

## **FEDERAL SYSTEM**

**D. F. Woodward**

*School of Political and Social Inquiry, Monash University, Australia.*

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### **Summary**

While there is some dispute over the definition of federal systems of government and which of the world's countries should be considered as federations, the essential feature of this type of government is the combination of a central or general government with regional ones ruling directly over shared territory and citizens. Sovereignty is shared with each level of government having a degree of independence within defined areas usually enshrined in a written constitution.

The first truly federal system of government was established by the United States, which has greatly influenced subsequent federations. The number of federal governments has greatly increased in the latter half of the twentieth century such that there are currently over twenty such countries which contain over forty percent of the world's population.

Federal systems of government represent a unique form to reconcile the need for unity and centralized rule for defense or economic purposes while enabling the accommodation of a degree of diversity. Most federations are characterized by a level of interdependence between the general and regional governments that has been depicted as co-operative federalism. There is considerable difference in the operations of federal systems and relations between the various levels of government are often contentious. Maintaining a federal system in the face of the dangers of both centralization and fragmentation involves a culture of tolerance and commitment to an institutional framework. Yet the durability of many federal governments has shown that it cannot be dismissed as an unstable, transient form of government.

### **1. Definition**

Defining what constitutes a federal system or what are the essential principles of federalism is no easy task since a vast range of meanings have been applied at various

times to the terms. Indeed, one author has eschewed attempting to define the term on the grounds that to do so is futile. Others have preferred to see a continuum running from alliances and associated states through to fully centralized governments with federal systems lying at some point in between. Narrow exclusionist definitions run the risk of putting forward an ideal type which is so rigid that there are no examples which qualify for the label while too broad a definition threatens to encompass a vast number of different examples such that little useful can be gained by comparing them. Dramatic increases in the size and scope of governments in the twentieth century and the evolution of long established federal systems has also led to suggestions that modern federal systems bear little resemblance to their forebears.

The word federal is derived from the latin *foedus*, meaning treaty, league, agreement, alliance, compact or covenant. It was first used by bible-centered theologians of Britain and New England in the seventeenth century to refer to a system of covenants between God and human beings. It came to be applied to alliances or leagues (both of a temporary and more enduring nature) between tribes, city states, and other political entities. These alliances were usually military ones formed in the face of a common enemy, but could also be based on shared religious views or trading interests.

The earliest such leagues were the Achaean League of Greek city states of the third century BC and the league of tribes of ancient Israel. The Swiss league, which originally comprised three cantons, was formed in 1291, while the Union of Utrecht in 1579 saw the formation of a Dutch political entity, which has been seen as important in the development of federal systems. Thus, when James Madison, Alexander Hamilton, and John Jay wrote *The Federalist* essays urging the adoption of the 1787 constitution of the United States of America, they could point to historical precedents or hints of precedents for each of the features of their new system of government. Yet what they advocated (and what was adopted) was something quite original. It went well beyond an alliance of states to establish something that was almost additionally a centralized state in some areas. This new mixture of league and nation was given the name federal and ever since the name has been used to describe governments which have in various ways followed this American model. All subsequent federations have been greatly influenced by the example of the United States.

Clearly, the aspiration that a new *permanent* state—an “indissoluble union” that was being formed—differentiated this new form from earlier temporary alliances. This aspect, however, was not the key unique feature. Unity for limited purposes between political entities without disrupting people’s primary ties to their existing governments—what would now be called a *confederation*—could also be permanent. What was original in this American *federal* system of government was the feature that citizens were directly represented at not only the regional level of government, but also at the new overarching, general level. That is, it was a system akin to dual citizenship with citizens being simultaneously members of both a regional and a general polity. Both the general and regional governments would command equal legitimacy. The general (or federal) government would rule over the same territory and people as the regional government. Separate polities were united within a more comprehensive political system but were each allowed to maintain their own fundamental political integrity.

In this formulation, there would be divided sovereignty. Neither level of government (regional or general) would be subordinate to the other. Neither would be capable of abolishing the other. Neither should be able to interfere in the activities of the other. Indeed, some authors stress as the defining feature of a federal system that each level of government is independent and autonomous within its defined sphere. This *co-ordinate federalism*, with its emphasis on separateness and independence of the general and regional levels of government, may have been the intention of the founding fathers of the United States, but in practice no federal system has been able to conform to such a rigid prescription of the division of powers.

Some definitions of federal systems stress the role of a written constitution (see *Constitutional Government*) which safeguards the existence and authority of both regional and general levels of government. The power sharing between different levels of government which characterizes federal systems, with a combination of self-rule and shared rule, is generally enshrined in a written constitution although both its interpretation and adherence can be matters of contention. Formal independence and sovereignty in defined areas might be lessened in reality if it is not accompanied by financial independence. Similarly, interdependence between the different levels of government in a federal system—*co-operative federalism*—appears to be the norm. These issues will be discussed further below.

In summary, a workable definition of a federal system of government should first highlight the existence of a general level of government of the federation, as well as a set of regional governments of the member units in which neither level is subordinate to the other, nor has the power to abolish the other. Both kinds of government rule over the same territory and people (each with its own legislative, executive and taxing powers) and each is empowered to deal directly with its citizens who directly elect each level of government. Each also has the authority (usually enshrined in a written constitution) to make some decisions independently of the other.

## 2. History

By the mid-1990s there were some twenty-odd countries, which contained over forty percent of the world's population, established with federal systems of government. In addition, there were approximately twenty other countries that utilized federal principles in granting a measure of decentralization, and the European Union was also showing an interest in federal ideas. Clearly, federal systems were of such significance that they could no longer be viewed as rather aberrant, weak, transient, types of government. Earlier beliefs that federal systems lacked permanence and would inevitably either progress to become centralized states or fragment into their constituent parts had largely been rendered obsolete by the longevity of many federations. It was, however, the upsurge in federal systems in the post-Second World War era occasioned by post-war reconstruction in Europe and the decolonization movement in Asia, Africa, the Middle East, and the Caribbean which overturned the earlier negative views held of federations. Before this period, successful federations (in the sense of enduring) had been rarer.

The example of the United States of America's federal system inspired the transformation of Switzerland (from its previous confederal structure) into a federation

in 1848. It also provided the basic model for the Canadian constitution of 1867 and that of Australia which came into effect in 1901. Despite strains—especially with the Canadian federation and its difficulties accommodating the French speaking Quebec province—these early federations have proved most durable. The same cannot be said of the Latin American imitations of the late nineteenth and early twentieth centuries. For example, the Central American Republic, which included Nicaragua, Costa Rica, Honduras, El Salvador, and Guatemala, proved short-lived. Similarly, the federal system of Chile and Columbia was abandoned. Mexico, Brazil and Argentina have also had checkered federalist careers since their endurance as federations has been interrupted by periods of centralized dictatorial rule. Moreover, both Brazil in 1946 and Argentina in 1949 (and Venezuela in 1947) have adopted new federal constitutions.

New Zealand also had a federal system between 1852 and 1872 before adopting its current unitary state. If the federal systems of Germany and Austria post-World War One are also deemed to have failed (despite their revival post-World War Two), it is little wonder that there was ambivalence towards the stability of federations by political scientists writing in the early post-1945 period. Despite some failures, however, the proliferation of federations witnessed in the second half of the twentieth century—particularly in former colonies—have generally eventually fared well to the extent that at least one writer has argued that modern federalism is a twentieth century phenomenon, and that it is worthless to read anything written on federalism pre 1930.

Britain has been by far the most prolific creator of federations among its former colonies adding to its earlier Canadian and Australian examples. While not all these survived or remained as originally constructed, many still adhere to the federal system as testament to its ability to encompass considerable diversity. Thus, India and Pakistan were developed along federalist lines in 1947 prior to independence and after a hiatus became established federal systems in 1950 and 1956 respectively. Malaya adopted federal constitutions in 1948 and 1957 before becoming the federation of Malaysia in 1963, which has existed ever since with the exception of Singapore which became independent in 1965. Similarly, Nigeria can trace its federal pattern back to 1954 so that it gained independence in 1960 as a federation. It was soon racked by civil war but re-emerged with a federal system which has been maintained up to the present. Former British colonies where federal systems were tried but failed included Burma (1948), Rhodesia and Nyasaland (1953) where racial issues led to rupture, and the West Indies (1958).

Federal systems have also featured among the communist countries (see *Communist System*) although there has been some debate about whether they should be considered true federations because of the centralizing dominance of their communist parties. Once the communist parties lost their monopoly of power, these federations have tended to fragment. Thus, the USSR saw many of its constituent republics break away and establish their independence in the early 1990s although the largest republic, Russia, has maintained its own federal structure. Czechoslovakia, which had had a federal system since 1970, broke into its two component parts (Czech and Slovak republics) after the collapse of communism in Eastern Europe. Similarly, Yugoslavia, which was established as a federation in 1946, has struggled in the post-cold war era to remain a federal system as various constituent units have sought (with varying degrees of

success) to sever their previous links and establish themselves as independent nations. The resulting civil wars and ethnic violence that has attracted international intervention may yet have some course to run. Yugoslavia's status as a federation is open to debate.

In addition to Ethiopia which has maintained which established its federal system in 1952, there have been renewed rounds of federation formation in the 1970s and 1990s. Thus the United Arab Emirates was established in 1971 and both Spain and the Comoros adopted federal systems in 1978, while Belgium and South Africa (arguably) joined the federalist ranks in 1993 and 1996 respectively. Thus, as the twentieth century draws to a close, the appeal of federal systems seems to be undiminished. While not the most popular form of government, they feature in all continents and encompass a vast range of sizes in terms of both geographic area and population. They can be as small as two islands in the case of the St Kitts and Nevis federation (area 262 square kilometers; population 45 600) and as large as Russia (area 17 075 400 square kilometers) or as populous as India (population 846 302 688 at the 1991 census). While there is considerable debate over the complete list of countries which currently have federal systems, it could include the following: Argentina; Australia; Austria; Belgium; Brazil; Canada; Comoros; Ethiopia; Germany; India; Malaysia; Mexico; Micronesia; Nigeria; Pakistan; Russia; St Kitts and Nevis; South Africa; Spain; Switzerland; United Arab Emirates; United States; Venezuela; and (possibly) Yugoslavia.

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### **Biographical Sketch**

**Dr Dennis Woodward** is a senior lecturer in politics in the School of Political and Social Inquiry, Monash University, Australia. His interests range over Australian politics and political economy and Chinese politics. He is a co-editor of the best selling Australian politics textbook, *Government, Politics, Power and Policy in Australia*, Longman, 1997, which is currently in its sixth edition.