

Community, Scale, and Regional Governance

A Postfunctionalist Theory of Governance,
Volume II

Liesbet Hooghe and Gary Marks
(with Arjan H. Schakel, Sara Niedzwiecki,
Sandra Chapman Osterkatz, and
Sarah Shair-Rosenfield)

OXFORD
UNIVERSITY PRESS

OXFORD

UNIVERSITY PRESS

Great Clarendon Street, Oxford, OX2 6DP,
United Kingdom

Oxford University Press is a department of the University of Oxford.
It furthers the University's objective of excellence in research, scholarship,
and education by publishing worldwide. Oxford is a registered trade mark of
Oxford University Press in the UK and in certain other countries

© Liesbet Hooghe and Gary Marks 2016

The moral rights of the authors have been asserted

First Edition published in 2016

Impression: 1

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

You must not circulate this work in any other form
and you must impose this same condition on any acquirer

Published in the United States of America by Oxford University Press
198 Madison Avenue, New York, NY 10016, United States of America

British Library Cataloguing in Publication Data

Data available

Library of Congress Control Number: 2016939746

ISBN 978-0-19-876697-1

Printed in Great Britain by
Clays Ltd, St Ives plc

Links to third party websites are provided by Oxford in good faith and
for information only. Oxford disclaims any responsibility for the materials
contained in any third party website referenced in this work.

Acknowledgements

The questions that motivate this book took form in Val d’Aran in the Pyrenees some ten years ago. We had driven several hours to traverse just a few linear miles, and we had arrived in a place with distinctive flora and fauna, habits and norms. What, we began to ask, was the effect of geographical isolation? How could political difference be sustained in its absence?

In seeking answers we have been helped by many people. Max Boiten collected data on distinctive regions. Luigi Mendez, Nick Neuteufel and Rick Scholten checked references and formatted text. Sandra Chapman compiled the index. Special thanks to Dawn Brancati, Kent Eaton, Jean-Paul Faguet, Agustina Giraudy, and Michaël Tatham for their extensive feedback on drafts we sent their way.

We owe a large debt of gratitude to many friends and colleagues who helped us along the way. At our two home universities, UNC Chapel Hill and VU Amsterdam, we have been fortunate to have been surrounded by terrific colleagues. In particular, Tom Carsey, Virginia Gray, Jonathan Hartlyn, Hans Keman, and Georg Vanberg have provided helpful comments. Conversations with graduate students at both universities in and out of the classroom have sustained the project in countless ways. Emanuel Coman, Hanna Kleider, Jonathan Kropko, Benjamin Neudorfer, Jan Rovny, and Florian Stoeckel have helped us in matters large and small. Our home universities gave us unqualified support while we were on research assignment.

Extended stays at the Kollegforschungsbereich “Transformative Europe” at the Free University of Berlin, provided us with valuable feedback. Tanja Börzel, Detlef Jahn, David Levi Faur, Markus Jachtenfuchs, Wolfram Kaiser, Juan Díez Medrano, Kiran Patel, and Thomas Risse have been wonderfully generous with comments, advice, and friendship. Nuffield College welcomed us for a Trinity term which allowed us to push the draft into a manuscript. We are also grateful to the Hanse-Wissenschaftskolleg in Delmenhorst for financial and intellectual sustenance. On various occasions we received comments from Ian Bache, Michael Bauer, Jenna Bednar, Arthur Benz, Nicholas Charron, Maria Escobar-Lemmon, Tulia Falleti, Imke Harbers, Charlie Jeffery, Christian Joerges, Ken Kollman, Brigid Laffan, Iván Llamazares, Edina Szöcsik, Pep Vallbé, and Christina Zuber. We owe a special debt to two whose influence

Acknowledgements

is felt on every page—Stein Rokkan and Elinor Ostrom. We would have loved to send them copies.

We are most fortunate to have had the help of talented co-authors. Sandi Chapman Osterkatz, Sari Niedzwiecki, Arjan Schakel, and Sarah Shair-Rosenfield are equally responsible for producing the regional authority index that provides a foundation for this book and they have been influential in shaping our thinking and suggesting incisive examples.

The project has been financed by Gary Marks' Advanced ERC grant # 249543, "Causes and Consequences of Multilevel Governance" and a grant to Liesbet Hooghe from the European Commission.

We dedicate this book to our parents, Eileen and Bobby, and Cécile and Raf, who showed us how two people can share work as well as love.

Chapel Hill

April 2016

Contents

<i>List of Tables</i>	xi
<i>List of Figures</i>	xiii
<i>List of Maps</i>	xv
Prologue	1
1. Scale and Community	5
2. Measuring Regional Authority	24
3. Trends in Regional Authority	44
4. Designing Jurisdictions	65
5. Community and Differentiated Governance	100
6. Community and the Structure of Governance	122
7. Five Theses on Regional Governance	151
<i>References</i>	163
<i>Index</i>	189

7

Five Theses on Regional Governance

A postfunctionalist theory goes beyond economic utilitarianism to stress the sociality of governance. In common with functionalists and neofunctionalists we explain the existence of multiple levels of governance as a response to functional pressures arising from the need to provide public goods at diverse scales. In common with constructivists we pay detailed attention to the sociality of governance, including the geographical, cultural, and historical sources of group distinctiveness and the demands on the part of minority communities for self-rule.

The premise of functionalism is that a phenomenon depends not on its internal character, but on its function—the role it plays—in the system of which it is part (Levin 2013). Governance, from a functionalist perspective, consists of institutions that can be explained by their effects, not their meaning for those affected. This undergirds an economic utilitarian approach to governance based on the assumption that society is composed of individuals with egocentric preferences who have a rational interest in creating government to provide themselves with public goods. The inputs in Alesina and Spolaore's theory (2003) are income-maximizing utility functions over policy and the outputs are the level of taxes and policy provision in a jurisdiction.

This approach provides plausible explanations for a range of political phenomena including the allocation of policy responsibilities to jurisdictions at widely diverse population scales from the local to the global (Hooghe and Marks 2009a; Jensen, Koop, and Tatham 2014; Wildason 1996). The ladder of governance in Chapter One is a general implication of a functionalist approach to jurisdictional design. However, functionalist theorists have a thin understanding of individual preferences and their genesis. They ignore the question of where community and the desire for self-rule come from because they regard individuals as thinly rational beings, “disconnected singulars” (Wolin 1960: 246).

Postfunctionalism starts from the premise that jurisdictions are populated by groups of persons who may conceive a jurisdiction as an expression of their

Community, Scale, and Regional Governance

community (Hooghe and Marks 2009b: 2). Preferences over jurisdictional design depend on the groups that individuals conceive as politically relevant, their attachments to those groups, and the way in which they interpret the implications of those attachments.

Preferences over jurisdictions are intrinsic in the sense that people care about whether they have self-rule. Whereas functionalist explanations of governance explain it in terms of its effects, postfunctionalist explanations give causal weight to the emotional attachments that individuals have to the societies of which they are part. In the field of cognitive science this is the *qualia* problem. What is it like to have a particular mental state, to feel love or fear (Levin 2013; Nagel 1961)? The political scientist can ask the same question. What is it *like* to have this government rather than that government? What, for example, is the meaning that a US citizen attaches to the existence of the United States as a self-governing country, independent of that person's preferences regarding its policies? Governance sustains individual and community reproduction by providing this group (but not that group) with the ability to make collectively binding decisions. Governance, in short, is the means by which a community gains a capacity for strategy.

Regional Governance Has Undergone a Quiet Revolution

The growth in regional governance since World War II amounts to a quiet revolution in the territorial structure of the state. It is quiet in that it is rarely constitutionalized and almost never catapults countries into full-blooded federalism. The quiet revolution transcends the unitary/federal distinction. Of the eighty-one countries that we observe, just one—Belgium—has become federal. Yet almost every non-federal country that is middle-sized or larger has been deeply affected. It has left its mark in East and West and in developed and developing countries. Federal countries have see-sawed on the regional authority index (RAI) with no aggregate trend. But non-federal countries with a population greater than ten million have been transformed.

We track twenty-three such countries in Asia, Europe, and Latin America.¹ Twenty of these countries experienced an increase in regional authority over the time we observe them. The three countries that buck the trend do not appear to augur a general move in the direction of centralization.² The median

¹ Indonesia, Japan, the Philippines, South Korea, and Thailand; Belgium, the Czech Republic, France, Greece, Italy, the Netherlands, Poland, Portugal, Romania, Spain, Turkey, and the United Kingdom; Chile, Colombia, Cuba, Ecuador, Guatemala, and Peru.

² Ecuador centralized when it abolished its second chamber representing regions. Cuba centralized under the Castro regime. Guatemala's RAI score did not change when it decentralized local rather than regional government in response to indigenous mobilization.

Five Theses on Regional Governance

country saw its RAI increase by 5.0. Eleven of these countries more than doubled their regional authority score. Entirely new regional tiers were created in twelve of the twenty-three countries.³

The quiet revolution changes the way one looks at governance. No longer can governance be conceived as a once-and-for-all choice about which fork to take in the road of state creation: federal or unitary. This was the fundamental decision in the life of a country that shaped all others. The divide between federal and non-federal countries has narrowed. Non-federal countries may, like federal countries, have multiple levels of governance, directly elected regional assemblies, and strong regional executives collecting taxes, borrowing on financial markets, with extensive policy portfolios not subject to central veto.

The key difference between a federal and a non-federal country lies not in the capacity of regions to rule themselves, but in their capacity to co-rule the country as a whole. Regions in federal countries are represented in country-wide second chambers in which they can co-determine national laws, including the distribution of national tax revenues. Many bargain directly with national governments over the budget and taxes. The greatest change has been in borrowing control. Today, most federations involve their constituent units in regulating and monitoring the polity's public debt. In 1950, Australian states were the only regions with shared rule over borrowing. By 2010, they were joined by Argentine provinces, Austrian Länder, German Länder, Malaysian negeri, along with communities and regions in Belgium and comunidades in Spain, a quasi-federation.

In federal countries, the quiet revolution has been mostly centripetal, drawing constituent units into joint decision making. In non-federal countries, it has been mostly centrifugal, giving regions greater self-rule without compensating reforms that give them greater responsibility for the country as a whole. This partitions authority across the territories of a country, but does not recombine authority in joint decision making. It conveys central authority to the regions, but does not convey the regions to central authority.

In short, regions in federal countries are assimilated in the body politic in ways that are rarely available to regions in non-federal countries. The median *self-rule* in twelve federal countries is 14.4, compared to 12.2 in the twelve most regionalized non-federal countries. The median *shared rule* in these federal countries is 7.7, compared to 1.1 in the non-federal countries. Hence, shared rule accounts for three-quarters of the overall difference between the federal and non-federal countries in our dataset.⁴ The upshot is that the quiet revolution is heavily biased to self-rule in non-federal countries. Shared rule has barely shifted even in the larger non-federal countries. The median change

³ Not including Cuba and Peru, which abolished and established a regional tier.

⁴ We exclude Belgium from this comparison because it appears in both categories.

Community, Scale, and Regional Governance

on shared rule is zero for the twenty-three most populous non-federal countries, and the average has increased by less than one on the twelve-point aggregate scale for shared rule.

The changes we have mapped since World War II reverse a centuries-long process of centralization. The development of the national state from the twelfth century was a long, zig-zag process in which central states claimed and gradually gained a monopoly of legitimate coercion, creating national armies, national courts, national taxation systems, national health, national education, and national welfare. However, centralization reached its peak in the first half of the twentieth century. It has been superseded by an era of multilevel governance that began in the second half of the twentieth century.

Regional Governance Has Become Differentiated

Regional governance varies within as well as among countries. A one-size-fits-all approach has given way to a differentiated approach tailored to the demands and conditions of different regions within a country. At stake are not just the policies that are provided to different jurisdictions, but something far more important—the authority to determine their own laws.

In 2010, twenty-four of the forty-eight countries we track since 1950 had differentiated regional governance, up from sixteen at the beginning of the period. Jurisdictional reforms targeted at particular regions constitute 59 percent of all reforms. In 1950 the predominant form of differentiated governance was *dependency*, direct rule from the center. In 2010, the predominant forms were *autonomy*, a bilateral arrangement with the center giving a region additional self-rule, and *asymmetry*, in which a region is distinguished from its tier by having both more self-rule and more shared rule. While the number of dependent regions declined from thirty-four to four from 1950 to 2010, the number of autonomous regions increased from fifteen to forty-one, and the number of asymmetric regions increased from three to eighteen. Standardized governance has given way to differentiated governance.

The quiet revolution in governance has produced a mosaic of regional forms. Regions are differentiated in myriad ways. The Faroe Islands can join (or exit) international treaties without Danish consent. Mindanao in the Philippines has authority over Sharia courts. Only indigenous Papuans can stand for election in Indonesia's Papua. German has equal official status with Italian in Trentino-Alto Adige/Südtirol, and every civil servant must take a bilingualism test. Nicaragua's Autonomous Regions of the North and South Atlantic have a judicial system that follows Miskitu practice. Mount Athos in Greece has a theocratic government.

Five Theses on Regional Governance

There are about as many possibilities as there are differentiated regions. Yet, the net result draws one to reassess the meaning of stateness. The changes documented here and in Volume I of this study undermine essentialist conceptions of the state. They do this from the inside, by creating institutional possibilities that question the idea that a state imposes the same laws throughout its territory. In short, comparing countries tells us less and less about how populations living within them rule themselves. Conventional definitions of stateness emphasizing sovereignty and a monopoly of legitimate coercion are the wrong place to begin an inquiry into governance.

If differentiated regions were merely half-way houses on the path to independent statehood, then we would be witnessing a spin-off process in which nation-states replicate themselves. The national state, based on the principle of fit between the nation and the state, would be consolidated, albeit in smaller parcels. But once one relaxes the assumption that differentiated regions are inherently secessionist, it becomes clear that they challenge the national state in a more fundamental way. Differentiated regions have some state-like qualities, but they exist *within* states. Most exercise authority over broad areas of policy, including economic development, communications infrastructure, and local government. Most manage their own police force, control entry into civil service jobs within their territory, and run their own state schools, including the language of instruction.

If the national state was the only meaningful solution to the aspiration for national self-rule, then territorially concentrated minority groups within states would be confronted with an all-or-nothing choice: leave or stay. Differentiated regions are interesting precisely because they raise a set of possibilities about the co-existence of territorial communities that escape "either/or." The secessionist dream of a perfect fit between nation and state is a chimera. After all, most break-away states also contain territorially concentrated minorities. Differentiated regions are compromises that relax the premise that a state exerts uniform authority over its population. Differentiation negates the nationalist doctrine of symmetry between nation and state.

Regional Governance Grows with Affluence

People in affluent societies want policies that are best provided at widely diverse scales. The primary functions of government prior to the twentieth century were to provide security, law, and economic exchange, all of which were chiefly national. Total government spending in fourteen economically advanced societies in the late nineteenth century averaged less than 11 percent. In 1960 government spending had increased to 28 percent, and by 1996

Community, Scale, and Regional Governance

it was 45 percent (Funk and Gathmann 2011; Lindauer 1988). The bulk of the increase has resulted from the expansion of government responsibilities for policies that have diverse externalities and economies of scale. The consequence is a long-term trend towards multilevel governance, including governance at the regional level.

In most countries, military spending has fallen sharply since World War II and it has continued to decline as a proportion of government spending in recent decades. The Stockholm Peace Research Institute (SIPRI) Military Expenditure Database tracks twenty countries in the RAI dataset from 1988 to 2014, and of these only Colombia has seen an increase in military spending.

This has been balanced by a rapid and unparalleled extension of public competences in welfare, health, education, and the environment, policies that tend to involve regional and local authorities (Agranoff 2014; Charbit 2011; Loughlin 2007*b*; Sharpe 1993). Health, education, and social security are now the most important expenditure categories for subnational government (Osterkamp and Eller 2003; see also Braun 2000; Kleider 2014; Ter-Minassian 1997).

Central states persisted as predominant purveyors of public goods because conflicts among them made military security a chief concern. The decline in interstate war since World War II, along with the diversification of the policy portfolio, have contributed both to the rise of international governance among states and decentralization within them.

Most policies that have mushroomed over the past half-century are multi-level.⁵ Many environmental issues require coordination across governance actors at different scales (Weibrust and Meadowcroft 2014). Summarizing her decades-long research on common pool resources, Elinor Ostrom and her co-authors stress that “no fixed spatial or temporal level is appropriate for governing ecosystems and their services sustainably, effectively, and equitably. We point to the need to recognize the multilevel nature of such problems and the role of institutions in facilitating cross-level environmental governance” (Brondizio, Ostrom, and Young 2009: 253). An interdisciplinary literature has grown up around the need for multilevel governance in climate change, “a ‘super-wicked issue’ [Lazarus 2009] that does not respect geographical boundaries or institutional structures” (Bache and Flinders 2015*a*: xxii; 2015*b*).

Like environmental policy, health policy is scale diverse. A study of twenty-eight European countries finds that thirteen of sixteen health care policy

⁵ US scholars of federalism stressed from the early 1940s that it made little sense to compartmentalize policies in separate tiers (D. Wright 1974: 16; 1988). Joseph McLean coined the term “marble cake federalism” to describe a system in which policy is routinely coordinated across governments at different scales (Grodzins 1966; D. Wright 1974:7; see also Elazar 1991). A similar phenomenon has been detected in non-federal states (Bakvis and Brown 2010; Bakvis and Chandler 1987; Blom-Hansen 1999; Bolleyer 2009; V. Wright 1979).

Five Theses on Regional Governance

functions involve some decentralization: “Responsibility for pharmaceuticals, framework legislation, and most finance lodges at the highest levels of government, acute and primary care at the regional level, and provision at the local and regional levels” (Adolph, Greer, and Massard da Fonseca 2012: 1595). However, the sixteen functions identified by Adolph et al. are far from homogenous. A comprehensive coding breaks health policy into 192 sub-areas.⁶ Many of these sub-areas contain policies that are themselves diverse and require collaboration across levels of governance. For example, the “construction of hospitals” usually involves governments at multiple levels, as do “providing . . . personnel . . . in underserved areas,” and “nurse training.”

Scale diversity arises from heterogeneity of context even when there is little heterogeneity of preferences (Henderson et al. 2013). The provision of elderly care should match individual caretakers to elderly persons in low-density rural areas as well as to elderly living in close proximity to services. An active labor market policy should retrain unemployed textile workers, engineers, or automobile workers to meet the particular demands of regional labor markets. Health care needs to be adjusted to the needs of those living in different regions. For example, the prevalence of reported heart disease for people living in Nova Scotia in Canada is almost twice that for those living in Alberta (Chow et al. 2005: 24). Such differences, which tend to be even greater in less developed societies, underpin regional strategies for health care provision. Even when patient preferences do not vary much from region to region, health care practice can vary considerably (Barnato et al. 2007; O’Hare et al. 2010).

From a public goods perspective, states are both too large and too small: too large because they encompass heterogeneous contexts that are best served by local jurisdictions; too small because they cannot encompass the efficient scale for providing non-rival goods, including market exchange, security, and a sustainable environment. This has produced new bottles as well as new wine. Jurisdictional architecture has come to resemble the ladder of governance depicted in Chapter One in which authority is dispersed across several jurisdictional levels at increasing population scales from the local to the global.

Regional Governance is Social

Regional governance is about who rules whom. The first thing that must be confronted in deciding who rules whom is the allocation of authority. What are the boundaries of the polity? Which group gets the most precious good of

⁶ Available at <<http://www.policyagendas.org/page/topic-codebook>>.

Community, Scale, and Regional Governance

all—the power that controls all other powers—namely, a capacity for governance? This is the *Who Question*, and in the field of human relations it is prior to all others. It is the master question that precedes rules for making collective decisions and selecting leaders. It lies at the core of much conflict among peoples, and in this book we argue that it is decisive for territorial politics within the state. Whereas efficiency lies far back in the causal chain leading to jurisdictional reform, the demand for self-rule on the part of a minority community can have a direct effect. Contestation about the boundaries of the polity has a way of upstaging contestation about policy.

In western democracies following World War II, demands for self-governance appeared to be settled, but they merely lay dormant. The “German Question,” which dominated Europe in the second half of the nineteenth century and the world in the first half of the twentieth century, suppressed discourse about ethnicity following World War II. But the effect was temporary. Demands for self-rule on the part of groups who conceive themselves as peoples have been a major source of territorial reform over the past sixty years.

Within states, peripheral groups are most liable to demand self-rule. Geographical isolation, linguistic distinctiveness, and a history of independence can lead members of a group to see themselves as a people entitled to self-rule. Some peripheral communities divide the world into “them” and “us” and resent the rule of those they regard as foreign. The geo-historical bases for such identities are especially strong in Europe and Asia. Territorially concentrated ethnic minorities are less common in Latin America, though in recent decades Bolivia, Colombia, Ecuador, Nicaragua, Panama, and Venezuela have seen the mobilization of indigenous communities demanding self-rule.

We find that the form peripherality takes is decisive. A peripheral community that sustains distinctiveness by virtue of distance or isolation tends to be small in size. The region may be arid, mountainous, poor in resources, or simply difficult to access. The population is spread very thinly over a great area or is compressed within an island or archipelago. Many such regions were dependencies, ruled from the center, but almost all have gained some form of self-rule over the past half-century. This has little effect on governance beyond the region. The distance that sustains distinctiveness also reduces political salience. Other regions regard them neither as a model nor as a competitor. Their small population lowers the stakes in self-rule. They are regarded as an exception that does not threaten the integrity of the country as a whole. And their small population makes full independence less enticing if it inflicts a serious lack of scale in the provision of public goods.

Peripherality *without* distance requires power. To sustain a distinct people in the proximity of the center requires embedded institutions and a population large enough to resist assimilation. But for the accidents of history, the Basque

Five Theses on Regional Governance

Country, Catalonia, Flanders, Kalimantan (Borneo), Kurdistan, Mindanao, Quebec, Scotland, and Tatarstan could now be independent states. Each has distinctive institutions, and in most cases, distinctive forms of speech. All were, at some time in the past, independent states with the capacity to make their own laws. These regions contain a non-negligible share of the entire population of their respective countries. Full independence would seriously truncate the host state.

In the functional-utilitarian model, those living in a region will demand self-rule when their policy preferences are different from those in the rest of the country. Yet, this is not the case in Scotland, where the Labour party continues to represent the left-leaning policy preferences of a large proportion of voters. In the 2015 general election, the Scottish National Party explicitly modeled its policy proposals on those of the Labour party. The premise was that Scottish voters would prefer to be represented in Westminster by a Scottish rather than a British political party.

Such regions have systemic effects for the countries in which they are located. The transformation is sharp in Britain, once a bastion of democratic class conflict. As the bases of traditional class conflict have eroded, territorial issues have become more salient. The motive force is Scottish nationalism, and it has shaken up Britain as a whole. English nationalism has come to the fore not just in opposition to Europe, but in a preference for expressly English political institutions, including most recently an English national anthem. Support for beefing up the Welsh assembly has also grown over the past decade.⁷ Diagnosing an “ever looser union,” Charlie Jeffery (2013: 326) observes that “broad-based discontent over current governing arrangements signifies the emergence, in nascent and as yet rather unfocused form, of an English political community.” A recent attempt to draw lessons from the 2015 general election (Kenny and Pearce 2015: 7) comes to the conclusion that Britain:

... is now fundamentally broken up in geopolitical terms... [P]ostwar social patriotism gave expression to an era of national unification in which the working-class was strong, whereas today it is fragmented and politically weak, and the unitary sovereignty model is becoming increasingly exposed as the UK inches towards a more federal, multi-levelled polity.

When community comes into play, regional governance involves not just an issue, but the underlying *structure* of contestation. Mobilization for self-rule on the part of a core region can affect which issues come to the surface in the

⁷ In 1997, just over half of those questioned in Wales were in favor of a continued shift of authority, including tax powers, to a Welsh assembly. By 2013 this had risen to around two-thirds. <<http://www.bbc.com/news/uk-wales-politics-21602742>>.

Community, Scale, and Regional Governance

society as a whole. Regional governance raises communitarian issues that are associated with a dimension of contestation hinging on nationalism, territorial governance, and immigration. These issues are only weakly related to left-versus-right conflict concerning the distribution of income, welfare, and the role of the state. Whereas class conflict divided society along functional lines, regional governance divides society along territorial lines (Lipset and Rokkan 1967). Whereas class conflict was instrumental in constructing national states, conflict over regional self-rule produces new lines of conflict and identity formation that can fragment national states.

Regional Governance is Democratic

Regional governance and democracy engage entirely different questions. Regional governance responds to the *Who Question*: who gets to form a polity? Democracy responds to the *How Question*: how are decisions made in a polity? Democracy says nothing about the territorial structure of governance; regional governance says nothing about how decisions are made within regions. Yet democracy provides a key to the rise of self-governing regions over the past half century.

It is precisely because democracy is silent about who should exercise self-rule that it allows groups that have some special social nexus—rooted in language, remoteness, or sense of shared history—to demand and receive special treatment. The democratic principle, the expressed will of the people and the defense of minority rights, requires a prior determination of the people and this is external to the democratic principle. Democracy combines diffidence about the ingredients of a people with a pluralist bias towards accommodation of group demands, and this has opened the door to regional governance.

Hence, democracy intensifies the effects of community for regional governance. Democracy diminishes the cost of political mobilization on the part of those who desire self-rule and multiplies the points at which they can access decision makers. Whereas autocrats rule by denying others the right, democratic leaders can retain rule by shifting authority out of their own hands if that wins them support.

The transition of an authoritarian regime to a democracy unleashes pent up pressures. The breakup of the Soviet Union and of Yugoslavia are cases in point (Lapidus 1992: 48ff). If the authoritarian regime has suppressed ethnic groups, these may secede.

As in Central and Eastern Europe, regionalization in Latin America and Southeast Asia closely tracks democracy. The dip in the 1970s and 1980s in Latin America corresponds to the authoritarian turn in all but a handful of

Five Theses on Regional Governance

countries. Of twenty-one countries, only Costa Rica has not experienced authoritarian rule in the past sixty years. The onset of democratization came later in Southeast Asia, and this is reflected in the fact that regionalization began in earnest only in the early 1990s.

When authority is conveyed to regional institutions in a democracy there is a presumption that citizens should have some say. The phenomenon of regional elections has swept across the democratic world in recent decades. The largest shift among the ten dimensions on which we measure regional authority has been the creation and empowerment of regional assemblies and executives. The median increase on this four-point scale is 2.0, which is equivalent to introducing directly elected assemblies across a regional tier. In 1950, elections for regional legislatures were part of the federal package and unusual beyond. The incidence of regional elections in federal countries was 90 percent and in non-federal countries it was 36 percent. By 2010, the incidence among non-federal countries had risen to 59 percent. The change took place chiefly in the larger non-federal democracies. By 2010, 82 percent of democracies with a population greater than ten million had regional as well national elections.⁸

Those who mobilize for self-rule express communitarian claims about the right of a people to self-rule, claims that are no different in kind from those made by central rulers when they speak about their national state. On what basis can one say that an ethnic group with majority support in their homeland should not collectively exercise authority over their lives?⁹ On what grounds can those in a democracy say, “We have a right to self-rule, but you have not that right.” The counter argument usually takes a pragmatic form. It seeks to counter appeals for self-government “here” in the homeland by pointing out that taxes would be higher or that welfare would be thinner. In short, it appeals to the benefits of scale in the provision of public goods.

The Scottish government begins its argument for Scottish independence with the following statement:

The referendum is a choice between two futures for Scotland. We can choose independence, which will put Scotland’s future in Scotland’s hands, or we can leave big decisions on Scotland’s economy and the future shape of our society in the hands of Westminster. We believe independence is the right choice for

⁸ The exceptions are Chile, Guatemala, and Portugal.

⁹ The *Declaration of sovereignty and of the right to decide of the Catalan nation* adopted by the Parliament of Catalonia in 2013 begins with the statement: “The people of Catalonia, during the course of their history, have democratically demonstrated their collective desire to govern themselves, with the objective to advance their development, their well-being, and provide equal opportunity to all citizens, while reinforcing their culture and collective identity” (translated by Xavier Macià). <https://en.wikisource.org/wiki/Declaration_of_sovereignty_and_of_the_right_to_decide_of_the_Catalan_nation 7/13/2015>.

Community, Scale, and Regional Governance

Scotland because it is better for you and your family if decisions about Scotland are taken by the people who care most about Scotland: the people who live and work here.¹⁰

The response from *Better Together* is that this would be costly: “In the future Scotland’s prosperity will be strengthened by keeping the British connection. We need more growth, more jobs, and more prosperity in Scotland. We don’t need uncertainty, instability, and barriers for our businesses.”¹¹

Democracy provokes the desire for separation, but it takes away the performance.¹² It provides opportunity for separatist movements and at the same time opens the possibility for accommodation. Our evidence provides many cases of regional empowerment, but no case of complete separation in a consolidated democracy.¹³ Several democracies contain regions in which there is considerable support for full independence. These include Aceh, the Basque Country, Catalonia, Flanders, Greenland, Mindanao, Puerto Rico, Quebec, and Scotland. But even if several of these regions were to break away, it would still be true to say that consolidated democracies commonly disperse territorial authority, but rarely break apart. Our hunch is that the former is the reason for the latter.

¹⁰ Available at: <<http://www.gov.scot/Publications/2013/11/9348/15>>.

¹¹ The Better Together website no longer exists. The campaign arguments can be accessed at <http://www.huffingtonpost.co.uk/2014/03/04/against-scottish-independence-no-vote_n_4895582.html>.

¹² To paraphrase Macbeth’s porter.

¹³ All breakups occurred during regime transition: the Soviet Union in 1991–92, Czechoslovakia in 1993, and Serbia-Montenegro in 2006, and the secessions of Singapore from Malaysia in 1965, East-Timor from Indonesia in the late 1990s (formally concluded in 2002), and Kosovo from Serbia in the late 1990s (formally concluded in 2008).