Federalism
A study of evolution and consequences
Abstract

Federalism is an important and broadly implemented feature in today’s international community of polities. Around 70% of the world states are believed to have at least some element of federalism, and around 20 of the world’s nations are considered to be federal states, and 40% of the world’s population lives in these countries.

The purpose of this thesis is therefore to investigate federalism. To see what reasons that is behind federalism and if federalism itself have any effects on issues such as democracy and participation.

First of all it is important to understand what federalism is, and as mentioned above countries can have different degrees of federalism; however, two very important aspects are division of power and self rule. Division of power means that the governing power is divided, the federation as a whole has its governing system and the regions or states have their own.

Self rule is given in a federation, the goal here is to create a system where regions and states can have their sovereignty and make decisions that they believe are the best for their region, but at the same time they belong to a bigger system and have to obey the rules of the national government as well. This often becomes a source of disagreement, what should be the responsibility of the region and what should the national government control.

Political scientists have over time been discussing what the reasons for a country become a federation might be. I will in this thesis discuss five hypothetical reasons: 1) A practical reason- Countries becomes federal because of their areal size and population size 2) historical circumstances- influences from former colonial powers 3) ethical diversity 4) the will to expand territory and 5) the will to give up territory.

After looking at different countries evolvement towards federalism it is justified to say that all of the hypotheses, to some degree are correct. All of them do have an effect when it comes to why a country becomes federal.

There are reasons to believe that a higher level of democracy, political participation and conservatism are consequences of federalism. After doing some statistical test it can be concluded that democracy and political participation are somehow correlated to federalism, but it is not justified to say that a country is democratic because of federalism, other factor have to be taken into consideration. Conservatism however can be seen as a result of federalism.
Sammanfattning

Federalism är ett brett utspritt fenomen i dagens politiska samhälle. Omkring 70% av världens länder har inslag av federalism och omkring 20 länder räknas att vara helt federala, sammanlagt lever hela 40% av världens invånare i dessa länder.

Syftet med denna uppsats är därför att undersöka federalism. Att se vilka anledningar som finns bakom federalism och om federalism i sig själv har någon effekt på frågor som demokrati och deltagande.

Till att börja med så är det viktigt att förstå vad federalism är för något, och som tidigare nämnts har länder olika nivåer av federalism. Oavsett vilka nivå av federalism som råder så finns det två väldigt viktiga aspekter, maktfördelning och självstyre. Med maktfördelning menas att federationen har sitt beslutande system samtidigt som regioner inom länder har sina egna system. Självstyre är givet i en federal stat, målet är här att skapa ett system där regioner och stater har sin självständighet och tar sina egna beslut, samtidigt som de tillhör ett större system och måste lyda de regler som gäller där. Detta leder ofta till en osäkerhet inom landet, vad ska regionernas ansvar vara och vad ska vara under nationell kontroll?

Statsvetare har under en lång tid diskuterat vad anledningarna till att ett land blir federala kan vara. Denna uppsats diskuterar fem hypoteser. 1) En praktisk anledning, länder blir federala på grund av landets storlek och invånarantal 2) historiska omständigheter -influenser från förre detta kolonimakter 3) etisk mångfald 4) vilja att expandera territoriet 5) vilja att ge upp delar av territoriet.

Efter att ha undersökt olika länder utveckling mot federalism är det rättfärdigat att säga att alla nämnda hypoteser, till en viss nivå stämmer. Alla har en viss effekt när till kommer till varför länder blir federala.

Det finns anledningar till att tro att en högre grad av demokrati, politiskt deltagande och konservativt är konsekvenser av federalism. Efter ett par statistiska test kan slutsatsen bli att demokrati och deltagande är på något sätt relaterat till federalism, men det är dock inte rättfärdigat att säga att ett land är demokratiskt på grund av federalismen, andra faktorer måste också räknas in. Konservatism kan däremot ses som ett resultat av federalism.
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Books:
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1. Introduction

Problem

Federalism is an important and broadly implemented feature in today’s international community of polities. Around 70% of the world states are believed to have at least some element of federalism, around 20 of the nations are considered to be federal states, and 40% of the world’s population lives in these countries. (Petersson, 2004). In a federal state the combination between self-rule and shared rule is of greatest importance, where the big issue is how much power the national government and the state, regions or provinces should have. In a broad sense federalism involves the linkage of individuals, groups and polities in a limited union, in a way that it provides for active pursuit for common end and at the same time maintains the integrities of all parties (Elzar1994). Federalism can be seen as a way to create a union or to make sure that a union stays together; it can integrate new polities while preserving internal diversities. Looking at the federal countries, it is at the first glimpse difficult to see oblivious similarities between all of the countries. There are large and small countries represented as well as rich countries like Switzerland and considerable poorer countries like Ethiopia. It is accordingly relatively easy to come to the conclusion that these countries did not become federal for the same reasons, or did they?

Are there any patterns that all that these federal countries might have in common? Or is federalism something that is created on an individual country basis that has nothing to do with any kinds of patterns.

When looking at these federal countries, are there any advantages with the system that unitary state would consider it profitably to strive to. One could believe that with the strong division of power that do exist in federal countries, meaning that there are nation governments as well as strong local governments, people might have the feeling that they can make more of a difference at least when it comes to their own situation. They do not feel that the distance to the decision makes is so far, they feel closeness to their governments and are thereby more keen to vote and in other ways get more involved in politics.

Another big issue is democracy. In order for the federal model to work, democracy is a critical matter. Since a federation not only is demanding regional self rule, but also representation in the national government there are many different levels that can ensure democracy and peoples individual rights (Peterson 2004).
With this in mind, one might ask whether it is possible that federalism leads to increased political participation and an increased level of democracy.

**Purpose and Questions**

There are two main purposes in this thesis; the first is to investigate how federalism has evolved through time, i.e. to see if there are any common patterns which are repeated when it comes to the process of creating a federation. The second purpose is to see what kind of effect federalism has on politics, such as participation, confidence in political institutions, and other critical aspects of politics.

The thesis will be answering the following questions:

*How does a federal system work?*

*Historically how has federalism evolved?*

*Do federal countries have a higher participation rate in elections than unitary states?*

*Are federal countries generally more democratic?*

**Method**

This thesis will have two purposes, 1) to find what reasons make a country federal and 2) what effects have federalism on political participation and democracy, different kinds of methods will be used.

For the first purpose a qualitative method will be used. A qualitative method of research does not pay a great deal of attention to numerical measurement. It concentrates on creating a deeper understanding of a phenomenon, looking for example, as in this case, on the historical contexts. When this understanding is achieved, it is possible to make conclusions and an analysis that answers the research questions.

I will use this method in the part of the thesis that describes the historical background of federalism and the evolution in the different federal countries. I will then use several hypotheses that explain different reasons for federalism and then test the hypotheses on the country observations. It will then be possible in an analysis to reject or not reject the hypotheses.
The second part deals with what different outcomes federalism might lead to and will be a mix of qualitative and quantitative methods. A quantitative method is a method that deals with numerical measurements and statistical calculations. I will use the Quality of Government database and do regressions and other analysis in order to see the impact of federalism. The qualitative elements will be there in forms of stating hypotheses for the impact of federalism when it comes to analyzing results.

**Selection of Observations**

There are 20 federal countries in the world (Peterson, 2004), therefore it is necessary to get a broad and descriptive picture of the cases. In the first part where the reasons behind federalism is described there will be a more detailed description of the countries that in my mind are the biggest, and historically the most important federal systems. Their backgrounds will be provided and they represent a variety of reasons for why federations are created.

**Outline of the essay**

In order to make the concept of federalism more understandable and easier to grasp the second chapter of this thesis will define federalism. It will give a description of the core elements of the federal system.

The third chapter will be about the evolution of federalism, starting of with a number of different hypotheses of why federalism might appear. Then a description of all federal countries way to federalism will follow. An analysis will then follow where a discussion whether or not the hypotheses can be accepted, will take place. The result in the analysis will also give an answer to what the major reasons to federalism are.

The basis of the fourth chapter will be the statistical testing. It will start off with some hypotheses where different views of what federalism might lead to will be described, and then these hypotheses will be tested and analyzed.

**Delimitations**

There are states that are completely federal and there are unitary states, so far it is easy to separate the two systems, but there is also a category in between. These are countries that have federal elements of different degrees, countries like the Netherland, the United Kingdom and China can be placed in this category. They might have some kind of regional sovereignty
but not enough in order to call themselves a federation (Karvonen, 2003). This thesis will only be dividing the countries into two groups, federal and non-federal. The countries positioned in the federal group will be the pure federal ones, and the non-federal group will consist of the rest, that is the middle group and unitary states.

**Sources**

I will use both primary and secondary sources. Primary sources are data collected by the Quality of Government Institute, Göteborg University. Secondary sources that will be used are books, articles and reports.

Some earlier studies in the field of federalism are:


2. What is Federalism?

Federalism is not only an institutional arrangement within a nation, but also a political philosophy in which a group of members are considered bound together, with a governing representative head. The word federalism comes from the Latin word, *foedus*, which can be interpreted as a union or alliance where equal parts agrees to create a common union with its own identity and integrity but at the same time the different parts will keep its own identity and integrity (Peterson, 2004). In this original definition, federalism is a system of
sovereignty rule and common rule and in the agreement there is an assumption that conflict are to be solved peacefully under judicial regulated forms. Traces of federalism can be found way back in time, according to the political scientists Daniel Elazar, this kind of union of federation goes back to stories in the Old Testament where different groups of people came together and created a community with common laws and institutions.

Even though the idea of federalism has existed for a long period of time, political scientists trough out time have had difficulties when it comes to defining a federal state and it is possible to come to the conclusion that 70% of the countries today have some kind of federal features. For example the United Kingdom, the UK has autonomous regions but is still not seen as a federal country. Federalism is consequently hard defined (Peterson33). However there are a number of features that a state needs to acquire in order to call themselves a federal state.

**Division of power**

“Federalism is a political organization in which the activities of government are divided between regional governments and central governments in such way that each kind of government has some activities on which it makes final decisions”. (Riker 1975 p.101) This is how one of the most important researchers in the field of federalism, William H. Riker, defines federalism. By this statement it is clear that a division of power between different levels is the fundamental characteristics for a federal state. Meaning that the governing power is divided, the federation as a whole has its governing system and the regions or states have their own (Peterson, 2004).

The essential institutions of federalism are of course a government of the federation and a set of governments of the member regions, in which both kinds of governments rule over the same territory and people and each kind has the authority to make some decisions independently of the other (Riker, 1975).

Accordingly, the states of regions in a federal state have the right to make their own decisions concerning particular issues. One obvious example here is the US, it is easy to observe the different decisions taken by the different states. They have a great amount of sovereignty to form and create the state they want to. At the same time some areas are always being handled by the national government.
When talking about division of power it is also important that there are guarantees that the division is not being changed against the will of the states, most federations have such a guarantee in a written constitution (Karvonen, 2003).

**Self Rule**

Certainly the regions within a federal state will have a certain degree of self rule. The issue of self rule itself is not questionable at all, the critical point though is how much power the regions should have and how different responsibilities should be divided between the national state and the regions. The principle for this assignment division is stated in the counties constitution, however the implication can be interpreted in different ways and it can be changed (Peterson, 2004).

So what are the states allowed to do? Where is the borderline between regional power and national power set? The easiest way to establish this would be to give the different levels exclusive separated responsibilities. For example the national state takes care of foreign politics while education is a question for the different regions. This clear division is called dual federalism or layer cake federalism.

The dual federalism system is the system of government that for example prevailed in the United States up till 1937, in which most fundamental governmental power where shared between the federal and state governments (Ginsberg, Lowi, Weir, 2007). In this kind of system it is easy to see which areas that are controlled by the national government and which are control by the states.

Cooperative federalism on the other hand is a concept of federalism in which national state and local governments interact cooperatively and collectively to solve common problems, rather that making policies separately. This kind of system is being demonstrated by a marble cake, showing how difficult it is to say where the national government ends and where the state and local government begin (Ginsberg, Lowi, Weir, 2007).

There are different ways in the constitution to decide how the power should be divided between the government and states. One method is that through a more or less detailed list of areas decide what each level should be responsible for. There is often the case that the list of
responsibilities is general and formulated in a diffuse way. It then becomes a question of interpreting the laws.

No matter how diffuse or general the list of responsibilities might be there is always a limit. The states can never make decisions that go against the countries constitution. As an example the American states have to obey the constitutions and the laws legislated by the federal institutions, and the German constitutional law includes an agreement that declares the federal government’s right being above the rights of the different regions.

Making a generalization some areas that most often, in most federations are handled by the national government are foreign affairs, tariffs and infrastructure. And the states are generally assigned responsibilities such as education and healthcare (Ginsberg, Lowi,Weir, 2007).

One can also talk about centralized and decentralized federalism. Riker describes a range of possibilities in the relationship between the different levels of governments, the scale he mentions ranges between minimum and maximum. In a situation where minimum federalism is in place the rulers of the federation can only make decisions in one narrowly restricted way of action, meaning that the different units of the federation have a great power. This situation is called a decentralized federalism. This given, maximum describes the situation where the rulers of the federation can make decisions without even consulting with the rulers of the member governments (Riker, 1975). Certainly very few federal state lie at either of the extremes, most of them are situated somewhere between the two extreme definitions.

In additional to these, there are a number of other characteristics that are typical for federal states, the states are generally assumed to be a bicameral legislature with a strong federal chamber to represent the constituent regions. A typical example for this is the Senate and the House of representatives in the US. A written constitution that is difficult to amend is also a reappearing feature in federations; again the US constitution provides an excellent example. Between 1789 and 1996 more than 11 000 amendments were formally offered to the Congress. Of these, Congress officially proposed only 29 and 27 were eventually ratified by the states. The majority of these amendments were done early and only 12 have been adopted
since the Civil War amendments in 1868 (Ginsberg, Lowi, Weir, 2007). A Supreme Court or special constitutional court that can protect the constitution is also a repeating element in federations (Wachendorfer-Schmidt, 2000).

Accordingly a federal country can be seen as a community of communities, and is a solution to the problem how regions can keep their independence but at the same time have common decision making organs and a common legislative branch. This solution can be a crucial when it comes to keeping the peace and keeping a country together, this will be clarified in the next chapter where the historical development of federalism will be highlighted.

3. Causes of federalism

Political scientists have over time been discussing what the reasons for a country become a federation might be. Are there any common relationships for the countries that from a quick glimpse are completely different? The range of federal states varies between countries from different continents, they are small and large, rich and poor (Petersson, 2004). However, with this as a fact there are a number of hypotheses that are believed to be the common factors behind the creation of a federal state. I will in this part shortly state the different possible reason and see if there are examples from reality that can be found.

After that a study of different federal countries will follow and then an analysis which compare the country cases to the hypotheses.

**Hypothesis 1:** A practical reason- Countries becomes federal because of their areal size and population size.

**Hypothesis 2:** There are historical circumstances- influences from former colonial powers.

**Hypothesis 3:** Ethical diversity leads to federalism.

**Hypothesis 4:** Expand territory.

**Hypothesis 5:** Give up territory.
The Evolution of Federalism

Looking at the different hypotheses explaining reasons for why a country becomes federal we will now see how well they fit with the actual examples, the federal countries. By looking at the history of why a country becomes a federal state there might be patterns that can explain why federalism might have been the best solution for these states. Are there recurring issues or reasons in any of the states that could explain why some states are federal and some are not? Are the hypotheses correct? Or is it something else that can explain the existence of federal states?

Before going into detail the different countries there will be a historical overview of federalism, going back to its very beginning of the concept of federalism, the Ancient time in Greece.

Ancient federalism

The first time something similar to the federalism we see today occurred was in ancient Greece, after the Peloponnesian War. The reasons for why the city-states in Greece decided to come together in a federal system were exclusively military reasons. Greece were under threat from different enemies, there were threats from Sparta, Macedon and Rome. Since the only purpose of the federation was military the constituent cities delegated the federal rulers only military authority. They kept decisions concerning diplomatic matters such as whether or not to make war, if they should conclude treaties, and other issues very relevant to military decisions, to themselves. This was a big mistake, and as a consequence the military function was badly performed. The poor performance was used by the rulers the constituent cities as a justification for further restrictions on the authority of the federal military officials. Consequently such restrictions led to even worse military performance. First Macedon and then Rome triumphed over Greece (Riker, 1975).

So the first glimpse of federalism was not of greatest success and it was not until 1500 years later as it appeared again. It was then happening in northern Italy and southern Germany. Some medieval cities here formed military federations as a way to resist the invasion of emerging nation states. Unfortunately for the new created federations the story, as it was in the Greek federalism attempts, repeated itself. Only one federation survived into modern times: the Swiss confederation (a broader description of the Swiss confederation and its
history follows later on). The reasons for its survival was not its constitutional form, but because of it unique geographic advantages for defensive military operations.

In the 16th century the first, in many ways, successful federation was formed, the Dutch federation. It was created as an incident in the struggle for the independence of the low-country bourgeoisie from the imperialism of the Spanish crown. The Dutch federation survived for over 200 years, until demolished by Napoleon. The Dutch federation was not only the longest lasting one so far; it also represented a major constitutional innovation compared with earlier federalism. While the earlier ones had been considerable decentralized, the Dutch federation was more centralized. An increasing amount of decisions concerning both diplomatic and military questions were now being made on a federal level (Petersson, 2004).

Ever since these times new forms of federations have occurred, and more and more countries have, for different reasons decided to create systems based on the federalist idea. The next part of this chapter will describe the process of creation of the today existing federal countries, looking at the individual cases. Starting of with a deeper insight into three of the most characteristic federations which were all created in different ways; the USA, Switzerland and Germany. After that there will be a description of the remaining federal countries and the reasons behind their creation.

**USA**

The next big step in the history of federalism was the federation created in America, and even if, as described above, federalist system had been existing earlier, the American federalism is seen by many as the first federation. This is how the framers, after the War of Independence was won, created the federation, with many elements looking the same today.

The American system of federalism is, as mentioned, considered to be the first one in the world. The history started when the English immigrants set their feet in the new world they started to create smaller townships, bigger counties and in the end states. Before the war of independence these states had taken care of themselves, they had their own government, interests and traditions. The, at the time 13 states, were quite resistant to entering a union together with the other 12 states. But they had something in common, something that in the end forced them to work together, they all wanted independence, independence from England (Tocqueville,1997). So while the war of independence was going on, 1775-1783, they gave up
some of their power in favour of the union and winning the war. As long as the war was going on it was easy for the government to stay in power but when it was won the states did not really see any reasons to give up even more power, they wanted their sovereignty back. So this is basically when the discussion started, how much power should the states give up?

The federal government was weak so in order to save the union a commission led by George Washington was created. After long deliberations the new constitution was ratified by all states and in 1789 the new federal government was in possession.

When the framers were to create the legislative body there was these two interests also mentioned above to take into regard. The ones who wanted the states to get a lot of power and only wanted a national government where representative could meet and discuss issues that concerned them all, and those who wanted a strong federal government where all people in the former colonies could be one people. So it was difficult in a practical way to meet all requirements in order to please the all states. (Tocqueville, 1997)

The framers looked at two alternatives, the first was to give the states independence and let the majority of the states create common laws. By this way each state would have the same amount of power in the national government. This idea was called the New Jersey plan and was advocated by the smaller states. The big problem here was of course that the bigger states did not see this as democratic and fair at all. Since they had a greater amount of people living in their states and should thereby get more power. Accordingly a second alternative was discussed; the Virginia plan’s idea was to have representatives based on population, all states would have a certain number of representatives depending on how big the population was. The smaller state could of course not accept this alternative since it would leave them completely powerless within the federal government (Petersson, 2004)

So what should the framers do, how could they work this out in a democratic way? The answer is that the combined the two ways. They created the Senate as the principle of the states sovereignty and the House of Representative as the sovereignty of the people. The Senate consisted of two senators from each state, no matter how big it was, and the House of Representative had representatives in proportion to the population, as an example the state of New York had 40 representatives in the house and two senators while the state of Delaware had two senators but only one representative in the house (Tocqueville, 1997).
As it is today, separation of power was of highest importance for the founders of the constitution. The method that the framers came up with in order to ensure this division of powers became known by the name “check and balances”. Check and balances became very important in the US federal system as well as for other federal systems throughout the world. The first of the three powers in the US system is the legislative power, which consists of the House of Representatives and the Senate. Since this power consists of representatives of the states, this is where the different states have their chance to affect the decision making. The legislative branch main job is to pass federal law. The second branch is the Executive branch, which consists of the President. And the third branch is the judicial. The check and balance work so that each branch is given not only its own powers but also some power over the other two branches. Among the most familiar checks and balances are the president’s veto over congress and Congress’s power over the president through its control of appointments to high executive posts and to the judiciary. With this separation of powers, states in the federation are with different levels of representation able to have an impact within the national level of the federation (Ginsberg, Lowi, Weir, 2007).

**Switzerland**

Another country with a long and interesting history of federalism is Switzerland, so here is an overview of how the Swiss federalism was developed.

Switzerland is a federation consisting of 26 states called cantons. The independence of the cantons goes back to very early days of history. As early as 1291 three cantons, Ury, Schwyz and Unterwalden signed a contract agreeing that they would defend each other, solve internal conflicts without violence and respect the local sovereignty. With this as a background it is easy to see the importance of the cantons in Switzerland but it was not until 1848 as the country became a federation.

Until 1798 Switzerland had been a loose organized confederation but still been able to keep its sovereignty. But in 1798 Napoleon and his troops invaded the country. Napoleon tried to reshape Switzerland after French measurements but his attempts failed. After a couple of years he was forces to acknowledge a certain degree of cantonal sovereignty and additional some French speaking areas were declared as cantons. After the fall of Napoleon Switzerland became neutral but voices of disagreements started to appear in Switzerland. Two big religions were being practise in Switzerland, those were Protestantism and Catholicism. In the
protestant cantons more liberal views started to grow, they wanted Switzerland to be a modern unitary state. The conservative Catholics on the other hand wanted to go back to the old confederation (Petersson, 2004).

As a result a civil war, the Sonderbund war, broke out. After 27 days a compromise was in reach, and the two parts could come to an agreement, and the agreement was to create a federal state. As the federation was created the citizens were given a Swiss citizenship in additional to the cantonal one. A federal central government was set up to which the cantons gave up certain parts of their sovereign rights. Areas of responsibilities that still are assigned to the cantons are for example education, taxes and healthcare. The federal government decides over issues such as foreign policy, infrastructure and tariffs. The Swiss federal model shows signs of resemblance of the US system. As the Americans have their Congress Switzerland has a Federal Assembly which is made up by two houses, the Council of States and the National Council. The Council of States is similar to the US senate, with two representatives from each canton and the National Council is made up by 200 representatives, proportionally elected by each canton. The two houses are equal and legislative decisions need to have consent from both houses (Elazar, 1994).

While creating the federation it was intended to integrate the different religious and linguistic groups during the time of the founding the denominational question was of highest importance but it is of minor relevance now and the last decades, the linguistic divide however, still exists and is of highest relevance. The Swiss federalism grants rights of representation of the different linguistic groups in all domains of the federal political system. The constitution has been modified several of times since 1948 and was wholly revised in 1999 (Wachendorfer-Schmidt, 2000).

Germany
As the US, Germany is another big and powerful country with a federalist system. In contrast to the US, the German federation was created in a different way.

There have been sequences of federalism in Germany many times trough out history, both the empire constitution in 1871 and the parliamentary Weimar constitution 1919 were federations as well (Peterson, 2004). However it was in 1949 as the modern German federation was created.
After the second world, the victory powers wanted to make sure that the totalitarian rule by the Nazis was something that was never to happened again. They saw a federal solution as a guarantee that the power would be spread over the country and not be focused in one instance. So instead of reinforcing a centralized government they gave the power to the different regions. To the German constitution was also a detailed guide with human rights added, this was also a way to limit the national governments power (Gunlicks, 2003). One important instance that was created was the constitutional court that did not only have the assignment to try individual cases but also judge in conflict between the federation and the states.

At the time when the federal republic was established the federation consisted of 11 states (länder). After the fall of the Berlin wall an additional five states was added. The 16 states of today are very different among each other, for example in size, where the smallest state, Bremen has less than a million inhabitants and Nordrhein-Westfalen, the biggest one, has a population of around 18 million.

Each state has its own constitution, its own legal services and constitution court. In some states the constitution can be changed with a 2/3 majority in the state’s parliament, some states have public referendums about it (Petersson, 2004).

Germany is a perfect example of marble cake federalism. The two levels share the responsibilities and only a few areas are exclusively assigned to the federation or the states.

As other federal states Germany also have two chambers, but the German model is special. The Germans House of Representatives, (Bundestrat) represent the states but are not elected by the people. Instead there are the local governments that appoint the representatives, which numbers differs depending on the size of the population.

The national government has the responsibility when it comes to issues like foreign affairs, defence, immigrant issues, tariffs, foreign trade and infrastructure. Other areas are either the responsibility of the states or shared by the two levels. Areas that are the states very own responsibilities are education, religion, culture, TV and radio. A system like this could create problem and conflicts between the different levels, and if the conflict can not be solved through compromises and negotiations, the German constitutional law says that the federal laws always overrule state laws (Elazar, 1994).
Argentina

When talking about federalism in Argentina we could just as well be talking about another Spanish-South American country. The history of the former colonies in South America is similar. All of the federations in South America originated in the military crisis and the war against the Spanish to win independence. Argentina was inspired by the French Revolution and American Revolution and won its independence in 1810. A majority of the other colonized countries in the area did the same during this time. In order to keep its sovereignty and because of imperial reconquest, Argentina and the other countries were eager to unite all provinces to stand strong together. Federalism was then seen as the best alternative in order to stay protected from the Spanish. (Griffiths, 2005)

When the concern for Spanish reconquest and the pressing military need stopped federalism gradually disappeared in South America. For example Chile adopted a strong centralized federalism in 1828 and abandoned it in 1833. Colombia, Uruguay and others did the same and the federal governments were changed to unitary governments.

Argentina, and Venezuela to some degree, was the only surviving federal countries. Both of them had a strong centralized form of federalism.

Today Argentina’s federal model looks a lot like the American. They have a division of power with three branches, the legislative, executive and judicial. As in the US, Argentina has a Congress with two chambers, the Senate and the House of Representatives (Elazar, 1994).

Nigeria

Nigeria is a federal republic in West Africa. With an estimated population of about 130 million people, Nigeria is the most populous country in Africa. The development of federalism in Nigeria took of when the British arrived to the country.

The British took over the power in Nigeria in 1900. After different adopted constitutions under British rule it was the Richards constitution in 1946 that a real federation started to developed. This constitution set a Legislative Council for the entire country and divided the country into three regions – north, west and east. The constitution also established three regional legislatures. The regional legislative bodies considered matters referred to them by the Governor and advised him accordingly (Elazar, 1994). In 1951, the constitution was
changed to make necessary provisions for a Council of Ministers of 18 members. The Council of Ministers was made up of equal representation from each of the three regions and the nomination of regional representatives was by the Regional Legislature. A House of Representatives was then created. In 1954 another constitution was adopted. This constitution made the federal character of Nigeria even stronger. It declared Nigeria a federation and recognized the limited autonomy of the regions. While the national government was in power over for example foreign relations, defence, the police, the regions were responsible for primary and secondary education, agriculture and public health.

Even though this kind of federal system had been created, Nigeria was still under British power, and it was not until 1960 that the country got its independence and could, a few years later become a federal republic based on the system set up by the British (Griffiths, 2005).

**Australia**

Australia was a British colony between 1788 and 1829 and the country’s history after that has off course a large heritage from the British, also when it come to its federal structure. Six separate self-governing colonies emerged after the British rule, each with a constitution and institutions of government of its own. Throughout time more and more opinions were raised concerning a union that could work for all colonies when it came to issues as economy and defence. The final and most serious phase of the federation movement took place during the 1890s. The terms of federation and of the constitution on which it was based were negotiated in two major constitutional conventions in 1891 and 1897–98. The conventions were attended by delegations of Members of Parliament from each of the colonies.

The constitution that was created from this process was approved in each of the Australian colonies before it came into effect as an Act of the British Parliament. In designing the constitution, the framers took inspirations from both Britain and the United States. It was given, as many other federations a legislative, executive and judicial branch. After some time of debate concerning the details of the system, members from the different colonies adopted the principles and institutions of a new national government and the Commonwealth of Australia was created (Griffiths, 2005).
Austria
The background to the Austrian federalism starts when Austria was a part of the Austrian Hungarian Empire (1867-1918). The Emperor Charles I wanted to introduce federalism in the empire in order to accommodate the different wills of the nationalities living in the empire. This federal idea might have saved the empire if it would have been suggested at an earlier point, but then, in 1918 it was too late. It was not announced until the last few days of the First World War and only four days before the break-up of the Austrian Hungarian Empire (Petersson, 2004).

Even though Austria now was a relatively small country with a population of barely more than eight million and ethical and cultural homogenous, the federal ideas survived. The federal constitution of 1920 was created, which is still in force today. The constitution was a compromise between the political intentions of the conservative Christian Social Party, who wanted a stronger regional sovereignty, and the Social Democrats, who wanted a strong central power. The battle between these two sides has through the years been significant for the political life in Austria. After 1920 the constitution was revised a number of times, and every revision has contributed to a strengthening of the federal level in Austrian politics.

In 1938 German troops occupied Austria, and the country was incorporated into Nazi Germany as the “Ostmark” of the Third Reich. Later, after the defeat of Nazi Germany, the constitution of 1920 was reinstated and Austria once again became a federal state (Griffiths, 2005).

Belgium
The big defining political feature in Belgium is and has always been its multilingual character. The north part, Flanders, is the home of the Dutch-speaking part of the population and the south, Wallonia is French-speaking. The situation gets even more complicated by a small German-speaking part in the southeast and by the capital, Brussels, which is located in the Dutch-speaking part, but is predominately French. Even though the linguistic issue is the biggest, there are two other divisions, intersecting with the linguistic problem, they are religion and class. These diversities are the reason to federalism in Belgium (Elazar, 1994).
Belgium was created in 1830 when it was detached from the Dutch Kingdom and made into an independent state by a French-speaking bourgeoisie who was against the linguistic and the religious policies of the Dutch King William I of Orange. A strong unitary state was created which operated almost completely in French. The Dutch-speaking could not accept this situation and Flemish movements started in order to get the Dutch language equal to French. After years of struggles between the two sides, the federalization of Belgium occurred step by step there were constitutional reforms in 1970, 1980, 1988 and 1993. The main reason for the different reform and the amount of time it took to create the federation was that Flemish and French parties favoured different federal models. The Flemish side advocated a bipartite federalism structured around the two major linguistic and cultural communities. While the French side, called the Francophone argued for tripartite federalism where both Wallonia and Brussels would be, along with Flanders, constituent units. Additionally the Flemish parties generally favor much larger community autonomy while the French-speaking parties tend to favor more state control (Griffiths, 2005)

Today there is situation between the two big linguistic and cultural groups are more equal in the political life, for example the numbers of Dutch- and French-speaking ministers have to be equal. However, even though the federal structure makes it easier to hold the country together, the differences still created fractions and disagreements in Belgium (Elazar, 1994).

Brazil
The traces of federalism go back a long time in Brazil. As the Portuguese settlements came to Brazil and their territory expanded they decided to divide the territory into 14 different parts and they made Portuguese nobles for each of the parts defence and development.

When Brazil became independent in 1822 the country adopted a monarchical regime. After years of this monarchical regime, a centralized government and powerful elites, a military coup took place and immediately after that the monarchical regime came to an end. The republican alliance then adopted a federal system in which the provinces of the empire were transformed into states. As a result, the first federal constitution in Brazil was shaped. The
parliamentary system was replaced with a presidential one, a bicameral Congress and an independent Supreme Court was created (Griffiths, 2005).

**Canada**
Trough a constitution in 1867, Canada became a federation under the British crown. The factor effecting federalism in Canada the most is the two linguistic groups and the ethnical diversity. Canada has two official languages, French and English. English is the mother tongue of more than 60% of Canadians and French of about 24%, mostly concentrated in Quebec. Since Canada’s settlement and growth have depended heavily on immigration; approximately 14% of Canadians have other mother tongues. In 1991, almost 1 million people in Canada reported having some aboriginal origins.

The problems when it came to keeping the federation together were increasing in the 1960 when the demands for independence were growing in Quebec. The question now was if the province would leave the federation or if the federal institutions could change in a way that the country could be kept together. Canada then went from being a centralized federation to becoming a more decentralized one, were more power was given to the different states. Quebec then decided to stay within the union; however, the fight for an independent Quebec is not over in Canada (Meekison, Telford, Lazar, 2004).

**Comoros**
The Comoros archipelago includes four islands in the southwest Indian Ocean between Madagascar and the east coast of Africa. Europeans first discovered the Comoro Islands in the 16th century but it was not until the 19th century, during the French colonization that the islands became unitary under a single authority (Elazar, 1994).

As the independence movement was going on in many places around Africa, it also spread to the Comoros and in provoked a burst of nationalism in the country. The people wanted their independence from France. So in 1975 the Comoros became independent. Ever since then, the political situation has not been that stable at all, the major problem has been that each of the islands have had a tendency to defend its own interests and not been interested at all what might be the best thing for the country as a whole. As a way to remedy this, to give the islands
their power but still keeping the country impact, a federal system was implemented. The constitution gives the islands the right to govern most of their own affairs with their own presidents. Even though problems and conflict in the Comoros are on going, the country is considered by the organization Freedom House to be one out of two real electoral democracies in the Arab world (Griffiths, 2005).

**Ethiopia**

Before Ethiopia became a federation in 1995 the country was based on the Soviet model and was a one-party, communist state. It was not until the end of the Cold War that the communist ruled state started to get problems. Soviet support then got weaker and the integrity of the centralized state was challenged. In addition military defeats in Eritrea and Tigray fatally weakened the regime.

In 1991 the Ethiopian Peoples’ Revolutionary Democratic Front, created a new coalition and took control over the country. They implemented a transitional government which implemented extensive economic reforms and they started to form a federal system in Ethiopia, by dividing the country into nine regions. These states were divided along ethnic lines. Then, after a few years of drafting the constitution, a process which included public consultation, the voters accepted the constitution and the Federal Democratic Republic of Ethiopia was proclaimed (Griffiths, 2005).

**India**

India was for a long time colonized by the British. It was a highly centralized form of government where legislative, executive and financial powers were rested in the hands of the Governor-General who functioned as an agent of the British Government. However, it was difficult for the British to exercise a centralized rule, and in order to contain Indian nationalism and to secure British supremacy they implemented the Government of India Act. This Act gave India its federal structure; it divided India into provinces and gave each province a king that was to rule. Although the British attempts to remains in power over India, during the twentieth century a nationwide struggle for independence to of by the Indian National Congress and other political organisations. Indian leader Mahatma Gandhi led millions of people in national campaigns of non-violent civil disobedience. As a result, in 1947 India gained independence. The new constitution came into force in 1950, the country
was a centralized federation at the time, with a strong centre and weaker states, but it has grown increasingly federal during the last decade (Elazar, 1994).

The form of the federal structure was initially modeled on the one created by the British, but after a couple of years reorganized in a way that was believed to be more effective. For example the states were reorganized on the basis of what language that was spoken in the area, this was believed to solve different kinds of social problems.

**Malaysia**

As many other federations Malaysia evolved from the pattern of British rule. The British rule at the time were based on treaties with Malay states, in 1896 four of the states joined a federation created by the British, five states decided to stay outside of the federation. The British were also in direct control over three other colonies, Singapore, Melaka and Penang, and indirect colonial rule two Borneo states. After the Second World War there were different attempts made to unify all of these different states and territories. However a proposal to create a Malayan Union had to be abandoned due to opposition from the Malay sultans, they feared that they would loose political power if immigrant communities of Chinese, Indians and others would be equally represented in the political process (Griffiths, 2005).

Instead a federal system was created, the system was designed to make sure that the Malays were dominating politically. All British colonies in the area, except Singapore became a member of the federation.

When Malaysia became independent in 1957 the country kept the federal system set up by the British, but they slightly changed it by giving more power to the states themselves (Elazar, 1995).

**Mexico**

Ever since 1810, when Mexico became independent the tension between states and the central government have been dominating the political landscape in the country. Indeed the war of
independence started as a reaction on the amount of power the central government had. So in order to preserve the union and prevent some states breaking loose, the first federal constitution was created in 1824. Even though the constitution granted some sovereignty to the states, the constitution was not a success, the tension between the government and the states continues and states still wanted their independence, Texas was one of the state that declared its independence from Mexico in 1836. A time of dictatorship and war followed in Mexico, and it was not until 1917 that the country got a federal constitution again. This is the constitution still valid today and it declares that Mexico is a “federal, democratic, and representative republic, composed of free and sovereign states in regard to their internal regime”. However, looking at the real situation Mexico have a very centralized system which gives the federal government a big share of the power (Griffiths, 2005).

Micronesia
A number of countries, Spain, Japan, Germany and the US have been in control over the small country of Micronesia. In 1947 the US was assigned administration of Micronesia under a UN trusteeship.

Micronesia consists of a collection of islands and after being under US control, and being heavily influenced by the US, the Americans saw complete annexation as the best political solution for the country. However, this was at the time when the Second World War was entering its last couple of weeks, some of the Micronesian island were being occupied by Soviet, consequentially Micronesia could not, at this time get its independence.

With the cultural differences between the islands, and some regions believing that a union among them would drain of their recourses to the populated at less well-endowed region, the negotiation took a long time but eventually the different islands could agree and the federation could be created.

Pakistan
Pakistan became independent from British rule in 1947. It is easy to come to the conclusion that Pakistan at the time had a complicated geography, with two wings, separated by over 1500 kilometres of Indian Territory. Most of the Pakistan states had Muslim majority, however the two states of Hyderabad and Junagadh were populated largely by Hindus. These two states did belong to Pakistan but were occupied and annexed to India. The accession of
the Muslim majority state of Jammu and Kashmir became a major conflict between Pakistan and India.

Looking at these features one could say that a federal solution would be the best for Pakistan, unfortunately that did not happened. Instead a time of conflicts and wars took place. A war that in the end led to a separation of the two wings, the eastern wing, that we today call Bangladesh became an independent state.

The first steps towards federalism in Pakistan were initiated by the British with a package of reforms embodied in the Government act of India of 1935. Pakistan adopted the Indian constitution until 1958 when they adopted their own. One important feature in the creation of Pakistan was the political struggles of the Muslims in British India. They started to question if they wanted to be a part of the federal India, they saw themselves as a separate nation where they could determine their own political system, culture and religion.

In when the Pakistan resolution was created, the Muslim parts in India and the different provinces within Pakistan voted whether or not to join the federation. Accordingly, Pakistan was not a case where a central authority gave regional autonomy to its various components; it was more a case where regional units set about established a federation.

**St. Kittis and Nevis**

St. Kittis and Nevis are islands located in the eastern Caribbean. After going from being a British colony to being a French, the country once again became under British rule. The British wanted to have a larger federation of its colonies in the West Indies. After more than 10 years of discussions the Federation of the West Indies came into existence. The federation consisted of 10 colonies. However, conflicts appeared early in federation, one issue was to decide on a capital and Jamaica; the largest of the colonies were increasingly worried about loosing control over its own development (Elazar, 1994).

Conflict within the federation led to than, in 1962, on the date the British had planned to give the federation its independence, the federation dissolved. St. Kittis and Nevis decided to become a state in voluntary association with Britain and they stayed so until their independence in 1982.
Today the federation consists of two units, the island of Kittis and the island of Nevis. The legacy from the British colonial time is strong, with a political system in many ways similar to the Westminster model (Griffiths, 2005).

**United Arab Emirates**

The United Arab Emirates is a federation consisting of seven Arab sheikdoms in the Persian Gulf. Each of these emirates was from the beginning a haven for both pirates and more respectable traders. The British wanted to protect Indian trade and extend influence over the Persian Gulf, so through an intervention in 1819 the British Empire’s eastward expansion led to Britain gaining control over defence and foreign relations in the seven sheikdoms.

The British had favoured greater cooperation among the emirates and they formed the Trucial State Council as a forum where mutual concerns and co-ordinations could be discussed. So when the British withdraw from the Gulf in 1968 it was natural for the emirates to take the discussion about creating a federation. The federation had independence as its first goal but because of internal conflicts, the formation of the federation took a long time, and in 1971 Bahrain and Qatar declared independence separately. Shortly thereafter the remaining states drafted a federal plan and formed the United Arab Emirates (Elazar, 1994).

**Venezuela**

Venezuela has had a long history when it comes to federalism; it started when the country declared its independence from Spain in 1810. After that the country developed a federal form of government, heavily influenced by the US constitution. The different provinces in Venezuela were isolated from each other, and socially and politically different. A federal system in Venezuela could form an independent state and parts that never before been united could now be it. For the matter of fact, the early federalization made Venezuela the second modern federation after the US. However, Venezuela’s total independence did not last for such a long time, it did not take many years before the country became integrated into the Republic of Colombia. This integration of states into Colombia was called the “Grand Colombia” project; the project did not take part of the project for that long time. Due to the strong forces developed in the Venezuelan provinces, wanting independence, the project came to an end in 1830 (Elazar, 1994).
As a result a federal but very centralized government was established. However, people were not completely happy with this arrangement, so struggles between the central forces and the provincial forces, who wanted a decentralized government, started to emerge. This led to a five-year long war called the Federal War. The side wanting federalism won the war so in 1864 the new federation was created and Venezuela has ever since been a federal state (Griffiths, 2005).

**Analysis concerning causes of federalism**

After the hypotheses have been stated and the different countries histories towards federalism has been described it is time to see if the hypotheses fit into the actual country cases. This analysis will go through each of the different hypotheses of why a country might become federal. It will investigate if the country cases discussed above will match any of the hypotheses.

**Hypothesis 1:** A practical reason- Countries becomes federal because of their areal size and population size.

Looking at both the first hypothesis, concerning a states size and the third, concerning ethical diversity, federalism can be seen as a solution to problems. The federal system is here used as a tool to make it possible to run a country without internal conflicts or people being discontent about the way the government it handling the power.

When discussing the size of a country we talk about the areal size and the size of the population. Of all different reason for why federal system is created size can be seen as the most obvious. If a country have a large distance between the different parts of the country it would most certainly mean a big distance between the central power and the periphery. This could in the next step lead to dissatisfaction among the people living in the parts far away from where the political decisions are being made. There might be problems with communications between the constituents and the politicians, people in the outskirts of the country might feel disconnected to politicians and decision making organs and they might in the end regard the government only being a tool for the already wealthy people in the capital.
and big cities. This scenario could, if nothing would be done, jeopardise the national unity. Handling administration could also be a problem in states with a large size. The same theory can be applied when it comes to population, it is easy to understand that a country with a big population might benefit from having governments on different levels; it would give more people a chance to get a fair representation (Karvonen, 2003)

It is easy to see why a big country as the US or India might be easier to run being a federation. In big countries like that the needs can be different depending on where in the country you live. Taking the US as an example, it is not necessary true that the people in Utah have the exact same needs as people in California. Having the state government handling more local issues solve the problem of the people feeling disconnected with the rulers. However, at the same time, the US was not that big, with that population when the federation was created but if we look at the federal states it is obvious that some of the biggest states are among them. An additional way to accept this hypothesis is by looking at the population rate (which is strongly correlated to areal size) in the countries that are federal. Some of the highest populated countries in the world are as mentioned having a federal model. By comparing the mean value of population in federal states and unitary states there is a clear relation between size and a state being federal.

Federal states have mean value of 98 million people while unitary states have a population mean of 21 millions. (Karvonen2003)

Thinking about this, the size factor can be a practical reason for why a state becomes federal, but one has to remember that is it a rule with many exceptions, there are many small countries that are federal as well, and if we turn it around, many big countries with a large population, such as China, France and the United Kingdom are not classified as federation.

**Hypothesis 2:** There are historical circumstances- influences from former colonial powers.

Looking at the historical background of the federal states there is one thing coming back over and over again. That is that more than a third of all federations existing today are former British colonies. There is the US, Canada, India, Australia, Pakistan, Malaysia and Nigeria, which all started of as groups of colonies. Additional, other federalisms that failed such as New Zealand and the British West Indies also started under British rule.
There are alternative reasons for why the British were keen on implementing federalism. One reason could be that creating a federal system was a way for the British to remain in control, that they did it as a way to generate internal disagreement in the state government, and the only way that this disagreement could be mollified was by help and assistance from the former master.

Other reasons that have been discussed as the reason for why these colonies became federal are that by using the system of colonial governors (who were supposed to be executive over a given area) the British limited the size of colonies to what could be governed by one man and the area ruled by one of these governors was seldom, if ever large enough to be workable in the modern world. This also made it easier to stay in control over the colonies. (Riker, 1975)

The federal idea was also seen as a solution to the problems concerning the incredibly complex cultural, religious, ethnic and regional problems in the colonies. India was one country were these problem were the greatest and India became the first British colony that in 1930 became federal, when the Government of India Act was adopted. After that the British started to give more attention to the future of their colonial empire and a federal solution to the multiple intractable problems seemed sensible and, above all, acceptable to the home authorities.

The British were not the only ones who turned to the federal idea as a solution to complex colonial of regional issues. In 1949 Brazil reaffirmed a commitment to federalism Yugoslavia adopted a constitution modelled on soviets federal variant. Both the Dutch in Indonesia and the French in Indochina did attempts to establish federal states in colonial territories, but in the end those attempts turned out to be unsuccessful (Kendle, 1997).

There are also different reasons why the countries when they have gotten their independence decided to stay with the federal system. The might have felt that they did not wanted a strong central government like the one under colonization, that they instead wanted a system with shared power where they could create their own kind of democracy.

A practical aspect can be implemented here as well, it is easier for a country that is a federation to implement that kind of system on their colonies, and at the same time it is easier for a newly independent country to turn to the system it has been adjusted to during the colonized period.
Even though there are centuries which are federal but have never been colonized, there is a clear pattern that many of the countries who developed federations did so due to colonial heritage where federations were created.

**Hypothesis 3:** Ethical diversity leads to federalism.

In countries where there are a high degree of ethical diversity, there might be difficulties in making sure that all different groups needs and wants are being represented, this could easily create internal problems in the country. In some cases it can even lead to a destruction of the country, with parts wanting their complete sovereignty. The solution to this problem could be federalism, especially if the ethical diversity is divided into regions.

There are a number of different countries that have a spread ethical diversity and by being a federal state making it easier and more convenient to run the country (Karvonen, 2004).

One example is Quebec in Canada, during many years there have been independence movements in Quebec, wanting the French speaking part of the country to separate from Canada and become a state by its own. A further problem here is: If Quebec would leave the Canadian confederation what would then happened to the minority of inuits living in the north of Quebec, should they have the right to break free from the region as well? This is a returning question concerning these kinds of problems; how large or how small can an ethnic group be in order to claim to create its own state (Petersson, 2004)?

Here a federal model is a good alternative. Within the frame of a state, minorities can get constitutional right to territorial sovereignty and protection of there rights but a the same part they can still be a part of a bigger states, resulting in benefits for both sides.

Another example is Switzerland where the diversity is a question of linguistically differences. The federal form is here used in a way that different language groups are able to coexist in the same state. The federation therefore works in a way where diversity is not a problem, the opposite, diversity and multiple identity is taken for granted and it gives a result that people living there can without a problem feel Swiss and belonging to their canton.

This reason to federalism is a very important one, since it avoids internal problems that could lead to big fraction within the country.
However, there certainly are countries that have a wide range of cultural diversity within the country and they have chosen not to be federal. We can look at a number of countries in Africa, where the cultural diversity have lead to wars. So maybe if these countries could get a few federal fragments into their political systems conflicts could be solved. Of course that would be a difficult process, since this kind of changes would not happen over a night.

**Hypothesis 4: Expand territory.**

One reason for why politicians would like to implement federalism is because they want expand their territorial control, usually either to meet an external military or diplomatic threat or to prepare for military aggression. In other words they want to increase their land so that they can protect themselves and their people. However, even though they have this desire to expand, they are not able to do so by conquest, this because of military incapacity or because of ideological reasons. So if they want to satisfy the desire to expand they have to offer a compromise to the rulers of constituent units, which is federalism. The politicians here believe that the only way for them to expand their territories without force is to offer federalism.

Many of the federal states have been created somehow in this way, such as the Arab Emirates, where different emirates joint together in order to create a bigger and more powerful union. The same happened in Switzerland, where the first cantons included more cantons in order to create the federation.

**Hypothesis 5: Give up territory.**

How about on the other side, why are politicians willing to give up parts of their independence in favor of federalism? There are two reasons for why they are willing to do that, because of some external military-diplomatic threat or opportunity. Either they want to get protection from an external threat and by not getting this protection there might be a risk that the land would be invaded by enemies, or they desire to participate in the potential of the federation. No matter if the reason is the desire for either protection or participation it clearly outweighs the desire they may have for independence (Riker, 1975).
The same examples can be included here as in the analysis of hypotheses 4, e.g. the cantons in Switzerland that decided to join a bigger union, did so by giving up some of their own sovereignty but at the same time gaining security.

**Summary**

Looking at the different hypotheses and the evolution of the federal countries, it is justified to say that all of the hypotheses, to some degree are valuable. All of the does have an effect when it come to why a country becomes federal. Looking at the individual countries there is no proof at all that any of the hypotheses would be completely unjustified. I think that the hypotheses on country size and ethical diversity are the most important ones; I don’t think a country would become federal if it did not have at least one of these factors.

The colonial factor is obviously important as well, showing that a country that has been a colony is more likely to implement a federal structure than a country that never was colonized.

To sum these two last hypotheses up, they pretty much describes what federal states are, and how the practically are formed, either regions wanted to add more land to its area or for a region to join something bigger. It is not a case of a region or a country being occupied and loosing its sovereignty, they want to create a federation because they believe it would improve different aspects in their countries.

**3. Consequences of Federalism**

This chapter will discuss different effects that federalism might have on the states that have chosen the federal system. Federal and unitary states will be compared in order to see if there is a difference and if there is, what the reasons behind it may be. The questions that will be
discussed are if federalism may lead to a higher level of democracy, a higher participation rate and other significant differences that might appear in a federation vs. a unitary state.

**Hypothesis 1: Federalism leads to a higher level of democracy**

Can federalism have any effect on a country’s democracy status? Does it, from a democratic point of view matter if a country is federal or not?

Here are the views of two of the more famous and well known writers when it comes to federalism, William H. Riker. He had a strong point of view stating that federalism did not lead to freedom or democracy in any way.

“The abstract assertion that federalism is a guarantee of freedom is undoubtedly false. If this assertion is intended as a description of nature, then it is manifestly false, as shown by counter instances of the coexistence of federalism and dictatorship. If it is however, intended as a theoretical assertion about an abstract relationship undistributed by other institutional arrangements, then it is still false. If freedom is interpreted as in a majoritarian way, then the assertion is invariably false for federalism is an impediment to freedom. If freedom is interpreted in a minoritarian way, then either federalism has nothing to do with freedom or federalism is again an impediment to freedom.” (Riker, 1964, p.145)

Perhaps the most famous piece written about federalism is *the Federalist Paper* by Alexander Hamilton. *The Federalist Paper* was the primary source of the American constitution. He had a clear view meaning that the federalist structure would lead to increased democracy in a way that it would protect civil rights. He makes this comparison with a unitary state.

“In a single republic, all the power surrendered by the people, is submitted to the administration of a single government; and usurpations are guarded against by a division of the government into distinct and separate departments. In the compound republic of America, the power surrendered by the people, is first divided between two distinct governments, and then the portion allotted to each, subdivided among distinct and separate departments. Hence a double security arises to the rights of the people. The different governments will control each other; at the same time that each will be controlled by itself.”(Hamilton, 1982 p.317)

Another way to illustrate the different perspectives of the relationship between federalism
and democracy is to look at the monolithic democratic-view vs. the pluralistic democratic-view.

The monolithic view means that the political power comes from one source, and this source is under democratic control. In this kind of community the democracies effectiveness is dependent on the government’s ability to rule the community. In this situation, federalism is only seen as a way of breaking down the community into smaller pieces, making it more difficult to for the government to control the territory, resulting in difficulties when it comes to providing the democracy.

Sympathizers with pluralistic view are on the other hand not satisfied with a community only existing of the government and the people; they demand that there also is something in between the government and individual people in order for the democracy to work. These demands consist of independent institutions, groups; such as churches and companies and universities. Regional autonomy, as in a federal structure is also within this view a way to increase the level of democracy (Peterson, 2004).

**Test 1: Vahanen Index of Democracy**

Two indexes are chosen to investigate the relationship between federalism and democracy. First the Vanhanen index of democracy will be used. The Vanhanen index combines two basic dimensions of democracy, competition and participation. It is measured as the percentage of votes not cast for the largest party (competition) times the percentage of the population who actually voted in the election (participation) This product is divided by 100 to form an index that can vary from 0, which is no democracy, to 100 which is full democracy (however, the largest value is 49) (Quality of Government, n.d).

The first part of the testing has been constructed in a way that it shows the mean, median, maximum and minimum values of index for federal and unitary states. The second part is a regression we the results will show whether or not democracy is dependent on federalism.
It is clear that federal states are, according to Vanhanen index, more democratic than unitary states. This can be concluded only by taking a look at the mean values.

Even though we can make a conclusion that these states are generally more democratic also illustrated by the figure below, there is no proof that democracy is dependent on federalism, in order to investigate that, a regression is needed. The regression made with federalism as the independent variable and Vahanen’s index of democracy as the dependent, gives a $R^2$ with a value of 0.054 and a significance level of .99 which suggest that there is only a weak casual relationship between federalism and democracy.

**Test 2: Economist Intelligent Units Index of Democracy**

The second test to see if there is a relationship between the two variables is done using the Economist Intelligent Units Index of Democracy. This index is based on the ratings for 60 indicators grouped into five categories; civil liberties, democratic political culture, electoral process and pluralism, functioning of government and political participation. Each category has a rating on a 0-10 scale, and the overall index of democracy is the simple average of these variables.

**Result:**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Maximum</th>
<th>Minimum</th>
<th>Number of observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unitary</td>
<td>5.35</td>
<td>5.67</td>
<td>9.88</td>
<td>1.03</td>
<td>144</td>
</tr>
<tr>
<td>Federal</td>
<td>6.63</td>
<td>6.65</td>
<td>9.09</td>
<td>2.42</td>
<td>20</td>
</tr>
</tbody>
</table>

(Note: significance for between group variance at .95 level)
A quick glance at these results leads to the conclusion that the difference is not that big. However considering that there is a 0-10 scale, so with the mean values almost being 5 and 7 there is a relatively big difference. The conclusion can be drawn, as it the Vanhonen test, the federal states are more democratic.

However, once again after a regression of these variables, a low $R^2$ is given. Obviously there is only a weak casual relationship between federalism and democracy using EIU data.

**Analysis**

Looking at these tests it seems that Riker was right, federalism does not necessarily relate positively to democracy. However, since double representation and legislative branches with representation from both different states and its citizens is required before a state can call itself federal it is obvious that democracy is needed before a federal system can be implemented (Peterson, 2004). This is clarified when looking at the comparisons of the means, even though it might not be because of federalism, it is a fact that federal states are more democratic than unitary states.

With that background, we can conclude that federalism does not lead to democracy but it is more likely that democratic states would develop a federal structure than it is that a undemocratic state would do the same. So if forces within an undemocratic state want to move towards democracy a way to do that would be to implement federal elements, and by the time the country is completely federal it will also be democratic. If we look at it this way, the concept of federalism can in a way lead to democracy, even if a country does not become federal in order to automatically become democratic, it is more likely that a country becomes federal because it has the intentions to get the democratic elements that a federal structure requires. Federalism does not lead to democracy, it is more the opposite, that increasing democracy with federalism as a goal can in the long term lead to a federal structure.

Even though the statistics does not show that there is a relationship between federalism and democracy, I still think there is a connection there. As an example, looking back at the first part of this thesis we saw that one reason for countries to become federal is that they wanted all people, no matter of where they live or which ethical group they belong to, to have a
possibility to make an impact in politics, and federalism were seen as a way to do this, to give more power to the people. And if democracy was something that the “creators” of federal structures not wanted to achieve, a dictatorship or a very centralized unitary government would have been a better option.

**Hypothesis 2: Federalism leads to a higher participation level**

Can federalism increase the political participation in a country? This hypothesis is supported by theorists who argue that participation in smaller governments are higher due to the fact that it is easier to get in touch with the politicians and information about the politicians activities are easier to get access to, compare to what it is in a larger government. Further, if a small government gets responsibility for policies of importance then the benefit of participating will be higher. People might feel more encourage voting, knowing that their vote is one of a couple of thousand instead of one out of millions. They feel that their vote actually will make a difference.

A connecting issue is people interest in politics, the greater the interest is, the higher the participation will be. The same arguments can be done here, under a smaller government people feel that their vote is more important, thereby they are more eager to find out more about politics (Pateman, 1970). With federations having small, regional governments, there is a reason to believe that federalism is not a contributing factor to high political participation.

On the other hand, looking at an example like the US, the first modern federal state, if the hypothesis above was correct, would not the US have a higher participation rate than what they actually have?

Two tests will be done in this matter, the first will look at participation and the second will be about people’s interest in politics.

**Test 3: Participation rates**

This test looks at the percentage of the population that voted in the election held between 1946 and 2004 (Quality of Government, n.d). It clearly shows that according to the mean value, the participation in federations are considerable higher in federations that in unitary states.
<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Maximum</th>
<th>Minimum</th>
<th>Number of observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unitary</td>
<td>33.79</td>
<td>35.90</td>
<td>70.00</td>
<td>.00</td>
<td>166</td>
</tr>
<tr>
<td>Federal</td>
<td>42.48</td>
<td>44.55</td>
<td>67.00</td>
<td>.00</td>
<td>20</td>
</tr>
</tbody>
</table>

(Note: significance for between group variance at .95 level)


To see if participation is depending of federalism an additional regression analysis is needed, and not surprisingly it gives a low R² value which means that there is a weak casual relationship between federalism and participation.

**Test 4: Interest in politics**

In order to see if people are more interested in politics in federations than they are in unitary states, a variable called *Interest in politics will be used* by World Value Survey (Quality of Government, n.d).

**Result:**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Number of observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unitary</td>
<td>2.64</td>
<td>53</td>
</tr>
<tr>
<td>Federal</td>
<td>2.71</td>
<td>17</td>
</tr>
</tbody>
</table>

(Note: significance for between group variance at .90 level)

The variables are measured in the following way:

1. Very Interested
2. Somewhat interested
3. Not very interested
4. Not at all interested

The results shows that in both unitary and federal states, people’s interest is somewhere between somewhat interested and not very interested. Accordingly the difference between the two is not very large.

**Analysis**

These tests give a clear view that federalism is not connected to the level of political interest or participation. Consequently there must be something else that the participation rate is depending on.

There can be factors such as traditions, democracy level and education. Since we already have concluded that the democracy is not a result of federalism we can also conclude that that the level of democracy may affect the participation rate, no matter if the country is federal or not. Traditions are also important, if the country throughout time have had a high participating rate it is likely that that tradition will continue to exist, if your parents voted it is more likely that you will do the same, compare to if your parents did not vote. Obviously the level of the countries education is importance as well, with the right education people will get the information needed to know, in order to understand political issues and thereby the interest will increase. These element are not correlated with federalism, therefore it is impossible to say that federalism would lead to increased participation.

However, since the mean comparison shows that federal counties do have a higher participation rate it is possible that some factors within the federal structure result in the above mentioned elements that can lead to increased participation rates.

*Hypothesis 3: Federalism leads to a more conservative political society.*

When looking at consequences that are due to federalism it is relatively easy to see that there is a pattern, that federal states are more democratic and have a higher participation rate than
unitary states, but even though this difference exists it is difficult to draw the conclusion that it is because of federalism. However, looking at the party of the chief executive and the largest governmental parties in federations compared to unitary states there is a clear trend. The trend is that federal states tend to be much more skewed to the right than unitary states. Both when it come to the party of the chief executive and the largest governmental party, about 80% of the federal countries have elected parties form the right, compared to unitary states were the number is about 35% (Quality of Government).

**Test 5: Party of chief executive: Right, Left or Center**

<table>
<thead>
<tr>
<th></th>
<th>Unitary</th>
<th>Federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right</td>
<td>37,1%</td>
<td>80%</td>
</tr>
<tr>
<td>Left</td>
<td>51,7%</td>
<td>20%</td>
</tr>
<tr>
<td>Center</td>
<td>11,2%</td>
<td>.00</td>
</tr>
<tr>
<td>Total</td>
<td>100 (n=89)</td>
<td>100 (n=16)</td>
</tr>
</tbody>
</table>

(Note: significance for somer's d .99 level, value -.452)


**Test 6: Largest government party. Right, Left or Center**

<table>
<thead>
<tr>
<th></th>
<th>Unitary</th>
<th>Federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right</td>
<td>35,3%</td>
<td>81,8%</td>
</tr>
<tr>
<td>Left</td>
<td>51,1%</td>
<td>18,2%</td>
</tr>
<tr>
<td>Center</td>
<td>13,6%</td>
<td>.00</td>
</tr>
<tr>
<td>Total</td>
<td>100 (n=89)</td>
<td>100 (n=16)</td>
</tr>
</tbody>
</table>
Analysis

What could be the reason for this result? Why are federations more conservative? Elements that signify conservatives are that they are traditional and sensitive to radical changes meaning that changes should not be made until the consequences of the changes are clear, otherwise unexpected consequences might be harmful and unintended and lead to negative effects.

Conservatives also want to protect liberty and they believe that the best way to do that is to be resentful and careful when it quick changes in society. That is what the Federalist in America wanted when their constitution was to be written, they belied that with enough check and balances the constitution would protect liberty. There would not be any dramatic changes without all different instances had accepted the change. Therefore they saw federalism as the best option of a political structure. (Miskelly, Noce, 2002)

It could be suspected that this is the reasons for why many federal countries today are conservative. As it has been shown in the first part of the thesis, one strong reason for why a county becomes federal is its ethical diversity, which makes many different groups eager to prevents their own liberties and they might believe that the best way to do this is through a division of power and checks and balances. They think that through this system there will not be any quick thoughtless decisions that might put their wants and needs in danger. And they might come to the conclusion that the ones best preserving their needs are the conservatives. Therefore we see this distinctive domination of right-side parties among federations.

4. Summary

This essay discusses the concept of federalism, starting of by describing federalism and its two most important features, division of power and self rule.
The causes of federalism may be many, of the one discussed here I see the practical reason as a major one. Big countries with a high population rate might have an easier time reaching “better” decisions if the country is divided up into regions and smaller states. Especially since the needs and wants in different parts of a big country might differ significantly.

Ethical diversity is also in my mind one of the stronger causes. Many of the countries described here are culturally diverse countries. I believe that other, non-federal countries of today might be better of implementing some federal elements. Many conflicts in today’s world are due to differences in religions, cultures and needs within a country. Maybe some of these conflicts could be solved by a federal political structure.

However as with other hypothesis stated by researches to explain federalism there is no strong evidences that point at just one reason.

I think it is more about a process of development; countries develop in different ways and in different directions. Sometimes there are strong reasons, and there is a plan in which direction the county is going, sometimes it might be more about certain circumstances happening at the right moment in time that shows the direction a country is going.

Whether or not federalism leads to a higher level of democracy have been widely discussed through out times. According to the tests done above it is evidently that federal states are more democratic than unitary states, however, with that said there are no proofs that that fact is due to federalism itself. However, there might still be a connection between federalism and democracy since many of the requirements needed for a federation also are requirements for a democratic structure.

The same with the participation rate, no evidence that federalism would result in higher levels of participation rates, but with a higher mean value in federal states, it might be the case that federal countries more often have the elements needed to achieve higher participation levels.

As always dealing with these can statistical test there might occur different kind of problems, in this case the numbers of observation can be misleading, not all federal countries are covered by this data set. Nevertheless I think the test gives some interesting results that might be worth to think about when it comes to analyzing federal states.
The tests concerning conservatism are the only ones which show a result that it can be a result of federalism. Even though it is a difficult phenomenon to explain it is very interesting and may be a subject for further research to explain.
Reference List

Books:


Gunlicks, Arthur, 2003, Länder and German Federalism, Manchester University Press, Manchester


Miskelly, Matthew, Noce, Jamie, 2002, Political Theories for Students, Gale, Detroit.


**Websites:**