Federalism

**Federalism** is a form of multilevel governance which shares sovereignty, and not just power, between governments within a single state. It is a constitutional device, presupposing a formal political agreement establishing both the levels of government and their spheres of authority. As Brooks (2012, p. 196) writes, ‘federalism is chiefly a property of constitutions not societies’. So, **federations** are always a deliberate creation. In such a system, legal sovereignty is shared between the federal (or national) government and the constituent subunits (often known as ‘states’ or ‘provinces’).

The key point about a federal partnership is that neither tier can abolish the other. It is this protected position of the states – not the extent of their powers – that distinguishes federations (such as the USA and Canada) from unitary governments (such as the UK and France). Multiple levels of government are integral to a federation whereas, in a unitary system, sovereignty resides solely with the centre, with lower levels existing at its pleasure. So this section on federalism should be read alongside the later section on unitary governance.

The constitution of a federal state allocates specific functions to each tier. The centre takes charge of external relations – defence, foreign affairs, and immigration; and some common domestic functions – such as the currency. The functions of the states are more variable but typically include education, law enforcement, and local government. As in Germany, residual powers often lie with the states, not the centre (Box 14.1).

In nearly all federations, the states have a guaranteed voice in national policy-making through an upper chamber of the assembly. In that chamber, each state normally receives equal, or nearly equal, representation. The American Senate, with two senators per state, is the prototype.