy

Constituent diplomacy, that is the participation of regional and local governments in foreign policy making and international affairs, is now an institutionalised characteristic of democratic federal polities. It also occurs in a growing number of quasi-federal countries such as Spain, in non-federal countries such as Japan, and even in some non-democratic countries such as the People's Republic of China. It is likely that constituent diplomacy will become a characteristic of nearly all nation states during the twenty-first century. Key factors that have given rise to constituent diplomacy are democratisation, human rights, market liberalisation, inter-governmentalisation, decentralisation, United States policies, technological innovation, and behaviour diffusion.

The rise of constituent diplomacy is commonly attributed to growing economic interdependence (Keohane and Nye, 1977; Duchacek et al., 1988) associated with globalisation and regional integration, such as the European Union (EU) and the North American Free Trade Agreement (NAFTA). Although this explanation is correct, it is only partly so. It cannot account for the virtual absence of constituent diplomacy during the first era of modern globalisation

in the late nineteenth century, or for the uneven development of constituent diplomacy across countries in recent decades.

The first era of globalisation, which occurred in the late nineteenth century but then collapsed under the disruptions of the First World War and the post-war tariff wars, did not produce a flowering of constituent diplomacy. Instead, it produced nationalisation or centralisation, largely as a result of labour pressure to establish welfare states and international pressure to engage in balance-of-power foreign relations. National governments sought to remain firmly in the driver's seat so that the foreign affairs powers shared by the constituent governments of federal polities tended to be deemed irrelevant if not a danger to the ability of the nation state to speak with one voice in foreign affairs.

### **1.1. Democratisation**

During post-Second World War globalisation, constituent diplomacy emerged in a few federations during the 1950s, but did not become widespread until the late 1980s. One explanation for the staggered rise of constituent diplomacy in the late twentieth century is the staggered path of democratisation since the Second World War. Federal democracies generally tolerated and sometimes encouraged constituent diplomacy; non-democratic regimes did not tolerate such activity. Following 1945, more federal democracies such as Germany and India came into existence, de-colonisation created new democracies, and by the 1980s many dictatorial or highly centralised regimes were collapsing, as in Mexico, Portugal, Spain, and the Union of Soviet Socialist Republics (USSR). As democracy spread to more countries, so did constituent diplomacy.

More generally, the protest movements of the 1960s and 1970s associated with civil rights in the United States, the Vietnam War, the military-industrial complex, de-colonisation in Africa and Asia, women's liberation, environmental protection and the like, considerably democratised foreign policy making in Western democracies. These movements penetrated and sometimes toppled elite foreign policy establishments in order to express their voices in foreign affairs. They also placed new issues such as environmental protection on the international agenda, forged their own international relations, spawned new political parties such as the Greens and numerous Non-Governmental Organisations (NGOs) and, in federal democracies, used all centres of power – federal, regional, and local – to achieve their objectives. Regional and local governments became forums for foreign policy debates, expressions of regional and local opinion, and stages for making policy choices, such as enactments of local nuclear-free zones. By the 1980s, national elites could no longer make foreign policy in isolation from public opinion, and Western democratic governance had become an “intermestic” (Manning, 1977) blend of domestic and foreign affairs.

## **1.2. Inter-governmentalisation**

Foreign policy can also be regarded as the last policy domain to be inter-governmentalised in the world's major federal democracies during the twentieth century. The Great Depression of the 1930s, the Second World War, post-war reconstruction, and the maintenance needs of welfare states all stimulated federal government involvement in domestic policies previously managed exclusively or predominately by their constituent governments. As international developments impinged on the economic and political affairs of

constituent governments, those governments sought to inter-governmentalise foreign policy making as well.

### **1.3. Human rights movements**

In addition, human rights movements encouraged not only individuals to assert rights, but also encouraged nationality, ethnic, religious, and linguistic communities, especially stateless nations, to assert communal rights as distinct societies deserving recognition, self-government, and distinctive voices in national and international affairs. For many such communities, constituent diplomacy became an integral component of identity recovery and legitimisation of their perceived sovereignty and “national” status, within both their federation and the international arena. Quebec nationalism, for example, emerged during the Quiet Revolution of the 1960s, projecting a distinct identity within and outside of Canada. Quebec’s constituent diplomacy served as a tool of its nationalism and an instrument of its modernisation.

Consequently, there has been a flowering in recent decades of linguistic nationality, ethnic, racial, and religious communal identities, many of which have territorial bases within nation states, and thus either actual or potential governmental basis for domestic and foreign expression.

### **1.4. Decentralisation**

A fourth factor has been pressure for decentralisation of governance or federalisation following the collapse of so many highly centralised and dictatorial communist, fascist, and military regimes since the mid-1970s, and especially since the fall of the Berlin Wall in 1989. Decentralisation has been promoted not only to accommodate cultural diversity but also to enhance

democracy, foster economic development, improve government efficiency, and facilitate modernisation. By the 1990s, even the International Monetary Fund and especially the World Bank had become advocates of decentralisation. In the context of contemporary globalisation, therefore, certain forms of constituent diplomacy are becoming important and generally accepted components of decentralised or federal governance.

### **1.5. Market liberalisation**

A fifth key factor has been market liberalisation, which creates a competitive environment not only for businesses but also for constituent governments and NGOs. An excessively planned economy cannot tolerate constituent diplomacy that might contradict the national government's plans. Market liberalisation reduces traditional government roles in regulating and subsidising the economy, and exposes the nation state and its constituents to international economic competition. This in turn compels constituent governments to engage the global economy to promote exports and attract foreign investment and tourists. Consequently, market liberalisation has given rise to constituent diplomacy even in some non-democratic countries, such as the People's Republic of China where provincial and local governments have acquired significant economic development responsibilities under what has been called "market federalism" (Montinola et al., 1995).

### **1.6. United States policies**

A sixth important factor has been the economy, culture, and policies of the United States which after the Second World War, unlike at the end of the First World War, chose not to retreat within its borders, but rather to build

international institutions, drive globalisation, support democratisation, and provide security for the construction of the EU. This is the most significant international political difference between late nineteenth-century globalisation and late twentieth-century globalisation. The United States emerged as a hegemonic power in 1945; it helped to reconstruct Western Europe and Japan, and to maintain a bi-polar balance of power worldwide for some 45 years. Whatever the world's opinions about how the United States has exercised its power, United States policies allowed economic interdependence and, along with it, constituent diplomacy to develop among free Western nations. Indeed, the post-Cold War spread of globalisation and democratisation very likely depends greatly not only on widening economic prosperity, but also on United States military dominance.

The United States government also fostered constituent diplomacy by nudging its own states and localities into the international arena. During the 1950s, state and local governments were encouraged to engage in people-to-people programs, such as the Leader Exchange Program (Mettger, 1955).

Municipalities were encouraged to establish sister-city relationships around the world. President Eisenhower (1953-1961) created the Pearson Fellowship Program, which enables United States foreign service officers to work for a year with a state or local government. Under John F. Kennedy's administration (1961-1963), the United States Department of Commerce encouraged states to become involved in international economic affairs.

Commerce was then headed by Luther Hodges, former Governor of North Carolina. Presidents Lyndon B. Johnson, Richard M. Nixon, and Jimmy Carter (former Governor of Georgia) also encouraged states to promote exports and

seek foreign investment. At President Carter's request, the National Governors' Association (NGA) formed a standing committee in 1978 on International Trade and Foreign Relations.

### **1.7. Technological innovation**

Technological developments that have spurred globalisation have also spurred constituent diplomacy. For example, the cost (in 1990 US\$) of a three-minute telephone call from New York City to London dropped from nearly \$250 in 1930 to about \$5 by 1980, thus putting international telephony within the budgetary reach of regional and local officials who previously would have been hard-pressed to justify to their voters \$250 international telephone calls. Since the early 1990s, e-mail and the Internet have virtually eliminated the physical costs of international communications. Air travel and declining airfares since the 1960s have also allowed regional and local officials to travel abroad in ways that were prohibitively expensive and time-consuming prior to the 1960s.

### **1.8. Behaviour diffusion**

Finally, constituent diplomacy reflects the diffusion of innovation within and between federal democracies. As certain constituent governments, such as southern US states and Quebec, pioneered constituent diplomacy, other constituent governments copied that behaviour. As the pioneering leaders of constituent governments sought to develop relations with constituent governments abroad, they elicited responses from those governments. Over time, constituent diplomacy became legitimised as normal behaviour, increasingly leading officials of constituent governments to conclude that

constituent diplomacy is a part of their official responsibilities. The broadening and deepening of constituent diplomacy also reflects the diffusion of innovation, with some constituent governments being models for others. Quebec, for example, is often viewed as a model by constituent political communities seeking to assert a “national” identity, such as the Basque Country, Catalonia, Flanders, Scotland, Tatarstan, and Wallonia.

Globalisation, therefore, is as much a context for constituent diplomacy as it is a cause of constituent diplomacy. Democratisation, inter-governmentalisation, human rights, decentralisation, market liberalisation, United States policies, and technological innovation in travel and communications have all occurred during the current era of globalisation. In turn globalisation, and its communications tools especially, have helped to drive democratisation, inter-governmentalisation, human rights, decentralisation, and market liberalisation. All of these factors became highly interdependent by the 1980s, thus producing an era of globalisation which includes constituent diplomacy, and which differs from the late nineteenth-century globalisation.

## **2. Regionalisation and constituent diplomacy**

It is also important to distinguish between the impacts of globalisation and of regional integration, such as the development of the EU and of NAFTA, on constituent diplomacy. The rise of the EU has spurred intense constituent diplomacy within most member states, and made constituent diplomacy particularly salient in the federal member states such as Belgium and Germany, devolving member states such as Italy, Spain and the United Kingdom, and potential federal member states such as Switzerland. Regional



integration has a broader and deeper impact on constituent regional and local governments than does globalisation, because the EU also entails monetary and political union.

Indeed, EU integration has become so broad and deep that the term “constituent diplomacy” may no longer apply. This point was made by the German Länder when they obtained changes in the Basic Law as the price of Germany’s approval of the 1993 Maastricht Treaty. The federal government’s exercise of its constitutional foreign affairs powers with respect to the EU under Articles 24(1) and 32(1) of the Basic Law, had created an open flank through which the federal government could allow the EU to invade constitutionally protected Länder powers. Germany’s relations with the EU, argued the Länder, were no longer international or foreign relations, but rather domestic inter-governmental relations. Hence, the Länder obtained significant changes in the Basic Law, particularly Article 23, which gave them a direct voice in Germany’s participation in EU policy making on matters affecting the Länder.

In Belgium’s federal arrangement, regions and language communities have external competence in matters under their control, and Belgium is largely dependent on its regions and communities for representation in the EU and other institutions, such as the Organisation for Economic Cooperation and Development (OECD) and United Nations Educational, Scientific and Cultural Organization (UNESCO). Changes in the Swiss constitution in 1999 also gave the cantons a larger, more direct voice in foreign affairs. Article 55 provides for the cantons to participate in foreign policy decision-making processes and international negotiations that involve their powers or essential interests.

Not all EU member states have undertaken such constitutional change, partly because not all member states are federal. However, the spreading of constituent diplomacy and of regional assertions of self-government in the face of rising EU power are likely to push more member states in the same direction.

Constitutional change is less pressing for federations engaged in primarily economic integration, such as NAFTA, where Americans, and probably Canadians and Mexicans as well, do not contemplate ever-deeper political union. President Vicente Fox proposed a deepening of NAFTA into an EU-style common market with open borders, expansion of NAFTA's North American Development Bank along the lines of the EU's structural funds, and hemispheric economic union, but his proposals received a cool reception in Washington, D.C., and probably died with the terrorist attacks of 11 September 2001. The need for adequate representation in national agreement making and treaty making might, however, be more acute for Canadian provinces and Mexican states than it is for US states, in part because of Canada's and Mexico's economic dependence on the United States, where Gross National Product (GNP) per capita (PPP\$) reached \$28,020 (United States) in 1999 (compared to \$21,380 for Canada and \$7,660 for Mexico). The United States accounts for about 85% of Canada's foreign trade and 42% of its Gross Domestic Product (GDP). Regional economic and population disparities are also less acute in the United States than in Canada and Mexico. Ontario, for example, comprises nearly 40% of Canada's population and produces about 55% of Canada's manufacturing output. The six neighbouring United States Great Lakes states account for

18% of the United States population and about 25% of United States manufacturing. In turn, the United States has no state like Quebec positioned to be a political or cultural barrier between sections of the nation, and no rebellious indigenous state like Chiapas. However, Canada's provinces and Mexico's states are likely to be able to negotiate statutory judicial and administrative arrangements to accommodate their international concerns. Most Canadian provinces have treated constituent diplomacy as a more or less natural extension of domestic inter-governmental relations as reflected, for example, in Alberta's Ministry of International and Intergovernmental Relations, which has three overall objectives:

- To secure benefits for Alberta from strengthened international relations;
- To secure benefits for Alberta as an equal partner in a revitalised, united Canada;
- To support Aboriginal people and governments in achieving self-reliance and enhanced well-being (Government of Alberta 2001:7).

There has been no pressure to amend the United States constitution to strengthen or dilute the US states' constituent diplomacy. The lack of such pressure is due partly to the ease with which the inter-governmental system has accommodated the international concerns of state and local governments, and to the generally cooperative inter-governmental relations that have prevailed in this field. Moreover, most governors and big-city mayors have supported globalisation. Additionally, most US states and many big cities occupy extraordinary economic positions that make them less vulnerable to global economic turbulence than the constituent governments of most

countries. For example, in terms of 1998 GDP, California is the world's seventh largest economic power (with Canada ranking twelfth, Mexico fourteenth, India seventeenth, Australia twentieth, and Russia twenty-fourth). New York and Texas rank tenth and eleventh, and New York City alone ranks nineteenth. Even the economy of the nation's poorest state, Mississippi, is larger than that of about 120 nations.

Although international trade's share of the country's total GDP increased from 11% in 1970 to nearly 30% in 2000, the United States economy is less internationally dependent than most economies. United States exports as a share of worldwide exports increased only from 15.7% in 1993 to 17.7% in 1999, compared to 34.7% to 38.0% for the EU, although the rest of the world's share of exports declined from 49.6% to 44.3%. The United States incurred continual trade deficits during the 1990s, but most economists attributed the deficits to a robust United States economy that grew faster than the economies of its trading partners. During the 1970s and 1980s, United States corporations appeared to be stagnant and lagging behind Japan and Germany, but by the 1990s United States corporations had responded to global competition by restructuring and improving productivity.

### **3. Motivations for constituent diplomacy**

Constituent governments engage in international activities essentially for four reasons.

One major reason is economic, mainly connected with trade. It concerns especially the export of goods and services; inward investment for economic development, employment expansion and tax-base growth; and tourism – all

of which are highly competitive globally. They are also location specific. That is, regions in federal systems produce different goods and services, have different economic-development and tax-base needs, and offer different tourist attractions. In these respects, most constituent governments recognise that they must compete in the global marketplace against their counterparts at home and abroad.

A second major reason is cultural, whether such activities be merely friendly goodwill cultural exchanges popular with many citizens, or more concerted efforts to achieve global recognition of a region's distinct cultural or "national" identity, or desires to connect with compatriots abroad. The Basque Country, for example, has sought to forge relations with Basques who have migrated elsewhere, and Scotland has sought to generate interest in Scotland among the 5.4 million Americans of Scottish decent.

A third motivation is political – to protect a constituent community's position or status in international arrangements; to assert a nationalist identity and legitimacy and thereby achieve self-esteem through regional and global recognition; to seek independence as a nation state; to obtain security against aggression; to satisfy domestic political interests such as citizens concerned about nuclear proliferation, environmental protection, labour rights, or human rights; and/or to satisfy the political ambitions of constituent government leaders.

A fourth reason is cross-border housekeeping, namely, the need to resolve numerous cross-border issues, such as wandering cows, automobile traffic and water pollution, between contiguous regions divided by an international

border. There are, for example, thousands of housekeeping agreements between Canadian provinces and US states. Likewise, numerous cross-border arrangements exist between neighbouring constituent governments in Europe, as well as various larger associations such as the Euro-region, the Four Motors of Europe, the Working Group of the Pyrenees, the Conference of Peripheral and Maritime Regions, and the European Association of Border Regions.

For the most part, cross-border housekeeping and international economic activity are likely to produce the least domestic inter-governmental conflict, although the pursuit of exports, investments, and tourists may induce competition among regions within a federation. However, there are opportunities for constituent governments, especially neighbours, to cooperate as well in promoting exports and in attracting investment and tourists. External housekeeping and economic activities also have spill over benefits for the whole federation, and are thus best conducted in cooperation with the federal government, which can assist its constituent governments through its embassies and other international services. Such cooperation can increase efficiency and decrease costs by reducing bureaucratic duplication.

Cultural activities, and especially political activities, are the most likely to create domestic inter-governmental conflict as certain culturally distinct constituent communities engage in international activities that may embarrass the federation or contradict federal foreign policy objectives. In July 1999, for example, the Basque parliament invited the Kurdish assembly-in-exile to meet in the Basque parliament, much to the consternation of the Spanish government, which was seeking good relations with Turkey. Indeed, for some

communities, cultural and political constituent diplomacy are more important than economic and housekeeping activities because they do not wish to be perceived as a mere economic entity like Ohio or Ontario, but as a distinct “national” personality like Quebec, and they fear that global economic interests will overwhelm their culture and politics.

However, constituent diplomacy itself is rarely the cause of domestic inter-governmental conflict. Instead, it is usually a reflection of existing inter-governmental conflict created by the constituent community’s domestic assertions of cultural distinctiveness and self-governing autonomy.

Constituent diplomacy is another tool or weapon for asserting the political community’s autonomy within its federation by projecting its identity internationally, gaining international political leverage over its federal government, and acquiring a patina of “national” status – a matter of considerable political importance to some constituent communities (Kincaid, 1990a). Constituent diplomacy may also exacerbate inter-governmental conflict when a constituent community is governed by a political party that opposes the party in power in the federal government or by a premier or governor who has national political aspirations.

#### **4. Ten constituent diplomatic roles**

Constituent governments can and do perform at least ten roles with respect to international affairs (Kincaid, 1990b and 1999). However, the delineation of these roles assumes that the constituent governments wish to remain a part of their federation. Independence-minded political communities seeking secession are likely to assert different roles.

#### **4.1. Partners in foreign policy development**

Constituent diplomacy begins at home with efforts by constituent governments to influence the formulation of their federation's foreign policies within the country's federal system. Contemporary globalisation has made foreign policy a matter of shared rule, and external constituent diplomacy a matter of constituent political community self-rule. The term "partner" seems appropriate insofar as the long-term success of the federation and its constituent governments in the global arena depends on domestic inter-governmental cooperation on foreign policy.

The constituent governments also need to cooperate with each other and to recognise their common interest and common fate as members of a federal nation state that is the legally recognised state in international law, even while they also have divergent interests and compete with each other in certain fields. In a world in which the nation state is the legal foundation of international relations, there is an advantage in recognising the supportive and protective role of one's nation state.

The extent of partnership depends largely on the constitutional arrangements that incorporate constituent governments in the make-up of the federal government, and on the traditions of inter-governmental cooperation and consultation that already prevail in domestic policy making. However, partnership with respect to foreign policy may require extraordinary efforts at inter-governmental cooperation, because national elites often regard foreign policy as a national prerogative.



In a few federations, constituent governments have obtained formal representation in international forums. This, however, appears to be the exception rather than the rule, and is most prevalent in the EU where constituent governments have sought to be directly represented, at least on certain matters, in negotiations in the European Commission and the Council of Ministers. Arguably, however, such EU negotiations are more like domestic inter-governmental relations than international relations today; hence, the case for inclusion in EU institutions is stronger than cases for inclusion in genuinely international forums such as NATO and the United Nations General Assembly. Short of official representation, most federal democracies have provided for informal, unofficial, or semi-official representation of constituent governments in relevant international forums.

Likewise, the establishment of formal inter-governmental institutions to manage foreign affairs may be necessary or appropriate in some federations, but not all federations. Such institutions may be especially necessary in:

- Federations participating in regional integration, such as the EU federations;
- Federations experiencing pressures from culturally distinct communities asserting autonomy;
- Federations with a tradition of institutionalising most facets of inter-governmental relations;
- Federations with constituent government officials who are as competent or more competent than national officials.

In the United States, an Inter-governmental Policy Advisory Committee to the Office of the United States Trade Representative was established in 1988 to advise the president on state and local government concerns in international trade and trade agreements. However, formation of this committee reflected a need to inter-governmentalise the United States Trade Representative in the same way that virtually all domestic, and then many foreign policy issues were inter-governmentalised across all relevant federal agencies during the late twentieth century.

#### **4.2. Pressure points in foreign policy making**

Regardless of formal constitutional and institutional arrangements, constituent governments serve as pressure points in national foreign policy making by lobbying federal officials to protect and promote their interests in the global arena, and to include their interests in foreign policy making. Such lobbying is often done by regional and local officials acting individually on behalf of their constituent communities, and also acting together across the federation on certain matters. Constituent governments can also mobilise business executives and interest groups within their jurisdictions to lobby federal officials. Regional and local officials can generate grass-roots pressure as well, by making public pronouncements on foreign policy and mobilising citizens to pressurise the federal government.

#### **4.3. Self-governing political communities**

Constituent governments are self-governing political communities whose laws and policies have implications for the domestic impact of foreign developments as well as international relations. As globalisation increases

interdependence worldwide, previously domestic dimensions of self-government have international consequences that can advance or retard a constituent community's position in the global arena. This role, however, is also one most likely to engender domestic inter-governmental conflict as assertive constituent communities seeking to enhance their autonomy and status within their federation impede or contradict policies pursued by the federation and by other constituent governments, and in addition export their autonomy-seeking behaviour into the international arena.

This role is also most likely to trigger conflict with other nation states and with the constituent governments of other federations. This possibility is especially true of wealthy constituent governments, such as US states, which can wield enormous financial clout in global markets and project their regulatory power into the international arena. This power was demonstrated, for example, in US state and local government financial sanctions on South Africa during the apartheid era, and financial threats to Swiss banks holding assets belonging to victims of the Nazi Holocaust. Sanctions against Burma enacted by the Commonwealth of Massachusetts in June 1996 triggered protests from the EU as a violation of World Trade Organization (WTO) rules. The United States Trade Representative tried, unsuccessfully, to persuade the Governor of Massachusetts to veto the legislation. In 2000 however, the United States Supreme Court struck down Massachusetts' law, though not because of EU complaints or any violation of WTO rules, but because the Court concluded that Massachusetts' law had been pre-empted by a federal statute sanctioning Burma, and that the state law constituted an "obstacle to the accomplishment

and execution of the full purposes and objectives” of the federal statute (Crosby, 2000; Stumberg and Porterfield, 2001).

The principal challenges facing the self-governing autonomy of constituent political communities will be the long-term implementation of free-trade rules under the WTO and regional arrangements such as NAFTA. These agreements potentially threaten to override a wide range of regional and local powers of self-government (Kincaid, 1994; Weiler, 1994), because the inherent logic of free trade requires the obliteration of tariff and non-tariff trade barriers. In many federations, such as the United States, it is regional and local policies that can most often be attacked as non-tariff trade barriers because of those governments’ extensive domestic governance responsibilities. The EU has a sizable list of US state laws it wishes to challenge under the WTO, and many foreign enterprises wish to compete in the nearly \$300 billion US state and local government procurement market. Globalisation, therefore, is also changing the ways in which constituent governments procure goods and services, reducing historic emphases on regional and local suppliers, and weakening the political connections between constituent governments and their resident suppliers.

#### **4.4. Promoters of area interests**

In the role for which they are perhaps best known, constituent governments promote their interests in the global arena, whether those interests be economic, cultural, and/or political. Constituent governments advertise their jurisdictions to investors and tourists, market their products and cultures to external consumers, dispatch their highest officials on missions abroad to foreign countries and international organisations, open offices in other

countries, hire public relations and lobbying firms abroad, issue pronouncements on international affairs, and engage in other activities to protect and promote their interests.

Insofar as these activities can benefit the federation as well, there are opportunities for inter-governmental and inter-jurisdictional cooperation. In the United States, for example, the Trade Information Centre of the United States Department of Commerce's International Trade Administration provides export assistance for most regions of the world as well as NAFTA. Advice is available on many countries about government procurement, intellectual-property protection, standards, and other commercial laws, regulations and practices. The International Trade Administration's Commercial Centres, which are usually located in primary business districts abroad, house state export-development agencies, industry associations, government agencies, and other partners. The US & Foreign Commercial Service branch of the United States Department of Commerce identifies investment and export opportunities through United States embassies, consulates, and trade centres in about 81 important markets. The Foreign Agricultural Service has more than 60 foreign offices that assist states and their agribusiness interests. The United States Department of State also provides commercial and economic services through some 96 embassies and 36 consulates. United States foreign service officers offer economic and political advice on country-specific business cultures and practices. The federal government also engages in many other cooperative activities on behalf of state and local governments and their residents.

Domestic conflict is more likely to arise, however, when leaders of constituent governments promote their jurisdictions' cultural and political interests by seeking to be treated as heads of state abroad and to have their overseas offices treated as embassies. The willingness of some nation states to do so, such as some Muslim states in the Middle East, which have greeted certain leaders of Islamic republics in Russia as heads of state, encourages more assertive constituent diplomacy, exacerbates inter-governmental conflict, and complicates the federation's foreign relations.

#### **4.5. Parties to agreements with foreign governments**

Many federal democracies permit their constituent governments to enter into treaties, compacts, contracts, or agreements of various types with foreign governments under certain conditions. The growth of constituent diplomacy has brought with it an increase in such agreement making. Frequently, however, these agreements are not with foreign nation states, but with constituent regional or local governments of other nation states. Some constituent communities seeking greater autonomy or "national" status enter agreements with counterpart political communities so that each reinforces the other's legitimacy. Overall, however, many agreements entail cooperation on trade, economic issues, technology, science, education, and culture. In some cases, formal agreements are necessary to address certain matters such as cross-border issues. The construction of bridges and other infrastructure in border regions and the formulation of traffic rules, for example, require long-term governance and financing arrangements. In some cases, constituent governments seeking to elevate their "national" status within their federation and in the international arena eagerly seek agreements, especially if they can

be called “treaties”. Many agreements, however, pertain to matters of minor importance, such as cultural exchanges, but which have symbolic value to constituent communities.

#### **4.6. Proxies for the nation state**

Where regional and local officials cannot officially represent their country abroad, they nevertheless, in effect, often represent what is best or worst about their country to others. Well-conducted constituent diplomacy will reflect favourably on the federation as a whole; poorly conducted constituent diplomacy may reflect negatively on the federation as a whole. Although foreign governments and diplomats can distinguish between national and constituent diplomacy, foreign media and citizens do not always distinguish one from the other. Furthermore, when a constituent government engages in domestic or foreign activities that trigger international protests, international pressure is likely to be brought against the federal government to crush the behaviour of its errant constituent government, whether or not it has the constitutional authority to do so.

At times, constituent regional or local government officials can open foreign or international doors in semi-official ways that would be awkward or impossible for the federal government to do officially. Just as NGOs perform many useful bridge-building cross-border functions (Keck and Sikkink, 1998), even between hostile nation states, so too constituent governments can perform useful functions of a similar nature. In addition, regional and local officials can initiate discussions with their external counterparts on issues of mutual concern, and then carry constructive proposals back to their national governments – a common practice along the Mexico-United States border, for

example, where Mexican states usually have less autonomy and fiscal capacity than US states to act unilaterally. Regional and local governments can also provide aid, such as disaster relief, to equivalent governments in another country, where it might be diplomatically awkward for the federal government to do so, or when the other national government might not wish to receive aid from the federation itself.

#### **4.7. Public education and opinion forums**

Regional and local officials can also bring foreign affairs issues home to their citizens, helping them to understand how the increasingly interdependent world affects their daily lives. A major key to a successful economy is a well-educated workforce attuned to world events. Cultural and educational exchanges, along with twinning arrangements, constitute a significant portion of constituent diplomacy, and represent important extensions of constituent governments' historic responsibilities for general as well as civic education in most federal democracies.

Regional and local governments also serve as public-opinion forums on foreign policy. Local councils and regional legislatures occasionally pass resolutions on foreign policy, regional and local officials speak out on foreign affairs, and foreign policy propositions sometimes appear on regional and local referendum ballots. Citizens may also employ regional and local government mechanisms to enact internationally relevant policies, such as nuclear-free zones. Some such enactments may have an uncertain legal status, but they are symbolically important to their advocates. The phrase "think globally, act locally" captures the spirit of this role. Indeed, insofar as constituent governments are laboratories for experimentation, they can serve



as sources of ideas for national responses to globalisation, whether those responses are embodied in federal law or in regional laws across a federation.

#### **4.8. Problem solvers on the world scene**

Constituent governments are often problem solvers as well:

- They can help ease cross-border tensions and resolve cross-border problems;
- They can develop innovations and disseminate them worldwide through the many mechanisms that now exist to diffuse regional and local innovations globally;
- They can often provide the kinds of practical technical assistance to regional and local governments abroad that are outside the competence of federal officials;
- Some constituent governments also provide financial assistance to governments, NGOs, or compatriots abroad.

#### **4.9. Patrons of democracy**

Since the fall of the Berlin Wall especially, the constituent governments of the western federal democracies have engaged in democracy building by providing ideas, model legislation, technical assistance, training and the like for national, regional, and local governments in many countries. At times, constituent governments undertake such activities on their own, but frequently their actions are funded by their federal government. Given that democratisation and economic development require competent local and regional governments, the constituent governments of more developed federal

democracies can be valuable assistants. Regional and local officials also participate in international and regional organisations that promote regional and local democratic self-government worldwide not only against domestic intra-national obstacles, but also against international threats to autonomy posed by free trade, globalisation, and supra-national rule making. Many local officials around the world support the proposed international Charter of Local Self-Government. They also support the International Union of Local Authorities, World Association of Cities and Local Authorities Coordination, and so on.

#### **4.10. Practitioners of goodwill**

Constituent governments can play useful roles in promoting goodwill abroad and improving cultural understanding between peoples. Regional and local governments are well suited for this role. Such activities are often best carried out on a small-scale, one-to-one basis so that participants can see how other people really live and think. Regional and local governments can work with their resident business firms and NGOs to build different kinds of bridges between peoples, and to assemble rich cultural and educational programs. In addition, regional and local programs are often less freighted with ideological baggage and policy antagonisms that separate national governments, thus enabling regional and local goodwill initiatives to overcome barriers that divide peoples.

### **5. Constituent diplomacy and inter-governmental relations**

Whether constituent diplomacy occurs under conditions of inter-governmental cooperation or conflict varies greatly across federations, and within a

federation across time. If overall inter-governmental relations in a federal system are cooperative, then constituent diplomacy is likely to develop in an inter-governmentally cooperative manner, with disagreements and conflicts being resolved much as they are resolved in other policy fields. Constituent diplomacy does not so much alter the nature of inter-governmental relations as widen their scope by adding new issues to the inter-governmental agenda, and by bringing new players into foreign affairs as the line between domestic policy and foreign policy becomes thinner. Hence, constituent diplomacy increases possibilities for inter-governmental and inter-jurisdictional cooperation, just as it increases possibilities for conflict, especially where domestic inter-governmental relations are already conflictual.

However, conflict often attributed to constituent diplomacy is not necessarily caused by constituent diplomacy. Instead, the conflictual international activity is another manifestation of conflict already present in the federation domestically. Antagonistic constituent diplomacy simply aggravates existing conflict and subjects the federal government to greater international embarrassment. At the extreme, conflict caused by the constituent diplomacy of a secession-minded region is not caused by that diplomacy per se. Instead, that diplomacy is a manifestation of the conflict caused by the region's secessionist desires. Therefore conflict over the region's diplomacy cannot be resolved without resolving the underlying secession conflict.

Likewise, conflict might be rooted in the party system and election outcomes. When one party controls the federal government and a different party controls one or more constituent governments, there may be conflict over constituent diplomacy just as there is over many other matters. Often, such conflict

cannot be resolved administratively or judicially: it must be resolved politically if at all. The same principle applies to federations where the federal government is controlled by one ethnic, linguistic or religious group, while one or more constituent governments are controlled by different groups. This is a core issue because most federations are multi-national, multi-linguistic, multi-religious, and so on. Their constituent communities often view themselves as “nations”, and foreign policy making is seen as an attribute of sovereign statehood. As such, constituent diplomacy can become another weapon in the competition for power against the federation and in domestic battles that long predate the current era of globalisation. There is therefore no magic formula for resolving conflict, and what works in one federation may not work in another.

In the absence of secessionist or other oppositional political motives however, constituent governments ordinarily have strong incentives to resolve conflict so that they can better promote their interests. If the federal system is basically cooperative and consultative, then habits that prevail in domestic policy making can be applied to foreign policy making with, perhaps, two attitude adjustments. Firstly, where national foreign policy officials have not customarily cooperated with their constituent governments, they need to change their attitudes and behaviour – something not always easy to accomplish. Secondly, constituent government officials need to recognise that they are not fully independent foreign policy makers, nor are they nation-state foreign policy makers. They are policy makers for their region or locality and ought therefore to remain focused on the real needs of their region and locality.

## 6. Normative considerations

One basic question is the extent to which the international concerns of constituent governments should be privileged over the international concerns of businesses, NGOs, and other elements of civil society. A federal government has direct responsibilities for all of its citizens, and most federal systems operate under some type of dual majoritarianism involving shared rule by citizens of the federation and self-rule by citizens of the constituent communities. Insofar as a federation's foreign policy is, in principle, intended to benefit the federation, then it is legitimate to limit the reach of constituent diplomacy, and to constrain constituent diplomacy to matters that benefit constituent communities in ways that supplement and enhance, rather than detract from, the federation's policies. Moreover in making foreign policy for the federation, the federal government is obligated to listen to non-governmental voices as well. These voices crosscut the federation's constituent communities and sometimes oppose their policy interests. Article 147 of the Swiss constitution seems to recognise this fact. While the constitution privileges the cantons in Articles 45 and 55, Article 147 incorporates political parties and non-governmental interests, in addition to cantons, in hearings and consultation.

There also are dissident voices within constituent communities. Although the elected officials of constituent governments in federal democracies formally represent their citizens, there are opposition parties, NGOs, and other elements of civil society in a constituent community that may oppose certain aspects of their government's constituent diplomacy. They may appeal to the federal government and even the international community to override their

constituent government. Therefore it is not self-evident that a federal democracy should privilege the foreign policy voices of constituent government officials over other voices. Indeed, given the decline of public trust in governments in most Western democracies, citizens may at times regard business firms or NGOs as better representatives of their international interests than their elected constituent government officials. The very process of democratisation that contributed to the rise of constituent diplomacy has also brought non-governmental voices into the foreign policy arena.

Local governments can encounter the same problems with their regional government that regional governments encounter with their federal government, namely, a desire by regional officials to monopolise foreign policy and claim constituent diplomacy as the sole prerogative of the regional “state”. A 1999 declaration by the Government of Quebec, for example, states:

“above and beyond its jurisdictions in matters of education, language, culture and identity, the Gouvernement du Québec is the sole interlocutor competent to directly and appropriately represent the reality and interests of the Québec people” (Declaration 1999).

Nothing is said about local or aboriginal governments. Thus, regional officials may be no more sensitive to the international interests of their local governments than federal officials are to the international interests of their constituent governments. Yet in many constituent regions, the lion’s share of the jurisdiction’s economy and culture is accounted for by one or two cities or metropolitan areas. Furthermore, in many constituent regions, there are sharp differences in economy and culture between urban and rural areas. Balancing

these interests in a monopolistic structure of regional constituent diplomacy may not be possible, and suppressing local constituent diplomacy may be detrimental to the entire region.

The emergence of constituent communities seeking to advance cultural and political objectives domestically and internationally as “national” states is the most conflictual dimension of constituent diplomacy. This dimension will increase during the foreseeable future because many such assertions are occurring worldwide. There has been growing intellectual legitimisation of such assertions in the names of human rights and cultural diversity, and the constituent communities of some federal democracies, especially Quebec in Canada, have considerably advanced cultural and political constituent diplomacy. Such constituent communities, moreover, are likely to elevate and institutionalise foreign affairs in a ministry or department of international relations, and to develop a cadre of foreign policy bureaucrats. On the other hand, constituent governments more focused on economic and housekeeping diplomacy are likely to embed those responsibilities in relevant domestic ministries or departments. The establishment of a ministry or department of international relations, and appropriations of tax revenues to maintain that establishment are crucial symbolic institutionalisations of the constituent community’s “national” status.

Elevating the autonomy of particular constituent governments, however, introduces asymmetry into a federation, and privileges the constituent diplomacy of particular constituent governments over that of others. Elevating the self-rule dimension of federalism, especially asymmetrically, at the expense of the shared-rule dimension of federalism could unbalance and

fragment a federation unless there are compelling reasons of political expedience to hold the structure together.

There is also the problem of *reductio ad absurdum*. If a constituent political community, such as Quebec, asserts rights to “freedom of speech” in international affairs, to protect and “promote cultural diversity”, to be recognised as a distinct culture rather than as a simple “regional component” of a single “Canadian culture”, and to be “the sole interlocutor” for Quebec (Declaration 1999), then it must accord the same rights to the aboriginal nations within its boundaries and to other resident communities that regard themselves as culturally distinct. The aboriginal nations in Canada experienced far more repression, including genocide, than did French-speaking Canadians, who themselves were co-conquerors of the aboriginal nations. The aboriginal cultures and languages are in any case older than those of Quebec and France, and so in these respects they have a higher moral claim to national status than does Francophone Quebec. To the extent then that culturally distinct constituent political communities do not accord the same rights to their resident minority communities, they are replicating the reactionary character of the nation-state era, in which the state was the coercive, paternalistic instrument for imposing, enforcing, and subsidising a national culture. These are precisely the repressive policies of the past that have given rise to so many assertions of cultural nationalism today. The federation, therefore, may be obliged to intervene in the affairs of such constituent governments to protect minority communities as well as dissident interests that regard the federal government as more supportive of their concerns than their constituent government. Thus, there are federalism and



democracy grounds for constraining the authoritative reach of constituent diplomacy.

To date, the major federal democracies have managed such nationalistic assertions fairly well. There has been little or none of the bloodshed occasioned by many such assertions around the world, despite the impractical, reactionary, and illiberal propensities of constituent governments seeking to use regional state power to enforce a “national” culture. The peaceful management of such cultural conflict has been due partly to the liberal democratic character and non-centralisation of Western federations.

In turn, cultural and political constituent diplomacy are likely to be constrained by several forces.

Firstly, they may be constrained by the jurisdiction’s voters if the policies fail to produce benefits, especially economic benefits. If voters believe that cultural and political activities are being pursued at the expense of necessary economic development, they may insist that the constituent government should turn its attention to promoting exports and attracting investment and tourists. However, the constituent government could counteract this force by blaming the region’s economic problems on globalisation and federal policies, thus intensifying protectionist cultural nationalism. Constituent communities strongly motivated by cultural and political concerns may be especially vulnerable to such self-fulfilling prophecies. This is so because educated voters and workers in the private tertiary (service) sector of the economy tend to understand the relationship between globalisation and government capacities to manage the domestic economy, and are thus less likely to

punish government officials simply for economic performance. However, public sector workers in government bureaucracies, academic and cultural institutions, as well as workers in the primary (agricultural) and secondary (manufacturing) sectors are more likely to punish elected officials if they do not respond protectively to globalisation (Hellwig, 2001). Government workers and intellectuals in protected jobs, as well as farmers and assembly-line workers seeking protection, are often the most ardent cultural nationalists.

Secondly, to the extent that a constituent government's cultural and political diplomacy produces negative externalities for other constituent governments of the federation, they too will oppose those policies.

Thirdly, aside from the federal government itself, non-governmental interests that crosscut the boundaries of constituent governments are likely to seek to maintain the shared-rule dimension of federal democracy as a countervailing power to constituent governmental power, and to oppose certain constituent governments on specific foreign policy issues.

Fourthly, cultural and political constituent diplomacy is likely to be constrained by the nation-state system itself, because nation states have a powerful self-interest in maintaining the international system as an inter-national system. Even in the EU, there is little enthusiasm for a Europe of the Regions.

## **7. Conclusion**

Constituent diplomacy is now an institutionalised and mostly legitimised facet of federal democracy, and a phenomenon that is spreading to other political systems as well. This development is due not so much to globalisation per se

as to democratisation, inter-governmentalisation, human rights, decentralisation, market liberalisation, United States policies, and technological innovation in travel and communications, which have made the current era of globalisation different from that which took place in the nineteenth century. Consequently, even if globalisation experiences some reversals, constituent diplomacy is likely to endure, at least in federal democracies.

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