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Local to Global

Global Federalism:

The Answer to Nationalist Populism

Dr Michael Lloyd

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Introduction

The motivation for writing the pamphlet was my concern about the rise of 'nationalist populism', partly engendered by the growing marketisation in all areas of our political and economic lives. The popular resentment which underlies this nationalist populism, was partly responsible for the result of the UK Brexit referendum in 2016 and the election victory of Donald Trump in the USA.

Across Europe, including the UK, and the US there are societal tensions; anger on the right and on the left at a social, economic, and political situation which is leaving substantial minorities with precarious lives and little apparent ability to change things. This resentment has led to a widening development of ethnic nationalism across a number of Western countries and beyond; sometimes linked to extreme fundamentalist religious views and aggressive political movements.

Both the above two significant political events in the UK and the US had three linked causal elements in common. First, they were prompted by large groups of people feeling left behind by the rapid advance of 'modernism', globalism and rapid technological change. Second, there was a resentment of governance by remote modern elites. Third, was the accompanying growth of a strong ethnic nationalist populism, capable of being exploited by political demagogues, like Trump or, more subtly, Farage.

These socio-economic factors are genuine. They exist and need to be addressed. Nor are they are not simply the products of ignorance or misunderstandings; though insofar as they need to be countered, the answers require to deal with both the emotional aspects of the phenomenon as well as proposing a rational political set of solutions.

I am aware of the academic discussion about nationalism and populism and the distinction between them. Populism is a 'vertical'

anti-elitism, whereas nationalism is a 'horizontal' objection to 'the other'. (See House of Lords Library Note, 2017).

I want to avoid semantic academic debate. However, it is clear that the most dangerous populism, particularly in opposition to federalism, is of the ethnic nationalist variety, often, but not always, associated with right-wing views. It is this variant which informs this pamphlet.

One important condition is required if the socio-economic and political problems indicated above are to be resolved. This is a move towards a set of governance structures which can address all three of these intrinsic elements. People need to be empowered and have more control over their lives, at all governance levels. But there isn't any simple or rapid solution that exists to what might be described as a 21st century existential problem. However, it is possible to suggest a direction of travel. The path suggested is that of federalism.

Federalism in the UK tends to be seen through the prism of the UK's relations with the EU. For many in the UK there is a resentment at the centralised decision-making at EU level of issues which are seen as preferably belonging to the UK government in an inter-governmental organisational context. In fact, federalism is about taking decisions at the most appropriate level, given the scale and complexity involved. To be fair, the structure of the EU as an amalgam of inter-governmental, confederal, and federal decision-making presents a problematic perception.

In countries in Europe which have federal constitutions, e.g. Germany, and in the USA, with its federal constitution, it is appreciated that the purpose of federalism is to distribute decision-making power appropriately and with a bias towards decentralisation. The direction of travel for governance is to be from the smallest unit of socio-economic grouping and population to, at the other extreme, the central state. People need to feel able

to influence decisions as directly as possible at the local level.

In the UK it is only over the last 20 years that we have achieved a clearer delineation of a confederal structure with the advent of devolved power to Scotland, Wales, Northern Ireland, and to a lesser extent, Greater London. This pamphlet argues that the use of effective representative governance should ideally cascade from local levels, through regional, national, and international levels, up to global governance.

There are two final points to make. First, the underlying model of federalism used in the pamphlet is 'classic federalism' (see later definition), with distinct devolved levels of sovereignty over decision-making. However, the model more often encountered, in most federal countries, is 'cooperative federalism', in which there is less distinct and more cooperative decision-making. Nonetheless, it is useful to appreciate the underlying model with the constitutional separations of sovereignty. Second, I am not the only author to have speculated on the potential relationship between federalism and populism; the bibliography indicates some of them.

The pamphlet is divided into three parts and a number of sections: the first three sections attempt to define and describe more precisely each of the three causal elements contributing to the rise of nationalist populism. The remaining sections cover the theoretical case for global federalism, from local to global, and a development path to achieve the required federal structures, at all levels. Because of space constraints the issue of federalising financial and economic governance is not considered, though it is clearly required.

Part 1: The Problem

The Neglected Cohorts

There is little doubt that both in the case of Trump supporters in the 2016 US presidential election and in the supporters of the Leave campaign in the UK 2016 EU referendum one of the principal component groups were cohorts of the 'left behind'.

Generally in the UK and the US since the end of the 1970s large numbers of poorer working class/middle class workers have been left either without prospects of work or with jobs which, particularly the males involved, do not consider meaningful replacements for their former jobs and occupations. These groups feel that their governments have ignored their desire for meaningful work and, instead, have sacrificed them to a combination of technological change and globalisation.

Two reports graphically document the problem: The Brexit Vote Explained by the Joseph Rowntree Foundation (JRF) in the UK; and Left Behind in Today's Economy. Identification of Sub-Population Groups Left Behind by Structural Changes to the Economy, by the Illinois Department of Employment Security (IDES) in the US (see Bibliography for details of both reports).

According to the JRF, in the UK the Leave voters shared a number of characteristics:

> "The poorest households with incomes of less than £20,000 per year, were much more likely to support leaving the EU than the wealthiest households, as were unemployed people, people in low-skilled jobs, and manual occupations, people who felt that their financial situation was poor, and those with no qualifications."
>
> "Groups in Britain who have been 'left behind' by rapid

> economic change and feel cut adrift from the mainstream consensus were the most likely to support Brexit. These voters face a double 'whammy'. While their lack of qualifications put them at a significant disadvantage in the modern economy, they are also being marginalised in society by the lack of opportunities that are faced in their low-skilled communities. This will make it extremely difficult for the left behind to adapt and prosper for the future."

And in geographical terms:

> "We found that support for Brexit was strongest in areas where a large percentage of the population did not have any qualifications and were ill-equipped to thrive amid a post-industrial and increasingly competitive economy that favours those with skills and is operating in the broader context of globalisation."

A quotation from an article by Dr Lisa Mckenzie in her study of working class communities across England in relation to Brexit confirms the resentment felt by these groups (see Bibliography for details). The EU referendum simply allowed this resentment an opportunity to be expressed in the vote.

> "The referendum was a turning point for the women in east London. They had not voted in the 2015 General Election: they had little interest or faith in a political system seated only three miles away when their daily and immediate situation needed constant attention. When 'Sally' told me she was going to use her vote for the first time to leave, I asked her if she thought things would change for the better if we were to Brexit. She said she didn't know, and didn't care. She just couldn't stand things being the same".

The above reporting is not to suggest that these groups were the only Leave supporters in the Brexit vote; there were many

more affluent groups, though generally older, across South-East England and elsewhere.

The report by the IDES in the US, focussing on employment issues, discusses the structural changes (globalisation of trade and technological improvements leading to the automation of processes over the last few decades). It identifies those groups that have suffered as a result of those changes.

> "The affected population segments have a few things in common, including lower educational attainment, and living in situations where economic opportunity is hard to locate.
>
> "The "hollowing out" of the American middle class has proceeded steadily for more than four decades. Starting in 1971, each decade has ended with a smaller share of adults living in middle-income households than at the beginning of the decade. Meanwhile, the lowest income and highest income tiers are expanding".
>
> "The project demonstrated that fewer people are able to realize the American Dream now that financial rewards are not available to workers at all levels of the distribution."

These two reports (and the article by Lisa Mckenzie), though the IDES report does not specifically mention Donald Trump, point towards the build-up of strong resentment as a result of the long-standing and unalleviated, disadvantaged plight of those groups left behind. This is seen as a result of a combination of the lack of education and skills required to be able to exploit the current socio-economic context apparently driven by the forces of technological change and globalisation, and which is beyond the control of the groups involved.

More directly, a study by two US political scientists (Oliver and Rahn, 2016) who compared the language of the major

political candidates for the 2016 American presidential election, suggested that Trump presents:

> "a unique combination of anti-expertise, anti-elitism, and pro-nationalist sentiments." And his supporters show "high levels of conspiratorial thinking, nativism, and economic insecurity."

A similar comparison could be made in the UK, substituting Nigel Farage for Donald Trump.

The supreme irony of course is that the backgrounds and upbringing of both these populist preachers could not be further removed from the constituencies to which they are appealing!

This US and UK phenomenon of a large set of neglected socio-economic cohorts is paralleled by a similar 'under-class' across Europe, provoking the right-wing populist movements, and in some cases, governments in countries as diverse as France, Italy, Hungary, Poland, Germany, Austria, Finland, and Sweden - leading on to the second causal element engendering the adoption of nationalist ethnic (white) populist sentiment.

This is not to say that populism is confined to the right of politics. Four examples of left populism come to mind. In the US, Bernie Sanders; in the UK, Jeremy Corbyn; in France, Jean-Luc Melenchon, and in Spain, Pablo Iglesias. Obviously these left-populists do not share the same ideological position as the right-wing populists, but what they have in common is an anti-elitist stance, usually directed at financial or business elites within modern neo-liberal capitalism.

Indeed, this segmented society might in earlier times have developed a class consciousness, but the development of identity politics, absorbed by the modern elites and promulgated by the media, has inhibited any organised class challenge to the plight

of the neglected cohorts. This situation has been exacerbated by the collapse of trade unions associated with the older industries, now swept aside by globalisation and technological change, and the development of a market-based neo-liberal individualism.

Remote Elites

The resentment felt by the groups described above is amplified by the apparent and perceived remoteness and unconcern of those in power; the elites. The main targets are the governing political elites, but this is transferred across to other elites, including particularly financial elites - and the 'experts', of which, as Michael Gove suggested during the UK EU referendum campaign, there are apparently too many!

So is the perception of the inattention to the problems of the 'left behind' by remote, cosmopolitan elites correct or not? And if it is correct then why has this happened? There will, of course, be varying causes, associated with different cultures and socio-economic experiences (particularly acute since the global financial crisis, but ante-dating the crisis itself).

However, it may be possible to divine a broad, over-arching causal linkage going back over the past 50 years. A number of authors have tried to define and describe the nature of the remoteness and uncaring nature of the modern elites, and the anger they engender in the mass of people who define themselves as either the left behind or in the unfortunate phraseology of Theresa May, the "just-about-managing".

Prominent among such writers was Christopher Lasch, whose essay collection 'The Revolt of the Elites' has achieved considerable currency in this arena of debate. Lasch is a difficult intellectual to pigeon-hole as though nominally on the left there are strands of his thought which chime with civic conservatism.

Published in 1995, just before his death, though based on earlier writings, the essays argue that there are a number of features of the modern elites which suggest an increasing distancing of themselves from the mass of the population. According to Lasch, the new cognitive elite is made up of what Robert Reich called "symbolic analysts" — lawyers, academics, journalists, systems analysts, brokers, bankers, etc. These professionals traffic in information and manipulate words and numbers for a living. They live in a world of abstractions in which information and expertise are the most valuable commodities. Since the market for these assets is international, the privileged class is more concerned with the global system than with regional, national, or local communities. In fact, members of the new elite tend to be estranged from their communities and their fellow citizens. "They send their children to private schools and insure themselves against medical emergencies."

This behaviour happens because the modern elites, unlike in previous generations, have become self-replicating, with negligible actual social mobility to 'leaven the elites', as happened in the 1950s, 60s, and 70s in the US and the UK. Moreover, these modern elites appear to control the social, political and cultural agenda; disconnected from the lives and interests of the people they are supposed to serve.

One does not have to accept all of Lasch's, sometimes intemperate, assertions to appreciate that, over 20 years ago, he was pointing to a wider societal malaise in the West. Conventional representative liberal democracy, as currently structured in the West, appears to be seen as remote from the lives and concerns of a substantial minority of citizens.

This is not necessarily to challenge representative liberal democracy per se - the election of Trump; the surprising, albeit marginal, victory for leave in the UK referendum, and the surge

of populist parties across Continental Europe - are all indicative of the need for the elites - political, administrative, educational, and media - to examine how belief in the representative political process may be re-established.

Nationalist Populism

The combination of the two social and political forces defined and described above is channelled - often driven more strongly by demagogic political leaders and parties - into an ethnic nationalism which is both xenophobic and nostalgic.

The appeal to ethnic nationalism is deliberate. Humans are effectively hard-wired emotionally to be fearful of 'the other' and to cleave to their group; rallying behind the putative 'in-group' leader for protection and advancement.

The problem is that historically there is a tendency for the powerless to confer power on those who may end up curtailing their liberties.

It is also the case that nationalist sentiment can be captured to fragment current nation-states as often as to cement those states.

But the history of the development of the nation-state is instructive in this regard. Nation-states are not immutable nor have they been with us forever. Often their existence has been the result of post-war settlements, the dismantling of empires, and colonial or post-colonial imposition. There is nothing sacrosanct about this level of identity. The main two religions of Islam and Christianity have always understood this point, and have sought to stress the wider human community of the Ummah and of Christendom. Equally the ideological mantra of communism has always been global.

But the appeal of ethnic nationalism, real or manufactured, is

strong. It is worth noting that the rise of English nationalism over the past 20 years appears to have been the result of reactions against the 'EU super-state' promulgated by UKIP, and the rise of a narrow, aggressive Scottish nationalism associated with the SNP. (British nationalism attempted, largely successfully until more recently, to co-opt the sub-UK nationalisms, projected globally, prior to the gradual decline of the UK's global economic and political influence). (See Kumar, 2003.)

Nonetheless, it is impossible to find a nation-state of any size, including now the UK, where these sub-nation-state identifications do not exist and persist. Often flags and national anthems are used as omni-present mechanisms for reinforcing the over-arching nation-state identification. In the case of the US they work well and the symbolic use of the two artefacts are almost permanently present, e.g. the singing of the Flag at school. (It is interesting to observe that the EU's attempts to induce a degree of EU identity by replicating the US symbolism, via the EU flag and 'Ode to Joy', have not been so successful.)

So populism and nationalisms, at all levels of governance and identity, are combined to exert a powerful influence on the emotion of the people and to motivate them to adopt a patriotism which sometimes can go beyond simple national cultural pride and stray into xenophobia. In its extreme violent forms this cultural identification can lead to ethnic cleansing, and even beyond into genocide, as the Balkans conflict demonstrated in the 1990s. However, the intention here is simply to note the link of nationalism to populism and its current rise in intensity.

It is interesting - given the concerns expressed about the growth of nationalist responses to problems across Europe over the past three years - that as early as 2010, a group of European politicians, calling themselves the 'Spinelli Group' (see below for further information on Spinelli) was established to counter what was

perceived as a "worrisome turn towards nationalism". The group comprised two leading members of the European Parliament – the Liberal Democrats' Guy Verhofstadt and the Greens' Daniel Cohn Bendit – as well as past European Commission presidents Jacques Delors, Mario Monti, and former German foreign minister Joschka Fischer.

We now need to examine the main proposition of this pamphlet, that to overcome these potentially divisive and even dangerous nationalisms it will be crucial to adopt federalist structures, running from local to global. The next section will first explore the theoretical case for this political and constitutional approach.

Part 2: The Potential Answer

The Theoretical Case for Local to Global Federalism

General

Of course, if we were starting tabula rasa, and attempting to design a blueprint for 'local to global federalism', this would be a mammoth task. But we are not. Others have put forward the idea of a global federalism, indeed there is the World Federalist Movement (WFM), set up in 1937. Einstein and Gandhi were supporters. The International Secretariat of the WFM is based in New York and the WFM has a number of affiliated organisations. The WFM has tended to operate at global level and has links with the United Nations.

In 1999, the Forum for Federations was established in Canada in which federal countries come together to exchange experiences and information and engage in research on federalism.

One of the strong supporters of federalism at European level was the Italian communist Altiero Spinelli - one of the founding fathers

of the European Union. The federalist Ventotene Manifesto was written by Spinelli and Ernesto Rossi, when they were exiled to the island of Ventotene in 1940, and eventually led in the early 1950s to the successful formation of the European Steel and Coal Community, the first of the treaties leading to the current European Union treaty. Other European federal initiatives during the same period, the European Defence Community and the European Political Community did not come to fruition.

The aim of this part of the pamphlet, taking account of the rise of modern populism as described above, is therefore to explore how the issues which are now being raised, in the UK and elsewhere may justify the suggested federalist approach, 'from local to global'.

A Definition of Federalism

First, we should define federalism in a sufficiently general sense so as to encompass governance structures running from local to global. Thus we will define federalism as:

> *'A compound form of governance, combining an overall layer of governance at the highest level (central or federal level) together with separate lower layers of governance in a tiered structure (provincial, regional, local, cantonal, communal, or other sub-units of governance), within an overall political system'.*

What is advocated in this pamphlet is that the overall, highest level of governance is global and the lowest level of governance is at commune, or equivalent, level. However, it is also specified that there should be a presumption of maximum devolution of powers to a lower level. The degree of devolution/decentralisation cannot be specified in theoretical terms, but will be reliant on an empirical judgement, based on the scale and complexity of decision-making required.

There are numerous examples of federal states. Many of these are large, e.g. the US, which may probably lay claim to the most well-delineated structure. But Russia is a federal state, as is Canada and Australia (possibly China should be included, though it is not formally a federation). But there is also Switzerland as an example of a small federated country.

Starting from the Local

It will be recalled that there are serious and long-standing issues raised by both the local and regional 'neglected cohorts', in the US and the UK (though the same problems may be found in all developed and developing countries) and the remoteness of the governing and other elites from these localities and their political and economic experiences. This implies that in our discussion we should start at exploring how change might be made at the local level, where direct democratic participation may be easier and more effective.

In doing so it is worth exploring the one country model which appears to offer a broad design template for the type of local federalism element advocated in this pamphlet. This is the Swiss federal system. However, we will also be indicating later, how we may attempt to extrapolate from local to regional, to national, to supra-regional, and to global levels.

The Swiss Model

The Swiss Federation dates from 1848, but its evolution goes back to at least the 14th century. Moreover, it is a multi-cultural, multi-ethnic, and multi-national example, which is important if we are to envisage a global federalism.

Historically, it is worth looking at the evolution of the Swiss Federation from 1815, following the settlement at the Congress

of Vienna, after the fall of Napoleon. The Swiss cantons regained their sovereignty and, via the Federal Treaty of 7 August, 1815, re-established a confederation among themselves.

It is interesting to note, in respect of ethnicity, that even as a confederation it was accepted that though the individual cantons were not strictly sovereign states they were also not nation-states. Each individual member of the cantons was Swiss by nationality. The parallel here would be with the Scots, Welsh, Irish, and Cornish to whom is ascribed British as their legal nationality, whatever their ethnic identification.

The confederation did set an external trade tariff, and, as with the EU now, this funded the confederation, aside from ad hoc contributions from the cantons. There was also a common defence alliance against external threats. Otherwise cantons were autonomous and citizenship, despite common nationality, was confined to the individual cantons.

The confederation persisted until 1847/48 when, after considerable disputation and a short civil war, a new federal constitution was agreed in 1848. The new order is described in Church and Dardinelli (2005):

> "The 1848 Constitution set up an elaborated set of federal institutions – partially modelled on the US system – with a bi-cameral Federal Assembly, a seven-member executive called the Federal Council and a Federal Tribunal. The Federal Assembly was made up of a directly elected lower chamber (the National Council) and an upper chamber of cantonal representatives (the Council of States) in which each canton was represented by two members, irrespective of its population.
>
> Each chamber had exactly the same power, thus giving

> cantons strong influence in federal decision-making. Even more importantly, from the cantons' point of view, was the fact that the granting of new policy-making competences to the federal level would only be possible on the basis of a constitutional revision, which was made dependent on an endorsement in a referendum by a majority of the people and of the cantons". This is still the case.

The next 50 years witnessed a slow, but inexorable centralising tendency, particularly in terms of creating a common 'economic space', but one which was both supported and constrained by the Swiss tradition of direct democracy. A single civil and penal code, but not a federal judicial system, was progressively introduced, and, following the second world war, the development of a welfare state, in common with the rest of Western Europe. Importantly, though legislation is set at a federal level, the implementation of policy is left in the hands of the cantons.

This means that of all the federal systems in the modern world the Swiss federal system is the most decentralised. (It is interesting to note that the official designation of the country is still the Swiss Confederation!) It is for this reason that we may use Switzerland as a model for the local dimension of the global federalism we are advocating.

Indeed, it is worth spending some space to explore the 'culture of federalism' in the Swiss model in addition to its workings and its evolving, living nature. Constitutional change continues to occur and the working of Swiss federalism is not simply a matter of institutional forms and formal powers.

Church and Dardinelli (op cit) express this well:

> "At heart, Swiss federalism is concerned with giving as much autonomy as possible to local communities and letting the

> differences between them coexist peacefully and harmoniously. Moreover, beyond the formal institutional arrangements, it is a way of working and thinking, shaped by history and rooted in an organic, bottom-up conception of the state. In such a context, informal institutions and procedures are as (or more) prominent than formal ones. Swiss federalism has grown into a form of cooperative federalism where there is a functional division of competences between the federation and the cantons rather than a dualistic separation: legislation largely produced centrally; implementation largely done regionally or locally."

and,

> "Finally, it is important to point out that because of its depth and width in Swiss society, federalism has become a key component of Swiss national identity, which is based on 'constitutional patriotism' rather than, of course, on shared ethnicity or culture."

But the decentralisation goes beyond the cantons and includes the 'political' communes. The communes are the smallest sovereign unit within the Swiss system (they would correspond, roughly, to parish and town councils in the UK local government system; though there are more exact comparisons in Germany, France, and Italy). There are some 3000 communes which carry out a great deal of policy implementation; directly raise a significant amount of taxation to finance it, and, importantly, are the agencies granting citizenship. Citizenship is itself 'federalised'. One has first to be a citizen of the commune, which then provides citizenship of the relevant canton, which, in turn, provides Swiss citizenship. However, it is only in this respect that the communes might be said to be a lower level federal entity; otherwise they are independent. The 1999 constitution gave formal recognition to communes and requires the federal institutions, including cantons, to take them into account when formulating public policy.

The formal division of competences is set out in hierarchical form, whereby the federal constitution and laws constrain the cantons and the cantonal constitution and laws constrain the communes. However, in practice this division is less clear-cut.

The institutions of the constitution include a seven-member executive called the Federal Council and a Federal Tribunal. The Federal Assembly is made up of a directly elected lower chamber (the National Council) and an upper chamber of cantonal representatives (the Council of States) in which each canton was represented by two members, irrespective of its population. Cantons have veto power over any proposal to transfer power to federal level; all constitutional amendments must have support of the majority of cantons as well as the majority of the people. Proportional representational voting is the norm for all elections to political representative bodies.

In terms of political representation, despite the lower chamber being directly elected, the two chambers have equal power. However, there is no cantonal representation on the Federal Council. In practice, no more than one council member comes from the same canton; there should be at least two non-German speakers (Switzerland is tri-lingual: German, French, and Italian are national languages), and both Protestants and Catholics should be represented.

As far as policy-making is concerned the cantonal involvement in federal law-making is strong. They are involved in the pre-legislature phase via federal-cantonal conferences; in the formal legislative decision-making in parliament, and in post-legislative action, insofar as eight cantons can request a referendum challenge.

As we have already observed, all policy implementation (and financing) is done at cantonal level, with inter-cantonal (horizontal) cooperation (unlike the US which has a federal administration).

The judicial administration includes a Federal Tribunal. Its role is to try to ensure uniform application of the federal system, however, this is not a constitutional court able to rule on constitutionality or otherwise. If there is any dispute then it will be the federal parliament which will adjudicate. The judicial system is left principally in the hands of the individual cantons.

The above mixture of formal, informal, and practical structures, inevitably, does not always work smoothly. (Of course no constitutional system does). The main problems appear to be:

- the disparate size of the cantons, with some being too small to be administratively efficient (the smallest has a population of 14,500). However, the habit of inter-cantonal cooperation appears to ease any problems.

- efficient fiscal federalism is problematic, particularly in respect of having an efficient equalisation system to remedy incipient deficits arising. There is also the problem of tax competition between cantons.

- in the modern, integrated world linguistic usage crosses cantonal boundaries and can cause problems.

- again, the modern media-interconnected world outside Switzerland puts pressure on what is more of a unique confederal system in practice; though nominally federal.

- finally, from outside Switzerland decisions may appear to be biased towards the conservative end of the political spectrum. Recent referenda on migration are an example (however they are not alone on this issue!).

Notwithstanding the above, the tradition of direct democracy, and since 1830 of referenda, provide a strong bias against centralisation. Against this possible 'disadvantage' in terms of

administrative efficiency it makes the Swiss system very much a 'citizens' democracy'.

Analysis

The particular historical, cultural, and population characteristics of Switzerland inevitably mean that, though the constitutional framework provides a strong theoretical base for a local to higher level federal authority, some modifications will be necessary to design a model which is more generally suitable for adoption. However, in providing a critique of the Swiss model it will be useful to distinguish between cogent theoretical objections and those concerns which simply reflect the organic practice of the model in the Swiss setting.

There appear to be three modifications of the model which can be made without losing the essential democratic federal nature of the model, with its strong local dimension. These are:

- the need for a constitutional court, to adjudicate on conflicts between federal layers of governance
- some form of equalisation fund/procedure to ensure equitability between local sub-regions (communes) and regions (cantons)
- in larger countries there may be a requirement for a further level of governance above communes and cantons, represented by larger regions.

Within the Nation-State

There are signs, in countries not hitherto recognising themselves as potential confederations, of movement towards such a position. The pressures driving reforms in these currently unitary nation-states range from regional sub-national ethnic movements

to demands for greater local democratic political influence and control over marketised services and for tighter regulation of industrial corporations.

Clearly, as even the Swiss model shows, forms of representative democracy are necessary beyond the level where direct democracy is manageable. However, social and political tensions will also be present. It is interesting to note that in Scotland, where constitutional devolved governance is now 20 years old, there is resentment of the central Scottish government in areas away from Edinburgh.

In France, hitherto regarded as a highly centralised, unitary state there has been over the past 30/40 years a growing regionalisation of power; moving away from the concentration of authority in the national institutions based in Paris.

However, the political pressures driving reform alluded to above are not only to be found in unitary states. Spain has a quasi-confederal structure with autonomous regions. The Basque region initially (and violently in the relatively past) now has considerable autonomy and the Catalan region, with a historical ethnic nationalism, is currently challenging the authority of the central Spanish state, with, so far, no agreed resolution of the political conflict.

These problems do not invalidate the federalism proposed in this pamphlet. Rather do they point to the need for decades-long evolution of federalist solutions, adjusting to the changing political economic and cultural changes in the geographical areas concerned. Here the long, and continuing, evolution of the Swiss model provides relevant lessons.

More widely the positions of China and Russia are interesting in respect of federalism.

Despite the tendency to view China as a monolithic centralised governance structure this is misleading. Constitutionally, Chinas is a unitary state. However, in economic terms there has been a considerable devolution of powers to the thirty-one regions, four of which are municipalities, five ethnic minority regions, and the twenty-two remaining are provinces. The centralisation of control by the Communist party has historical antecedents in the Han dynasties. A rapid political shift to a formal federal structure appears unlikely, but the current informal confederalism may well develop politically over time, even if it will be a slow process.

Russia, is constitutionally a federal state. This structure was inherited from its position as the largest of the republics of the former USSR. The 21 republics have varying degrees of autonomy, particularly economic autonomy. Politically the republics originally elected their governors, but President Putin changed this system to one where the governors are appointed centrally. Putin also introduced a 'super-republic' layer of seven federal districts. This has meant a retreat from the previous federal structure to one providing more central control from Moscow.

Beyond the Nation-State

If we recommend the Swiss model, or variants of the model as suggested above, for current unitary nation-states the next task is to explore how we can go beyond nation-states and up to global level. It would of course be possible to have a global governance structure involving all current nation-states which are members of the UN, of which there are just over 230. Even if we excluded all UN countries with populations below 5 million, there would still be just over 120 countries.

The problem of country size is of considerable importance at this global level. The majority of UN agencies and regulatory bodies have procedures involving weighted voting by population or other

criteria. Indeed the UN itself has the Security Council with five permanent members and ten other members elected for a term of two years. Moreover, each of the five permanent members have the right of veto over substantive decisions.

The ability to convert the UN directly into a global governance organisation appears, therefore, not only politically infeasible for the foreseeable future, but also impracticable. Instead, what is proposed here is an alternative path, which will adhere to a federal structure, moving gradually through local, sub-regional, regional, national, supra-regional, and, ultimately to global.

We will discuss the political feasibility of such a development path in the next section, but it will be useful here to sketch out a theoretical model. Having already explored federalism within the nation-state we turn to supra-regions.

Supra-regional Groupings

The EU is the most developed model of supra-regional confederalism. Despite its obvious flaws and its problems achieving the original (i.e. Spinelli's conception) federal structure - its untidy mixture of inter-governmental, confederal, and federal structures and decision-making processes – it still represents a considerable triumph of economic, political, social, and cultural cooperation between a considerable number of European nation-states, large and small.

As yet it has not formally been emulated elsewhere. Nonetheless there are examples of a number of groupings of countries in alliances and confederations, economic and political, across the world indicating the growing political desirability and increasing economic and monetary necessity of regional integration in the modern, globalising world.

This gradual coalescence of nation-states sharing sovereignty, in the political sense even if not in purely constitutional terms, is indicative of a potential for a confederal/federal layer of governance between the individual nation-states and the global level. This development is likely to remain a slowly maturing organic process, but will be influenced, as we will suggest in the next section, by geo-political forces and influences, e.g. global warming and climate change.

Examples of collaboration may be seen in South and Central America, in East Asia, in Southern and Eastern Africa. Moreover, there are two mega/continental states (China and India), with populations of well over a billion, which should probably be regarded as confederations, however they define themselves. Similarly, there are 11 other large countries with populations above 100 million, headed by the US at 322 million, itself a federation.

Given the distribution of the supra-regional groupings of these 'mega' states, geo-political forces are likely to drive greater cooperation and formal collaborations. Eventually, over the next 50 years or so, these nation-states, large and small, will coalesce into confederal structures, with a layer of governance over the nation-state governance structure, similar to the current EU structure.

This development will provide the opportunity for establishing the necessary intermediate confederal/federal structures leading towards the establishment of a final confederal level of global governance. This movement will be gradual, as historically it has been in the case of Switzerland on the one hand and the EU on the other. The path will be from a loose confederation, with still competing nationalisms, to a tighter confederation, which in the fullness of time may become a federation.

Theoretically, this development of emerging structures is both attractive and not altogether unlikely. The path dependency may alter the timing and conjunction of events, but should not ultimately challenge it. The issue is not whether, but how long it will take for the already emerging intermediate groupings to recognise the need for a greater degree of formalisation in their governance structures.

Part 3: A Developmental Path

Practical Considerations

Geo-political considerations

In the last section we set out the theoretical case for a design of federalism via a schema, starting from the Swiss federal model, which can achieve a system of democratic governance running from local communities right through to global level. In so doing the aim is to provide governance structures which provide for active democratic participation at all levels from local to global, via direct and representative democracy. We should now examine the practicability of gradually moving towards this comprehensive, ideal, structure from where we are currently.

Obviously there are a very large number of variations in the current governance structures within nation-states; to some extent these will be correlated with size and linked to the cultural historical development of the countries concerned. The current geo-political role of countries and federations/confederations will also be a determinant of how far and how fast such countries are willing and likely to move towards a genuine global governance. It is worth looking briefly at three major countries to indicate the geo-

political problems faced by any attempt to move in the short-term directly to global federal governance.

The problem in relation to the US - despite, or perhaps because of, its own developed federal structure - is that its perceived leading geo-political role appears to inhibit any move to share sovereignty globally, as can readily be seen in its refusal to join or even recognise the authority of the International Court of Justice. Given changing global power relations over the next decades it will be interesting to see whether the less dominant role of the US will alter this attitude.

The growing geo-economic and geo-political involvement and influence of China means that its approach to any endorsement of global federalism seems unlikely over the next few decades. Nonetheless, the development of a multi-polar world may well promote movement in this direction from China, allied to a similar appreciation by the supra-regional groupings and Russia of the benefits of the increasingly de facto confederal structure at global level, together with some federal elements.

Over the next 50 years there will also be considerable economic, technological innovation, and environmental impacts on the geo-political situation of the world; climate change and scarce natural resource allocation issues being two such. The pressures of these issues at geo-political level are likely to promote more radical changes in political, economic, and financial governance than are currently envisaged.

However, it is not only the large geo-politically important nation-states which present problems for any development of global federalism, via the direct conversion of the United Nations. There are 193 members of the United Nations. Of these 100 have populations of below 10 million people and 71 below 5 million people. Switzerland has 8.5 million. So, initially we might exclude from global federal involvement the 71 countries below 5 million.

These 71 smaller states could be provided with associate status to the global federation, with all the benefits, but not voting rights, except on issues which may directly impact on them.

Given the problems of a direct conversion of the UN intergovernmental structure to a global structure, what problems might there be for the gradualist approach, moving to supra-regional groupings prior to achieving a global federation.

Supra-regional Practical Considerations

As an example we may explore how the EU as currently a supra-regional confederal organisation may itself to become a full federal entity, within a global confederal/federal organisation, without which global federalism is unlikely to occur. Notwithstanding the current UK governmental commitment to leaving the EU, it may be instructive to illustrate some of the barriers to a federal EU, by first looking, briefly, at the UK.

The UK (An Example of Barriers to Federalism)

The UK is still formally a unitary state, despite the considerable constitutional devolution to the nation of Scotland, and to a lesser extent the nation of Wales and the province of Northern Ireland. It could be argued that its refusal to encompass full constitutional federalism, rather than the unbalanced, uneasy 'quasi-confederal' structure created since 1998, almost caused the break-up of the UK, with the advent of the mandatory referendum on Scottish secession from the UK

As far as England is concerned, despite some proposed early, extremely limited, moves towards a pilot regional devolution in the North-East of England, which foundered on a 'botched' referendum in that region in 2004, no progress was made until the advent in 2015 of the proposed mayoral combined authorities (MCAs).

The first MCA was based on Manchester, justified on the city-region growth model, despite the flawed nature of the model and its inappropriate application in other MCAs (with the exception of Birmingham) where the cities concerned are too small to be suitable for the application of the city-region growth model (see Lloyd 2015). Moreover, the accompanying transfer of central funds to the MCAs represents 4% of the local authorities' income, without any tax-raising powers, and the imposition, as a condition of the MCAs, of a metro-mayor.

The MCA areas involved appear to have been devised, possibly deliberately, to prevent the development of constitutional regional devolution. This is not to argue that MCAs - properly funded, with appropriate fiscal powers, and genuine democratic control - could not form a devolution element, but they are not a form of constitutional regional devolution. Again I have previously set out my ideas on the issue of a constitutional regional agenda (Lloyd 2015).

Because of the larger population of the UK compared to Switzerland the size of the UK regions would be closer to the Länder in Germany, of which there are sixteen, than the many far smaller cantons in Switzerland. However, in terms of powers and democratic control the UK regions would be similar to the cantons.

But, as observed in the previous section, some aspects of the Swiss federal model may be modified to provide a necessary clearer formal constitutional, economic, and administrative system, without losing the key democratic imperative built into the Swiss model.

Thus there could be a structure in the UK running from parish/town councils, through local authorities, through constitutional regional governments and parliaments (with tax-raising powers, possibly land value taxation), through to a bicameral national parliament,

with the second chamber representing the regions, and with both houses directly elected. The issue is that this existing structure needs to be formally recognised in a constitutional legal settlement.

The implications of these changes in the UK would mean an end to the overly centralised rule from Westminster and Whitehall; a fully codified written constitution; an elected bi-cameral legislature, with regions represented in the second chamber, and the carefully delineated use of referenda.

The advent of such constitutional legal change, including a codified written constitution, would help with popular political understanding in the UK of federal/confederal structures and functioning, and move the UK closer to the federal and confederal constitutions of other European countries, and of the EU itself. One might speculate earlier use of this development path might have led to a greater political understanding and media presentation of the EU in the UK.

The EU and its Future Development

The EU, as remarked earlier, was born out of a federal initiative, but its enlargement since the advent of the UK, Denmark, and Ireland joining in 1973, and latterly a shift against federalism, has created barriers to developing the original conception. These problems started with the difficulties of formulating and agreeing the Lisbon Treaty, signed in 2007, and with increasing popular resistance to further integration over the past 10 years. If the world is to move towards global federalism, the existence and continuing development of a confederal EU, shifting progressively towards federalism, is a key piece in the jigsaw.

A comparison with the development of the Swiss confederation during the second part of the 19th century is instructive in this regard. Church and Dardenelli identify the key dimension of change:

> "A federal state was eventually accepted only because a sense of Swiss nationhood was already there. However, once in place the federal state, in turn, embarked on official nation-building. It is difficult to ascertain the direction of causality between institution-building and collective identities – for example the Helvetic Republic failed institutionally but probably had a deep impact on identities – but it seems clear that the institutional evolution of the EU system should also be matched by identity-building or it will risk losing further legitimacy, even if it remains within the confines of a confederal order. A fortiori, of course, the emergence of a 'thicker' identification with Europe at mass public level could be the conditio sine qua non for a legitimate transformation of the EU into a federal state. So far there has been little sign of this happening."

and

> "Moreover, the Swiss experience, especially between 1798 and 1848, also casts serious doubt over whether the 'constitutional patriotism' hypothesis – i.e. that identification follows institutions, rather than the other way round – can work in practice, however appealing it may sound in theory".

In fact, rather has the concentration been - following the Monnet 'functionalist' approach - on technical institutional changes, save for, importantly, the introduction of a directly elected European Parliament. To be less pessimistic, it may be that a combination of generational change and geo-political influences will engender a more definitive sense of European identity. But this will require leadership by politicians in all of the EU countries; currently few politicians are of a stature or have the commitment to do so, with a few notable exceptions.

Aside from geo-political influences, the problems created by a Eurozone which is both dysfunctional and undemocratic, and the need to address the causal deficiencies, may entail progress towards the introduction of new federal elements into the Eurozone operational structure. Whether this will mean the elimination of all inter-governmental areas of policy is not clear. In practice, as we have seen from the Swiss example, governance systems can tolerate a mixture of federal, confederal, and inter-governmental elements.

At some stage cumulative changes of this nature will require, at a minimum treaty amendments, and, eventually, a new treaty, following a Constitutional Convention. Given the results of the one (started in 2002) which led to the Lisbon Treaty it would be preferable to await the emergence of a wider perception of European identity before launching such a consultation. The Lisbon Treaty represented a reiteration of the status quo and a down-playing of federal elements in the treaty, even prior to its initial rejection in advisory referenda in France and the Netherlands, and one narrowly avoided in the UK. (In retrospect, it might have been preferable to have had a UK referendum on the Lisbon Treaty, rather than allowing resentment to build into a demand for the 2016 EU referendum).

Nonetheless, the very existence of the EU - together with the gradual coalescence of groupings of other countries in alliances and confederations, economic and political, across the world - the conception of 'continental states' (see Haseler, 2001) - indicates the growing political and economic necessity of supra-regional integration in the modern, globalising world.

The issue is how to achieve the final coalescence into a global governance structure. This achievement we have argued will be reliant on momentum being built up gradually from local through intermediate level in terms of federal/confederal structures, and

the acceptance of the democratic and efficient viability of such structures. However, it should be recalled, that as the Swiss example indicates, there will be inevitable trade-offs between democracy and administrative efficiency. There is no utopian solution.

The Role of the United Nations

Of course, it may be argued that we already have a global governance system with the existence of the UN and its various agencies. This view is grossly misleading. The UN is an international/inter-governmental organisation, not a global one. It is important to recognise that international agreements and, indeed international laws, are horizontal agreements between states. Aside from moral suasion, ultimately there is no enforcement procedure to impose judgements of international law. This is not to denigrate the work done by the various UN agencies over the past 70 years, but to point to the UN reliance on an inadequate and shaky financial provision; an inability to resolve conflicts, and a 'neutered' peace-keeping facility. Ironically, there are very recent signs of the 'toughening' of the peace-keeping role. Moreover, though the Security council is often a stage for the use of blocking vetoes by the permanent members it should be noted that where the perceived national interests of the five members are not seen to be involved, e.g. in a number of African conflicts, the veto is not used.

The establishment of genuine global governance institutions and laws is unlikely to be created by a sudden conversion of the UN and its various agencies from the current inter-governmental structure to a global federal structure. Rather is it that geo-political forces leading to the formation of intermediate level groupings of nation-states are likely to lead to a more 'supra-regionalised' UN structure and operation; culminating eventually in a global confederal/federal structure.

Conclusions

This pamphlet has argued that the growth of nationalist populism, with strong tones of xenophobia, at nation-state and at sub-nation-state level, is divisive and dangerous and is leading to stresses both within nation-states and between nation-states.

This phenomenon is driven by a number of forces.

- A large group of neglected cohorts have been left behind by the advent of globalisation and technological innovation over the past 40 years in particular. These groups have a mix of low educational attainment; inadequate job opportunities related to the impoverished skill sets they possess; have little choice but to accept precarious jobs in the so-called 'gig' economy; have low incomes and are reliant on benefits; have unhealthy life styles, and have little prospect of any upward social or economic mobility.

- This segmented society, in earlier times might have developed a class consciousness, but the development of identity politics, absorbed by the modern elites and promulgated by the media, has inhibited any organised class challenge to the plight of the neglected cohorts. This situation has been exacerbated by the collapse of trade unions associated with the older industries, now swept aside by globalisation and technological change, and the development of a market-based neo-liberal individualism.

- The plight of these increasingly large groups has been worsened by the development of modern elites who have all of the opportunities and life styles which the neglected cohorts do not and cannot possess. Moreover, these modern elites have little sense of public or civic duty and their life styles make them remote, geographically, culturally, and empathetically from the mass of the

population. Divided by income, wealth, and life style from most of the remainder of the populations these groups engender a populist reaction from the neglected cohorts in particular.

- This situation has led to the emergence of populist politicians, mainly, but not entirely, of the right who have used nationalist populist rhetoric to intensify nationalist, including perhaps particularly, ethnic nationalism, to challenge representative democracy and persuade large numbers of voters that simplistic xenophobic solutions to the problems described are available.

The proposition advanced here is that an answer to the growth of the divisive nationalist populisms is to utilise a comprehensive federal approach, but one that starts at local level and extends to global level. The potential solution - global federalism - has been proposed for around 80 years, stimulated initially by the growth of fascism in the 1930s. It offers the promise of genuine democratic involvement, in differing forms, at all levels of governance.

At a theoretical level the local to global federal approach appears attractive. It will enable a level of almost direct democracy at local level, as is the case for instance in the smaller Swiss cantons. Indeed, the theoretical approach advocated here is based on a modified version of the Swiss model, then extrapolated through intermediate levels to the global level. It should be noted that the Swiss model also includes the use of proportional representation.

The Swiss model is not only used here as a template to avoid the three democratic dislocations identified above as causes of the resentment felt by many. It is suggested as the 'foundation' model for the structure of federalism from local to global. Moreover, the development of the Swiss Federation, from inter-governmentalism, through confederation, to federation, offers a practical evolutionary path for the world. Nonetheless, it is clear

that the Swiss Confederation (as it is still officially called) is a living evolving entity still. Its structure of cooperative federalism, incorporating the three level of commune, cantons and federal authority, while insisting on decentralisation of decision-making, responds to the socio-economic and political challenges of the modernist, globalising polity.

However, a word of caution needs to be entered. Constitutional structures are difficult to impose; rather do they develop culturally over decades, and indeed centuries, as with the Swiss model. Changing culture is a developmental process. But we can and do modify culturally entrenched structures by the application of reason in terms of developing new models and democratically persuading the populace of their incremental value. Even though these changes may take some time to become embedded.

Thus we may use the Swiss model as an 'ideal' system, with modifications, on which to base the development of new structures by constitutional legal procedures, particularly if we can demonstrate the superiority of the new arrangements in terms of democratic efficiency and equity. These structures will need to cover not only the global governance level, but intermediate levels running from local 'communal level' structures to the global level.

It is important also to recognise that the aim is not to create a global governance structure for its own sake, but to enable such a structured governance to constrain the economic inequities in wealth and income distribution, unmanaged technological innovation, financial structural distortions, and the negative aspects of nationalisms which give rise to the alienation and discontents to be perceived in all countries.

In this pamphlet we have argued that starting with the framework of the Swiss federal model to provide a democratic local basis for federalism, and by then extrapolating, via the proposed elaborations, from national to supra-regional and global levels,

it is possible to design a system which satisfies theoretical norms for democratic efficiency, but also offers practical development paths, through intermediate levels to global. At all of these levels federalism offers the encouragement of democratic participation, in differing forms, in governance. But federalism will also serve to embrace a multiplicity of identifications, including but not confined to, ethnic and linguistic identities.

In a pamphlet of this length it is possible only to sketch out both the theoretical and, particularly, the developmental pathway to the objective. Thus, rather than adopting a counsel of despair and an acceptance of what appears to be a dystopian future for the world - based on potentially violent, competing nationalisms - we should and can be more optimistic. We can build on the desires and efforts of people like Altiero Spinelli and other federalists; bringing their work eventually to fruition at local, intermediate, and at global levels.

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This paper first discusses the rise of a negative and often militant national populism. The popular resentment, which underlies this nationalist populism, was partly responsible for the result of the UK Brexit referendum in 2016 and the election victory of Donald Trump in the USA. But it is not confined to the UK and the USA. Across Europe, and indeed globally, this form of ethnic nationalism poses problems for our democratic institutions to respond adequately. But it is also the case that beneath the popular resentment lie genuine socio-economic, cultural, and political problems. These problems need to be resolved. But even if they are directly addressed this paper suggests that there is a deeper malaise. There is a lack of the appropriate institutional and constitutional structures of democratic governance at all levels in the modern globalising world.

The paper suggests that the answer lies in a comprehensive federal structure running from local levels to the global level. Starting from the local level, with a proposed maximum decentralisation of powers, the paper examines the Swiss confederal/federal model. The Swiss model represents a genuine democratic governance model with strong participation. The paper goes on to suggest a feasible development path through government levels from local to global.

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