

# Federalism in Context: Laying the Foundations for a Problem-Driven Process of Political Reform

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# Outline

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1. Federalism in the context of **other types of political reform**
2. **Three basic principles of political reform**
3. Defining centralization & decentralization in the administrative and political spheres
4. The Philippines and its neighbors
5. Lessons from comparative experience: Enduring dynamism; **a central paradox; critical preconditions**; and reconciling local and national values
6. **What are the problems to be solved?**

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# PART I

Federalism in the context of  
other types of political reform



## Three basic decisions of democratic political reform (diversely mixed & matched around the world)

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- I. Central-local relations: unitary or federal?
- II. Representational Structures: presidential, parliamentary, or a hybrid of the two?
- III. Electoral System (how votes are converted to seats): Plurality, Proportional Representation, Party List, or some combination of the above?

Three **distinct** (yet interrelated) decisions

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# PART II

Three basic principles of  
political reform

# 3 Basic Principles of Political Reform (with 3 corresponding basic questions)

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## *Principle 1:*

- Study and understand the pre-existing conditions.
- There is no one-size-fits-all reform. Each country has its own distinctive historical configurations of power and authority.

*Question 1:* What are the basic problems needing to be solved? (Rather than: here is the clearly obvious preferred solution—what are the problems that might justify its promulgation?)

# 3 Basic Principles of Political Reform (with 3 corresponding basic questions)

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## *Principle 2:*

- Understand the nature of the underlying political institutions, especially the two critical institutions of the bureaucracy and political parties.
- If both are weak, whatever is constructed may end up being unstable. (A bit like constructing a house on shifting sands?)

*Question 2:* What is the underlying capacity of the administrative system (the bureaucracy) and political system (through political parties able to aggregate societal demands and present coherent policies in the public sphere)?

## 3 Basic Principles of Political Reform (with 3 corresponding basic questions)

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### *Principle 3:*

- Recognize and anticipate unintended consequences.
- The bigger the reform, the bigger are likely to be the risks of unintended consequences.

*Question 3:* Are there smaller—and hopefully more predictable—reform solutions that could perhaps resolve the problems that have been identified?



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# PART III

Defining centralization &  
decentralization in the  
administrative and political  
spheres



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# PART IV

The Philippines and Its  
neighbors (with 3  
hypothetical federalism  
scenarios for the Philippines)



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# PART V

*Lessons from Comparative  
Experience:*

Enduring dynamism, a **central paradox, critical preconditions**, reconciling local and national values

# The paradox of decentralization (and federalism)

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*“One of the most curious aspects of decentralization is the responsibility that a national government must assume to assure the realization that decentralization, as doctrinally advocated, is supposed to serve.”*

--James Fesler, 1965

*Paradoxically, decentralization requires a strong and capable central state able to enforce the rules by which authority is being devolved to the subnational level.*

# The importance of effective state bureaucracies

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- Federalism also requires a basic level of administrative capacity across the constituent subnational states (*none of which, in the Philippine context, are pre-existing entities*)
  - If there are to be 10-12 DBMs, 10-12 NEDAs, 10-12 DPWHs, 10-12 DOTs, 10-12 DAs, 10-12 DTIs, etc. (plus perhaps 10-12 COAs, 10-12 COMELEC, 10-12 CSCs?), each state must have the means to recruit and retain high-quality public servants
- Can this process of bureaucratic strengthening begin now, working with bureaucracies already devolved to the regional level?
- Could also consider concomitant strengthening of the existing RDCs, in preparation for federalism

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# PART VI

*So what are the problems to be solved?*

*(“If Federalism is the answer, what is the question?”)*

# Sample Question Number 1

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*Will the imposition of a system of symmetrical federalism, across the entire archipelago, promote peace in Mindanao?*

***Or, rather?:*** Focus on asymmetrical arrangements that seek to address the historical injustices that have been experienced in very distinctive ways by the Bangsamoro

## Sample Question Number 2

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*Will federalism curb the widespread patronage practices that undermine the quality of Philippine democracy?*

***Or, rather?:*** Electoral system redesign, which (when done well) has the capacity both to curb patronage and promote the development of stronger political parties. E.g., closed-list proportional representation.

*Involves far less risk of unintended consequences.*



## Sample Question Number 3

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*Will federalism undermine the oligarchy and enhance long-term development prospects in ways that will be beneficial to the population as a whole?*

***Or, rather?:*** Strengthen the capacity of the central state to promote competition and curb the cartels and duopolies that inhibit inclusive growth. Work to replace patterns of elite capture with more productive modes of government-business relations.

*Ensure that the central state has the regulatory capacity to act (at least occasionally) as a countervailing force to the powerful diversified family conglomerates.*

## Sample Question Number 4

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*Will federalism help to resolve the longstanding problem of regional inequalities?*

***Or, rather?:*** *Ensure that the national government play a more proactive role in nurturing the regional bureaucracy across the 17 administrative regions. Uphold basic minimal standards across the regions. Empower the Regional Development Councils. Fix the currently dysfunctional regional planning process.*

*Make the regions work to support local autonomy, as they are THE critical nexus between the national government and the local government units.*

# Other critical questions

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*Impact of chosen federalism arrangements on*

*5. Local revenue generation*

*6. The provision of infrastructure*

*7. Health, education, disaster response, etc.*

*8. Climate change resilience*

*9. Gender equality; women's political participation;  
violence against women*

*10. The welfare of children*

*11. And much more...*

Naa ba'y pangutana?

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DAGHANG SALAMAT!