


OXFORD

Federalism: An Introduction

George Anderson
Forum of Federations

A red starburst graphic with a white outline, containing the text 'Special Advance Conference Edition'.

Special
Advance
Conference
Edition

Federalism: An Introduction

Federalism: An Introduction

George Anderson

Forum of Federations

OXFORD
UNIVERSITY PRESS

OXFORD
UNIVERSITY PRESS
70 Wynford Drive, Don Mills, Ontario M3C 1J9
www.oup.com/ca

Oxford University Press is a department of the University of Oxford. It furthers the University's objective of excellence in research, scholarship, and education by publishing worldwide in

Oxford New York
Auckland Cape Town Dar es Salaam Hong Kong Karachi
Kuala Lumpur Madrid Melbourne Mexico City Nairobi
New Delhi Shanghai Taipei Toronto

With offices in
Argentina Austria Brazil Chile Czech Republic France Greece
Guatemala Hungary Italy Japan Poland Portugal Singapore
South Korea Switzerland Thailand Turkey Ukraine Vietnam

Oxford is a trade mark of Oxford University Press
in the UK and in certain other countries

Published in Canada by Oxford University Press
Copyright © 2008 Forum of Federations

The moral rights of the author have been asserted

Database right Oxford University Press (maker)
All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, without the prior permission in writing of Oxford University Press, or as expressly permitted by law, or under terms agreed with the appropriate reprographics rights organization. Enquires concerning reproduction outside the scope of the above should be sent to the Rights Department, Oxford University Press, at the address above.

You must not circulate this book in any other binding or cover and you must impose this same condition on any acquirer.

Cover design: Sherill Chapman

Library and Archives Canada Cataloguing in Publication

Anderson, George, 1945-
Federalism : an introduction / George Anderson.

Includes bibliographical references and index.
ISBN 978-0-19-542904-6

1. Federal government—Textbooks. I. Title.
JC355.A54 2008 321.02 C2007-905545-1

This book is printed on paper which contains 30% post consumer waste.

Printed and bound in Canada.

1 2 3 4 — 11 10 09 08

Table of Contents

Preface	vii
Chapter One: An Overview of Federalism	1
Federalism's importance	1
Federalism's variety	2
Federalism's common characteristics	3
Federalism and devolved government	5
Chapter Two: Choosing Federalism	7
Origins of federations	7
Historic waves of federalism	8
Evolution of federations	11
Suitability of federalism	12
Chapter Three: The Constituent Units	14
The political geometry of federations	14
Types of constituent units	16
The social diversity of constituent units	17
Establishing and changing boundaries	19
Chapter Four: Dividing Powers — Who Does What and How?	21
Two models for assigning legal powers	21
Legal sources of powers	23
Varied federal distributions of powers	23
Criteria for distributing powers	26
Asymmetry in the distribution of powers	27
Dealing with conflicts over powers	29
Chapter Five: Money and Fiscal Powers	30
The importance of money	30
Assignment of revenue powers	31
Spending shares between orders of government	34
Central transfers to constituent units	35
Fiscal inequality and redistribution	36
The spending power	38

Chapter Six: Institutions of the Central Government	42
Importance and variety of central institutions	42
Parliamentary, presidential and mixed regimes	43
Upper houses and territorial representation	45
Principles of representation	46
Powers of upper houses	48
Political parties	49
Provisions regarding minorities	52
Chapter Seven: The Legal Pillars of Federalism	55
The constitutional basis of federalism	55
Constitutional arbitration	56
Emergency and special non-federal powers	57
Constitutional amendment	59
Rights in federal constitutions	61
Role and character of the courts	62
Chapter Eight: Intergovernmental Relations and Politics	64
Interdependence and interaction	64
Roles of executive and legislative branches	65
Upper houses in intergovernmental relations	66
Institutions and processes	67
Coercive versus consultative federalism	69
Chapter Nine: Unity and Diversity	70
Challenge of unity	70
Repressing diversity	71
Embracing diversity	71
A balanced approach to diversity	72
Building out: devolution	73
Building in: a representative and effective centre	74
Unity post-conflict	77
The question of secession	78
Chapter Ten: Thinking About Federalism	80
Federalism's strengths and limits	80
Federalism's growing relevance	81
Conditions for federal success	81
Learning from comparative federalism	82
Acknowledgements	83
Further Readings	84
Index	86

Preface

This introduction to federalism has been written primarily for practitioners of government—politicians, government officials, journalists, members of non-governmental and international organizations and concerned citizens—who have a practical interest in federalism, probably focused on federalism in their own or other specific countries. They might ask, ‘What can I learn from the experience of other federal countries that might help me better understand the nature, choices, and even limitations that this country might face in modifying or developing its form of federalism?’ At the same time, it is hoped that students of federalism find the book a useful, concise overview.

The book’s language is simple, with a minimum of jargon, no footnotes, and no references to particular authors. It gives the essential points in a direct, bottom-line way useful to people engaged in political debate or policy making.

There can be no one recipe for federalism. Every society is complex and its character is shaped by many factors. Thus, this book is less about ‘how to do’ and more about ‘what to consider’. It outlines what factors might be relevant and gives a sense of how they might play out. The catalogue of factors can never be complete and some factors could play out quite differently, depending on context. So the information provided here needs to be joined with a good knowledge of the country of particular interest. Even so, sophisticated constitutional authors have sometimes been surprised at how their designs have worked in practice.

The book falls into 10 chapters, which are divided into sections, each of which starts with a brief statement in bold type that outlines the key points of the section. It is possible to get a quick overview of the whole

book simply by reading these short statements. Elaboration follows that further develops the ideas and introduces additional material. As well, there are boxes with examples of the experience of different federations in relation to a particular aspect of federalism. The boxes are illustrative, not comprehensive: they provide a sense of the range of possibilities. They can be skipped or read at choice. It is hoped this way of presenting the material promotes flexible use, facilitates understanding, and responds to the different needs of readers. This is an introduction and many readers will wish to deepen their knowledge. If the book inspires further reading, so much the better: a brief list of suggestions is provided at the end of the text.

The Forum of Federations is active on 6 continents and envisages making extensive use of this book, which I wrote to respond to a need we saw for a concise, non-academic overview of federalism. We would be grateful for any suggestions to improve subsequent editions.

**George Anderson,
President and CEO,
Forum of Federations**