

Comparative Political Studies

<http://cps.sagepub.com>

Book Reviews: Bednar, J. (2009). *The Robust Federation: Principles of Design*. New York: Cambridge University Press

Anoop Sadanandan

Comparative Political Studies 2009; 42; 1461

DOI: 10.1177/0010414009341249

The online version of this article can be found at:

<http://cps.sagepub.com>

Published by:



<http://www.sagepublications.com>

Additional services and information for *Comparative Political Studies* can be found at:

Email Alerts: <http://cps.sagepub.com/cgi/alerts>

Subscriptions: <http://cps.sagepub.com/subscriptions>

Reprints: <http://www.sagepub.com/journalsReprints.nav>

Permissions: <http://www.sagepub.com/journalsPermissions.nav>

Citations <http://cps.sagepub.com/cgi/content/refs/42/11/1461>

other countries where proclientelist structural conditions are created and expanded by deliberate policy choices, such as ISI in Brazil, one may wonder if it was indeed structural conditions that induced clientelism or it was clientelist-minded politicians and voters' demands for clientelist goods that created the structural conditions favoring clientelism. In other words, is it possible that structural conditions favoring clientelism are in fact the product of politician's clientelist electoral strategy and voters' demand for it rather than vice versa? Finally, one can dispute the degree of success in passing and implementing collective goods reforms in contemporary Brazil given that many of these reforms had to wait for major economic crises to get acted on and many executive proposals were either watered down significantly or never passed the Congress (e.g., the tax reform proposals). If the success of contemporary Brazil is overestimated, then the authors' conclusions about the move to policy-based voting and successful reforms in Brazil are at best inconclusive. Despite these issues, *The Voter's Dilemma* is a great addition to the scholarship on democratic accountability, legislative and party behavior, and clientelism. Anyone who works in these areas will benefit from the great insights it provides.

Taeko Hiroi

University of Texas at El Paso

Bednar, J. (2009). *The Robust Federation: Principles of Design*. New York: Cambridge University Press.

DOI: 10.1177/0010414009341249

Governments provide goods and services to their citizens. Besides the provision of public goods, democratic governments are also concerned with individual liberties, accountability, and political representation. Some of these goods are delivered efficiently by central governments (i.e., security from external threat). Other goals (accountability and representation) are realized better at the local level. Some (preservation of markets) however require the national and subnational governments to share authority. The art of designing federations is the allocation of authority across different levels of government to realize these goals in an optimal way. Bednar's book is an examination of this allocation its attendant problems.

Allocation of authority, Bednar contends, is but one factor that makes federations robust, another is the commitment to the allocation. Governments are often tempted to defect opportunistically. Bednar identifies three forms of transgressions that have the potential to unsettle federations: (a) The national government may encroach on the authority of subnational governments, (b) subnational governments may shirk (e.g., by running budget deficits), and (c) a subnational government may shift burden on to other subnational governments (e.g., trade barriers). Bednar provides an excellent discussion of each of these transgressions and the measures that hold

them in check. Bednar's thesis, presented persuasively, is that no single safeguard can check all the transgressions. Several safeguards ought to work in concert, each complementing the others and working on particular forms of transgression. This leads to the final concern of robust federations. Punishing all transgressions to ensure full compliance to the initial allocation of authority is not healthy. The conditions that led to the initial allocation change over time, and new challenges arise. A federation, to be robust, must have adaptive efficiency (North, 1990). But, governments may use these adaptations as excuses for transgression. The difficulties in designing robust federations are thus many—an optimal allocation of authority, identification of thresholds for acceptable behavior, setting up of safeguards to punish transgressions, and allowing the system to be flexible to adapt beneficially. Bednar's book examines how robust federations deal with each of these issues.

Given that governments essay to meet diverse goals, Bednar presents federalism as a system with issue-linkages offering opportunities for compromise. Studies focusing on one aspect of federalism—fiscal federalism, market preservation, or accountability—miss this. In these studies, any concession, by either the national or the state governments, appears as a zero-sum game, making one wonder why the losing side would continue to be a part of the federation. The multidimensionality of federations helps us understand this. Even when a unit concedes on one issue, it gains on another. And even when performance is not maximized on every issue, robust federations are able to make trade-offs that leave every unit better off within it than without. This multidimensionality makes compromises more feasible than over a single issue. This accounts for why units agree to a federation, sacrificing their autonomy, when they could have joined a defense pact or a trade alliance. But once a certain distribution of authority is agreed to, federations should guard against violations to it.

Checking governmental transgressions in federations however is far from easy. Thresholds to mark off acceptable from punishable behavior have to be set and violations monitored and punished. Monitoring transgression is not easy either. Even when a transgression is observed, it is not easy to conclude if it was intentional or due to extraneous factors. For example, a government may have agreed to and legislated to cut air pollutants; but the quality of air is not merely a function of governmental action. This sort of uncertainty opens the door for transgressions. Bednar therefore concludes rightly that opportunism is inherent to federations and cannot be entirely eliminated. Robust federations nevertheless have to check both substantial and minor transgressions while allowing some minor transgressions for social benefit. But how is this feat achieved?

Bednar identifies five safeguards against transgressions and assesses their relative effectiveness. First, governments can monitor and punish each other for transgressions. This form of *intergovernmental retaliation* checks all three forms of transgressions but generates antagonism and hostility between governments, with a potential to slide into civil war. It should be used sparingly, when exit options are not available, and against egregious transgressions. Second, there are *structural safeguards*: (a) The power of the national government can be fragmented between

the executive, the legislature, and the judiciary, providing institutional checks; (b) the distribution of authority between governments, when well enumerated, can inspire self-regulation; and (c) subnational interests can be incorporated into national decision making. In Canada, this happens through consultations with local premiers before the national government alters the distribution of power; in the European Union, rotation of executive leadership ensures this; in several countries, this happens through subnational representation in the upper house of the legislature. The limitation of structural safeguards is that they are incomplete—they may be effective against national encroachment, but subnational governments may not monitor and punish opportunism among them. Third, voters can be an effective *popular safeguard* against encroachment and subnational shirking, especially when transgressions are linked to inefficiencies. Voters recognize inefficiencies more readily and punish them. Furthermore, popular safeguards can underscore structural safeguards. However, such popular safeguards depend on the quality of information voters have and on their impartial judgment. But, voters often have asymmetric allegiances—identifying more with one government to ignore its opportunism. A fourth safeguard comes from political parties. When political parties are integrated (Filippov, Ordeshook, & Shvetsova, 2004), national governments may hesitate to encroach on the authority of subnational governments run by their local party colleagues. Tied to this, if subnational politicians have progressive ambition, they will consider the national electorate and welfare along with their regional ones. Such *political safeguards* resolve the information problems that limit popular safeguards. However, political safeguards are inconsistent as they rely on a delicate balance between national and local politicians. How effectively can a party discipline a strong politician or when electoral gains are needed? To political parties, ensuring the robustness of a federation is a secondary goal, if at all, to winning elections. The final safeguard Bednar considers is the judiciary. *Judicial safeguards* in theory are ideal to check opportunism. Having no personal stake in a dispute's outcome, the courts can act as disinterested umpires between governments. The courts judge what appropriate government behavior is. Furthermore, the courts can deliberate, focusing on particular behavior to see if the observed transgression is intentional. And a judicial ruling can help coordinate behavior among other actors. However, a criticism often directed at judicial safeguards is that they are undemocratic. More critically, the courts, having no enforcement mechanism of their own, depend on governments to carry out their judgments. Therefore, in practice, Bednar observes using William Riker's evocative words, courts become a "handmaiden of the executive," undermining its ability of sanction national transgressions (p. 124).

Robust federations, Bednar argues, should have all these safeguards acting in concert (because transgressions vary in form and severity and also because no safeguard is safeproof). Intergovernmental retaliation is most effective when it is reserved for major transgressions and when used seldom; other safeguards can check minor transgressions. Each transgression must be covered by more than one safeguard so that even when one safeguard fails, others will check it. This also ensures against

misinterpretation of transgressions by a safeguard. Of these, popular safeguards hold a unique position in Bednar's analytical framework. Whereas intergovernmental safeguards should be reserved to check substantial transgressions and structural, political, and judicial safeguards to act on minor transgressions, popular safeguards have a variable quality to them. They can exercise mildly to throw out a particular candidate for a minor transgression, but they can also vote a whole party out. And at the extreme, popular safeguards can harness the revolutionary potential latent in them. The variability of sanctioning ability is not the only attribute that distinguishes popular safeguards from other sanctioning mechanisms.

In Bednar's assessment, robust federations must leave some room for transgressions. Besides having the potential to unravel federations, transgressions are also experiments that may produce socially beneficial outcomes. Transgressions in some instances may be responses to changes in the initial conditions that brought forth the existing allocation of authority. These transgressions therefore add to the system's robustness. But who decides whether a transgression is likely to lead to overall social welfare? Bednar assigns this responsibility to popular safeguards. Invoking and extending the assessments of de Tocqueville, Riker, Elazar, Ostrom, and Weingast, Bednar contends that over time, "through experience with their federation, the public acquires a sense of what is appropriate and becomes willing to defend it. Development of a federal culture, where popular safeguards may be activated, transforms the federal state into a federal nation" (pp. 190-191).

Some readers might find this reliance on popular safeguards optimistic. There is however evidence to support this expectation; so is there evidence to doubt this reliance. This is an area where further research is necessary: What are the conditions that nurture the development of federal culture? What conditions inhibit it? How do we define federal culture, in a noncircular way, to make precise statements about robust federations?

Bednar's book is a serious, sustained, and welcome discussion about what makes federations endure. Students of federalism now need to identify the initial conditions that allow the distribution of authority and safeguards that make some federations robust.

Anoop Sadanandan
Duke University, Durham, North Carolina

References

- Filippov, M., Ordeshook, P., & Shvetsova, O. (2004). *Designing federalism: A theory of self-sustainable institutions*. Cambridge, UK: Cambridge University Press.
- North, D. C. (1990). *Institutions, institutional change, and economic performance*. Cambridge, UK: Cambridge University Press.