Democratic Federalization and the Interconnectedness – Consent Conundrum

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Abstract

A curious interconnectedness/consent conundrum marks today’s world. Whereas states and societies are becoming more closely interconnected, increased proximity need not increase popular acceptance of federal democracy. Nowhere is this conundrum more apparent than in the European Union. The EU is engaged in a process of democratic federalization, but this process is clearly shaped by the interconnectedness/consent conundrum. In the EU democratic federalization unfolds under conditions of polity contestation. This article discusses what we may learn about democratic federalization from reflecting on the EU experience. For that we need adequate analytical tools because no ready-made analytical framework that fully captures democratic federalization is available, certainly not one that is amenable towards resolving the interconnectedness/consent conundrum. This article provides the bare bones of such a framework. The framework consists of the core components or dimensions of democratic federalization, which are devised to address the specific challenges that the interconnectedness/consent conundrum raises.

Introduction

Today’s world is marked by an interconnectedness/consent conundrum: states and societies are closely interconnected, but increased proximity may not facilitate popular acceptance of federal democracy (Elazar 1996). More integration could increase popular opposition, as is now happening in the European Union (EU). Elazar saw the EU as one of the most apparent
manifestations of the interconnectedness/consent conundrum. The EU has federal features (see for instance Kelemen 2014; Nicolaïdis and Howse 2001; Scharpf 1988; Trechsel 2006), it is committed to democracy, but it is neither recognized nor accepted as a democratic federation. From a federal perspective, the EU’s challenge is on the one hand to align interconnectedness along explicit federal lines (shared rule combined with self-rule), and on the other to ensure that those affected give their explicit consent to the undertaking.

In effect, the EU is engaged in a process of 'democratic federalization'. In practice, democratic federalization requires that the process of establishing the federation is subject to democratic norms and that the intended result is federal-democratic. A democratic federation is a system of shared rule combined with self-rule embedded in a constitutional arrangement (as a core element of the federal pact). Citizens are directly represented in the central institutions, as well as collectively represented in the central institutions through their respective sub-units (King 1982).

What can we learn about democratic federalization from reflecting on the EU experience? In order to address this question we need adequate analytical tools. No ready-made analytical framework that fully captures democratic federalization is available, certainly not one that is amenable towards resolving the interconnectedness/consent conundrum. We therefore need to spell out the core components or dimensions of democratic federalization, and consider these in relation to the specific challenges that the interconnectedness/consent conundrum raises.

The specific features of the interconnectedness/consent conundrum in the context of democratic federalization become apparent when considering different circumstances surrounding democratic federalization:

a) The establishment of a democratic federation at a particular point in time. That is often referred to as a ‘constitutional moment’ (Ackerman 1991). The federal pact is

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1 Hooghe and Marks (2009) refer to a change from permissive consensus to constraining dissensus.
embedded in the constitution, and the constitution is ratified by the people(s) (the U.S. is the obvious example).

b) Contested federalization in a state setting. There are states with well-entrenched federal-democratic structures that lack agreement on the appropriate kind of federalism (how shared rule and self-rule are to be structured and combined). The most relevant cases are Canada and Belgium.

c) Contested federalization in a non-state setting. The obvious example is the EU. Whether it should become a federal democracy is highly contested, and even among supporters there is disagreement as to the kind of federalism and democracy that might be.

With regard to a) the process ends in a popularly accepted constitutional arrangement; thus there is closure. However, as the U.S. example shows, even an initial constitutional settlement may not lay profound disagreements to rest. Key actors were not committed to federalism; there was disagreement over the system’s institutional design; and eleven Southern states eventually withheld their consent and sought to exit the federation. A bloody civil war had to take place before a new settlement could be reached. Even after that, commitment and consent have waxed and waned.

In constitutional terms a) is a settled case, whereas b) and c) lack constitutional closure and there is an explicit federal/territorial dimension involved. Governments (and their citizens) differ over their commitments to federalism; they disagree over institutional design; and some are withholding consent. In that sense, there is similarity between the cases under b) and c). In all three categories the issue of consent (or the lack thereof) figures prominently.

The following sections unfold in three steps. The first is justification: we need a new analytical framework for analyzing democratic federalization under conditions of polity contestation (b and c above) because we currently lack a profound understanding or appropriate analytical categories. In the second step a new analytical framework is presented, outlining the main dimensions that are crucial to democratic federalization. In specifying these dimensions the central role that representation plays in democratic federalization will become apparent. The third step is to analyze developments over time. Thus, it is well-known that federal systems are dynamic (Benz and Borschek 2013). However, there are distinctive
aspects of federalization under conditions of polity contestation that require special attention. The main focus of this article is to present an analytical framework that specifies how federalization processes unfold, and how they shape federal democracy.

**What is the analytical framework and why do we need it?**

The framework that is presented here is intended to analytically describe and evaluate democratic federalization. The point of departure is that the process of establishing the federation (entering the federal pact) should be democratic. The standard approach from the U.S. example is that those who make the proposals should be democratically authorized, and that those affected should be asked to give their consent. There is an explicit representative relationship: the federalizers (those committed to federalism) are representatives, and the federating peoples who give (or withhold) their consent are the represented. Cases (under b) and c) above) of contested federalization exhibit some of these features but they deviate in important respects. The analytical framework that is developed here is intended to capture how democratic federalization unfolds under such circumstances, which includes paying explicit attention to those factors that condition and constrain democratic federalization.

Federalization under conditions of contestation unfolds as a representative relationship but we need to disentangle more precisely *how*. The first dimension pertains to the question of actors’ commitment to federalism and democracy. We need to establish who the actors are, and the nature, scope and depth of commitment to federal democracy. The second concerns *institutional design*, and is about whether specific institutional designs are conducive with federalism and democracy. The third is about *consent*: whether those affected are willing to endorse federal democracy or not. Contested federalization is about the inability to reach constitutional closure, though not necessarily for lack of effort, as there may have been numerous attempts at reaching closure. (In the EU none has fully succeeded.\(^2\)) The lack of

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\(^2\) In the EU, since the 1980s these are: the Single European Act (1986), the Maastricht Treaty (1992), the Amsterdam Treaty (1997), the Nice Treaty (2001), the Laeken Constitutional Treaty (2004), the Lisbon Treaty (2007) and the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG)(2012). In Canada what Russell
closure or a definite settlement and the numerous efforts to reach one, make up a fourth dimension, *dynamics of process* as the dynamics of process affect the conditions for democratic federalization. These are the core dimensions presented in the analytical framework here. Tracking developments over time is necessary both to establish the direction of change and also to help clarify changes to the actual shape of federal democracy.

The following four aspects serve to justify our analytical approach and to set it apart from the general literature on federalism. First, whilst there are numerous analyses of federalism and democracy, they are generally designed as comparative assessments of the federal and democratic features of established federations.\(^3\) The approach that is developed here is centered on processes of *establishing* federal democracy. Secondly, our approach is specifically designed to capture distinctive features of the EU and to supplement existing scholarship on the EU, by emphasizing democratic conditions surrounding the federalization process itself. The EU has a democratic ‘vocation’ and is composed of democratic member states. However, member states may decide that the EU is not capable of ensuring democracy and can opt to withhold consent (or they may argue, as did the Brexiteers, for the need to leave the EU to ‘take back control’). Thus, a process with obvious federal features and that responds to democratic norms need not result in a democratic federation. Thirdly, whereas it is natural to consider the interconnectedness/consent conundrum in relation to the EU, it is a problem confronting federal states more generally. Canada is a telling example. The initial constitution, the British North America (BNA) Act 1867, was so centralized that it raised concerns about whether Canada could be labeled federal at all (Wheare 1963, 19). Nevertheless, the unwillingness of the province of Quebec to accept this federal agreement – coupled with other important centrifugal forces - have turned Canada into one of the most decentralized federations in the world (Monahan 2006). After several efforts to obtain Quebec’s assent had failed, Quebec in 1995 held a popular referendum on secession from

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\(^3\) Friedrich’s (1968) pioneering work on federalization in relation to the EU is important, even if the focus was on federal and not democratic aspects. He has been criticized for not being very specific on what drove the process (see Davis 1978).
Canada which it lost by a very narrow margin (50.58% voted no). The contestations we see in Canada over commitment, institutional design and consent have, indeed, reshaped the nature of the Canadian federation. Some of the factors that highlight the interconnectedness/consent conundrum in Europe today, often associated with rising nationalism and populism, are not unique to Europe. For example, we can trace increased contestation over Canadian federalism to the rise of Quebec and aboriginal nationalism from the late 1960s onwards (Webber 2015).

Fourthly, there is a curious ‘other side’ to the two cases that we here discuss under the interconnectedness/consent conundrum. Even if the EU and Canada are deeply contested political entities, they have also been lauded as political-democratic innovations. Canada is a democracy and has often been presented as an example to be emulated in terms of accommodating diversity (Kymlicka 1998). Key to that has been the manner in which federalism has been used to accommodate competing nationalisms (LaSelva 1996). The EU has been held up as an example of transnational democracy and as an experiment in using federal-type arrangements to foster democracy in the relations among states (Cohen 2012).

The discussion of the circumstances surrounding democratic federalization must, therefore take both the problematic and beneficial features into consideration, namely that these two entities are politically-constitutionally contested but that they are also seen as major examples of success.

In the following sections, we specify how the first three of the core dimensions of our analytical framework, namely commitment, institutional design and consent relate to representation. Thereafter each of these dimensions is specified in more detail. Before beginning this task, however, we first need to specify the meaning of democratic federalization in some detail.

**Democratic federalization specified**

The key for analyzing the interconnectedness/consent conundrum in a comparative perspective is through examining representation. Representation is a crucial aspect of all democratic federations, settled or unsettled, state or non-state (i.e. categories a-c above). The American constitutional experience brought in the expectation that the process of instituting a democratic federation should be representative of the core components of the federation.
(states and citizens), and in addition that it should be based on popular consent. In this circumstance the constitutional result could be pinned to a certain select group of representatives who had been specifically delegated to negotiate the constitutional settlement (the Philadelphia Convention). The European Union has adopted a different, more complex and executive-driven procedure (the Intergovernmental Conference, IGC), and the EU has not reached a similar constitutional settlement with an explicit democratic imprint. In Europe there is considerable uncertainty as to how representative the IGC procedure is, and whose interests are actually being promoted.

In order to assess whether the EU has achieved democratic federalization, a number of issue would need to be addressed. Thus, the EU procedure brings up considerable uncertainty as to where federal-democratic commitment may come from. The same applies to institutional solutions or federal proposals, and there is also considerable uncertainty as to what citizens are actually consenting to. We therefore need an approach to representation that enables us to clarify the relationship between would-be federalizers (those committed to federalism) on the one hand and actual decision-makers on the other. Further, we need to pay attention to the actual proposals for the construction of a democratic federalization in order to determine the extent to which federal-democratic principles are embedded. Finally, we need to consider whether those to whom the proposals are addressed give their consent to them and the terms under which they do so.

In the European context from a federal-democratic perspective it is not obvious by looking at the treaty-making procedure what type of representative relationship it constitutes, in terms of who represents whom, and on what terms. We therefore need an encompassing and dynamic approach to representation that is open to all types and forms of representatives (whether elected or non-elected), and that is sensitive to the complexity of the process. The representative claims-making approach associated with Michael Saward (2006, 2010) provides us with the most apt set of analytical categories for untangling how representation unfolds in these complex circumstances. The categories and distinctions that make up representative claims-making are useful in spelling out in more detail the components of the analytical framework that animate this paper (commitment, institutional design, consent, and process dynamics).

The basic structure of representative claims-making is as follows: a claims-maker makes a claim (on behalf of someone) pertaining to an object or a matter that is addressed to a
constituency and an audience, and the claims are accepted or rejected by the constituency and/or the audience. We focus on the claims-maker and how the claims-maker addresses the constituency in order to get additional information on actors’ commitment to federal democracy; we focus on the constituency’s response to get a sense of the nature and degree of consent (or lack thereof); and the components taken together tell us about the nature and dynamics of the representative relationship.

We can usefully draw on representative claims-making in order to shed light on how or the extent to which there is a federal dimension involved. The standard approach is to study whether the claims that representatives put forth are federal or not, in other words whether the proposals that they present are about establishing federal-type political, legal and administrative arrangements. That is of course important. In addition, claims-making can supplement that with additional information on how representatives depict those they address, in particular whether they depict them in federal terms or not. These two sources of information can then be traced in relation to the addressees of the claims, the populations in the relevant constituencies. Do they accept or reject the substantive proposals that are put forth? Do they accept the manner in which they themselves are depicted by the representatives?

Further, representative claims-making can help to establish the democratic character of the process. One aspect is whether claims-makers that are in a position to make binding decisions are democratically authorized to do so. The other is whether those affected are able to give or withhold their consent. This is about whether citizens accept or reject the proposals that are set forth. It is also about whether they accept or reject how they are depicted. In addition it is about whether citizens respond to what their representatives do and say. The latter is about the character of the representative process. Various ‘intermediaries’ and especially media will affect how representatives and represented are framed. Since we are confronted with very complex processes, there are good grounds for questioning how well these work as representative relationships. In other words, are the claims that the representatives present what the represented actually respond to? Or are there other important factors intervening, not least because we are talking about lengthy and complex decision-making processes?

In order to address these questions, we now need to specify in more detail the core dimensions of our analytical framework.
Commitment

Federalism is frequently depicted as a voluntary pact or covenant (Elazar 1987). The EU has federal features; EU history is rife with federal proposals and self-declared federalists; but no federal pact has been sealed. In this ambiguous context, we need to establish how far commitment to democratic federalization extends and whether it has changed over time. Who are the relevant actors; what opportunities do they have to influence decisions, and what access do they have to decision-making fora?

In addressing these questions, we assess the strength of commitment to federal democracy. A strong commitment is apparent when: a) actors are democratically authorized to act as representatives with an explicit constitution making mandate; b) actors express a clear commitment to establish a federal system; c) actors have access to decision-making forums which ensure influence; d) claims are explicitly framed as federal; and e) they address their audiences as federal citizens.

With regard to a) it is a matter of type and degree of popular authorization. In the U.S. there was an explicit link between representatives and represented. There was an express federal commitment, and those that gave their consent did so with explicit reference to that commitment (as expressed by the representatives’ arguments and proposals). In the EU that has not been the case. The IGC is not an explicit federalizing procedure. The EU’s federal features have come about in a step-wise, complex and roundabout manner. That has democratic implications. In the EU, one aspect pertains to the balance between democratically elected and authorized persons and bodies on the one hand, and non-elected/non-democratically authorized on the other. How strong is the correspondence between those expressing the strongest commitments, those with some form of democratic authorization, and those actually making the decisions?

4 The European Convention had some parallels to the Philadelphia Convention but the European Convention was not a deciding body. It was interspersed in the IGC; it did not replace it.
In addition, we have to include b) which is about who steps forth and initiates claims, and how credible they are. Federal intent can be discerned from actors’ statements and proposals. The claims-making approach alerts us to the importance of framing: whether representatives frame those they claim to represent in a manner consistent with federal tenets (as members of multiple communities).

Further, we need to understand c) which refers to the extent to which those that express a commitment to federalism are in positions of influence and their proximity to decision-making fora. Here it matters what type of decision-making fora we are talking about. As was pointed out above, the European procedure of treaty change is not an obvious federalizing procedure. Further, as we know from the recent EU crises responses, there is not only a turn towards more informal negotiations but also a tendency to sign intergovernmental agreements with basis in international law and not EU treaties. It is therefore a relevant question whether in the EU federal-democratic impetuses have come from within or without the IGCs, and whether recent years have reinforced the constraints built into treaty change processes. If commitments to further federalization come from without the IGC, are they voiced by individuals or do they have express institutional support? If so, which institutions?

With regard to d) it is a matter of the specificity of claims in federal institutional-procedural terms. With regard to e) it is about whether those addressed are explicitly depicted in federal terms.

**Institutional design**

Institutional design is closely related to commitment, in the sense that it is a necessary element in translating commitment into tangible action. Institutions, rules and procedures entrench commitment and direct action towards specified ends. In this context, institutional design means: a) the core ideas and principles that underpin the institutions; b) theories and conceptions of how these ideas will manifest themselves in institutional form; and c) actual proposals for institutional design.

In the EU context, the quest for turning the EU into a democratic federation has spawned debate on all three elements. Aspects a) and b) underline that democratic federalization is an intellectual as well as a political undertaking. It is an intellectual
undertaking in the sense that those many that have seen the EU as unprecedented have been concerned with how to tailor ideas about federalism and democracy to the specific challenges facing the EU. An important question is how well reflected this intellectual debate is in actual federalizing proposals.

With regard to c) we need to develop criteria for which proposals to focus on, because as we see in Europe there are federal proposals presented by prominent individuals, government institutions, political parties, civil society organizations and think-tanks. Two sets of considerations merit particular attention. One is that out of the range of proposals it is necessary to pay most attention to those proposals that are likely to meet with some form of acceptance. Second, is that it is important to clarify whether or the extent to which the proposals are about federal democracy. For one, federalization is not coterminous with integration because federalization is about entrenching a system based on shared rule combined with self-rule. That includes limits to and/or constraints on integration.

Further, in the complex EU context we need to consider who are to be ruled by whom, where and under what terms? That entails that we need to consider a) through c) when we consider how proposals address core dimensions of institutionalized federal democracy pertaining to such issues as: membership (who should belong); rights (what rights should they have and in relation to what level of governance); citizen participation (the channels and structures of participation and consultation); the scope of government action (in total and at each major governing level); and the structure of governing: how it should be organized and configured.

The EU case raises questions of how far we can ‘stretch’ the federal label in order to include distinctive EU features? In today’s EU a particularly vexing issue pertains to differentiation and asymmetry. To what extent does differentiation make up a central feature in the proposals for EU reform that we see today? Which aspects of differentiation are compatible with federal democracy and which ones are not?

Consent

The issue of citizens’ consent is of fundamental importance to any democracy, federal or not. The most obvious aspect of consent in a constitution making process is whether citizens
accept or reject the proposals that have been put forth. Rejection might signal an unwillingness to endorse federalism. Or those rejecting a federal accord may do so not because they reject federalism as such, but because they are dissatisfied with the process, or with the specifics of the negotiated outcome. In order to learn more about the federal and democratic aspects involved, we need to consider why a given proposal was accepted or rejected, and the terms under which citizens were addressed.

Representative claims-making is useful for clarifying the terms under which consent is granted/withheld. We must refer back to what was said about commitment and check who the representatives addressed as their relevant constituency, and how they framed them: in a federal or in a national capacity? How (un)ambiguous was this message or manner of addressing them? Thereafter we look more closely at how those addressed responded. Did they accept the way they were framed? Did those actually affected consider themselves adequately represented or included? To what extent is it possible to trace the representative claims made by the representatives to the responses/reactions of the represented? What is the link between what the representatives said and the conditions surrounding those granting consent? How close or distant is it?

Clarifying the terms under which consent is granted/withheld also requires paying attention to the procedures through which consent is solicited. That refers on the one hand to popular consultation throughout the process of decision-making, i.e. prior to ratification, and how open and transparent that process is. At the point of ratification does it occur via elected representatives or directly through popular referenda?

A further matter is procedural (un)certainty: Do those that will be consulted at the point of ratification know at the outset which procedure will be used to solicit their consent? Are the procedures for consultation uniform or differentiated (as is the case in the EU)? Are the procedures harmonized in time or open to individual governmental discretion?

These investigations help to clarify the nature of the representative relationship, including the degree of connection between representatives and represented. That is important in order to learn more about the democratic dimension. In addition, this way of analyzing the question of consent sheds light on whether or the extent to which the process has been conducive to federalization.
Democratic federalization as ongoing process

The general structure of the procedure through which EU integration occurs is very complex. The EU has long been a work-in-progress; fashioned through multiple treaty-making events. Since the 1980s there have been numerous efforts (see note 2), and distinctive process dynamics.

Dynamics of process refers on the one hand to the numerous efforts at developing the EU, and on the other to the cumulated effects that these efforts have. Each new effort at treaty change will never be entirely independent of the previous one. Agreements are generally compromises that the actors revisit at later instances. On the one hand we need to take stock of the situation of EU federalization at different instances. On the other we need to get a sense of how processes unfold. That pertains to the nature and composition of actors; the experiences and lessons that actors take with them from previous instances; venue changes or differences in how a process is organized and/or conducted; options at one instance being opened and/or closed in comparison to the previous effort; and changes in how events are publically interpreted and accounted for. Dynamics of process can therefore be expected to have implications for actors’ commitments to federal democracy. Over time, such dynamics may alter conceptions of institutional design, or the repertoire of possible and available institutional solutions. There may be changes in available consent: more or less willingness to embrace federalism as well as tighter versus slacker popular controls. These changes may lead to altered conceptions of federalism; they may increase support for federalism; or undercut it as we see in large parts of the EU; and they may set in motion processes of explicit or implicit de-federalization which may be one of the effects of the crises currently facing the EU.

Thus, the EU has federal-democratic traits but is nevertheless a prime example of the interconnectedness/consent conundrum. Closer proximity and interaction do not necessarily lead to federal democracy. The opposite is indeed possible. Federalism is generally understood as a pact, and the interconnectedness /consent conundrum signifies how difficult it is to establish such a pact. In the EU, there have been many efforts to reach agreement and to foster further binding cooperation. The fact that there have been multiple related efforts to secure a final pact requires us to pay attention to dynamics over time: whether commitment, specific institutional parameters, and consent changed over time? A final issue pertains to the general relationship between federalism and constitutionalism which revolves around the contractual nature and basis of federalism. Federalism is generally understood as a pact. To
what extent does that have to be embedded in an agreed-upon legal-constitutional construct? Given that the EU (nor Canada either) has ever achieved full agreement on that it may be more important to ask the following: What form of consent is required for such a system to be sustainable (stable and legitimate)? Can a process of ongoing contestation still engender sufficient trust to maintain a federal system? These questions are important for the future of federal democracy in general and of the EU in particular.

References:


