

Auditing federalism. The virtues and perils of decentralized governance

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Federalism has long gained political traction worldwide and decentralization reforms are being implemented around the world grounded on the promises of better democratic governance and higher economic efficiency. Yet the practice of decentralization shows that reforms may result into its greatest perils; namely poor fiscal management, increasing regional disparities and hampered accountability. What are the conditions for federalism to fulfil its economic and democratic promises? Certainly, the devil is in the detail, and success of federalism is contingent on securing that fiscal and political arrangements set in place prevent opportunism, enhance accountability and minimise distributive struggles.

This seminar will contribute to the debate on the virtues and perils of federalism by examining ongoing academic research on the causes and consequences of decentralized governance. The aim is to engage students into the discussion about the driving political forces of past decentralizing reforms in many European countries as well as their consequences. Why after all national politicians are willing to give up power transferring it downwards? Is it about democracy? Is it about economic efficiency? Or is it just a political strategy to enhance their electoral prospects? The module will also explore the consequences federalism. Are the federal promises fulfilled? Under which conditions devolution may succeed as an institutional engine for stability, accountability or economic efficiency? These questions will be addressed drawing comparative evidence from advanced democracies.

Wednesday, 19th April

SESSION 1 / 9-10:30 - Introduction to federalism and decentralization

Readings:

- Clark, W. R., Golder, M. & Golder, S. N. (2013) *Principles of comparative politics*, Thousand Oaks, CA CQ Press. Pages 673-705. **Available at ILIAS
- Rodden, J. (2006) *Hamilton's Paradox: the promise and peril of fiscal federalism*, Cambridge University Press. Chapter 1 and 2. **Available as an e-book through VPN
- Falleti, T. G. (2005) A Sequential Theory of Decentralization: Latin American Cases in Comparative Perspective. *The American Political Science Review*, 99, 327-346.

On the Regional Authority Index please check
http://www.unc.edu/~gwmmarks/data_ra.php

SESSION 2 /10:45-12 Comparing federal systems

Readings:

- Beramendi, P. & León, S. (2015) Federalism. In Gandhi, J. & Ruiz-Rufino, R. (Eds.) *Routledge Handbook of Comparative Political Institutions*. Routledge. **Available at ILIAS
- Watts, R. L. (2008) *Comparing federal systems*, Montréal, Published for the School of Policy Studies, Queen's University by McGill-Queen's University Press. **Available at ILIAS
- Stepan, A. C. (1999) Federalism and Democracy: Beyond the US Model. *Journal of Democracy*, 10, 19-34.

12 -1 LUNCH BREAK

SESSION 3 / 1-2:30 Why do countries decentralize?

Readings:

- Alonso, S. (2012) *Challenging the State: Devolution and the Battle for Partisan Credibility: a Comparison of Belgium, Italy, Spain, and the United Kingdom*, Oxford, Oxford University Press. Chapters 1 and 2. **Available as an e-book through VPN
- Meguid, Bonnie. 2009. "Institutional Change as Strategy: The Role of Decentralization in Party Competition." ed. Paper presented at the APSA Conference in Toronto. **Available at ILIAS
- Montero, A. P. & Samuels, D. (2004) The political determinants of decentralization in Latin America: causes and consequence:
<http://www.acad.carleton.edu/curricular/POSC/faculty/montero/Chapter%201.pdf>

SESSION 4 / 2:45-4 The economic promises of decentralization

Readings:

- Weingast. 1995. "The economic role of political institutions: Market-Preserving federalism and economic development". *Journal of Law, Economics, and Organization* 11 (1): 1-31
- Rodden, J. & Rose-Ackerman, S. (1997) Does Federalism Preserve Markets? *Virginia Law Review*, 83, 1521-1572.
- Wibbels, E. (2005) *Federalism and the Market: Intergovernmental Conflict and Economic Reform in the Developing World*, Cambridge University Press. Chapter 2. **Available as an e-book through VPN

SESSION 5 / 4:15-6 Summary and seminar discussion

Thursday, 20th April

SESSION 1 /9-10:30 The economic perils of decentralization

Readings:

- Rodden, J. (2006) *Hamilton's Paradox: the promise and peril of fiscal federalism*, Cambridge University Press. Chapters 4, 5 and 7. **Available as an e-book through VPN
- Haggard, S. & Webb, S. (2004) Political Incentives and Intergovernmental Fiscal Relations. In Montero, A. P. & Samuels, D. (Eds.) *Decentralization and democracy in Latin America*. Notre Dame, Ind., University of Notre Dame Press. **Available at ILLIAS

SESSION 2 /10:45-12 Controlling governments I: attribution of responsibility

Readings:

- Anderson, Cameron D. 2006. Economic voting and multilevel governance: a comparative individual-level analysis. *American Journal Political Science* 50(2):449--463.
- Hobolt, S. B. & Tilley, J. (2013) Who's in charge? How voters attribute responsibility in the European Union. *Comparative Political Studies* 47(6):795 –819.
- Hobolt, S. B. & Tilley, J. R. (2014) *Blaming Europe? : responsibility without accountability in the European Union*, Oxford, Oxford University Press. Part II. Citizens and Blame.
**Available as an e-book through VPN

12 -1 LUNCH BREAK

SESSION 3 / 1-2:30 Controlling governments II: the contamination between electoral arenas

Readings:

- Schakel, A. H. (2013) Congruence Between Regional and National Elections. *Comparative Political Studies*, 46, 631-662.
- Thorlakson, L. (2009) Patterns of Party Integration, Influence and Autonomy in Seven

Federations. *Party Politics*, 15, 157-177.

Rodden, J. & Wibbels, E. (2011) Dual accountability and the nationalization of party competition: Evidence from four federations. *Party Politics*, 17, 629-653.

SESSION 4 / 2:45-4 Decentralization and ethnic conflict

Readings:

Brancati, D. (2006) Decentralization: Fueling the Fire or Dampening the Flames of Ethnic Conflict and Secessionism? *International Organization*, 60, 651-685.

Brancati, D. (2004) Can federalism stabilize Iraq? *Washington Quarterly*, 27, 5-21.

Masseti, Emanuele, and Arjan H. Schakel. 2013. Between autonomy and secession. *Party Politics* 22(1):59-79.

SESSION 5 / 4:15-6 Summary and seminar discussion
