Is Decentralization “Glue” or “Solvent” for National Unity?

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Abstract

The last two centuries have seen the rise of the nation-state as the dominant political institution around the world. However, “state” and “nation” are not always equivalent. In a surprising number of countries, autonomist and secessionist movements of varying strength and character remain active. The question we consider in this paper is whether decentralization is likely to hurt or help national unity in these “countries at risk.” After reviewing some of the relevant literature, we turn to the scanty empirical evidence supporting any view of this complex question, looking first at the very mixed stories of linkages between decentralization and national unity that emerge in a wide variety of countries around the world and then a bit more closely at the available time-series evidence in four OECD countries – Belgium, Spain, Canada, and the United Kingdom.

The main conclusion that emerges from this review is essentially that as yet no one has either generally persuasive ideas or evidence about the impact of decentralization on national unity. In view of the complexity and context-sensitivity of the issue, this negative outcome is not surprising. In principle, decentralization may sometimes be a way station for a region on its way out of a country and in others an inducement for regions to stay rather than to leave. The impact of decentralization appears to depend not only upon the details of what is done but also the specific context and time when it is done, as well as at whose initiative.

Key words: national unity, decentralization, secession; autonomy, Quebec, Scotland, Wales, Belgium, Spain.

JEL codes: H77, H10, N40

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1. Introduction

The last two centuries have seen the rise of the nation-state as the dominant political institution around the world. During this period, the colonial empires of varying duration and reach created first by the Portuguese, Spanish, and Dutch, then the French and British, then the Germans and Italians, and finally the Russians and Americans crumbled and were replaced by independent nation-states. However, “state” and “nation” are not always equivalent. In a surprising number of countries, as we discuss later in this paper, autonomist and secessionist movements of varying strength and character remain active. The broad question we consider in this paper is whether decentralization is likely to hurt or help national unity in these “countries at risk.”

The surprisingly scanty literature on this subject is not unanimous with respect to either the nature or the extent of the linkage between decentralization and national unity. Some argue for strengthening the central government – in effect, smothering secessionist tendencies in its embrace -- while others argue that giving more powers to regions in which such tendencies are strong will weaken secessionism. Still others say that decentralizing will simply encourage secessionists to ask for more and more until they get what they want: their own country. This lack of agreement is perhaps not surprising given the vagueness and generality of such terms as “decentralization” and “secessionism.” However, much the same conclusion emerges even if one attempts to be more precise in definition. We explore some aspects of the relevant literature in Section 2 of the paper.

Particularly noticeable is the very scanty empirical evidence supporting any view of this complex question. In Section 3, we set out in capsule form some of the very mixed stories of linkages between decentralization and national unity that emerge in a wide variety of countries around the world. In Section 4, we then look a bit more closely at the available time-series evidence in four OECD countries – Belgium, Spain, Canada, and the United Kingdom, with particular attention to the case of Québec in Canada. Section 5 concludes.

2. What does the Literature Say?

Although there is obviously an enormous literature that is potentially relevant to our theme, we focus here on three particular questions: the size and number of nations; the determinants of decentralization; and, finally, and bearing most directly on our topic, the links between decentralization and political outcomes

2.1. The Size of Nations

Two seminal theoretical papers discuss this topic. Bolton and Roland (1997) model a two region country using various assumptions with respect to factor mobility, fiscal preferences and institutional arrangements. They argue that three factors explain the decision to separate: (1) a political factor reflecting differences in regional preferences
over fiscal policy; (2) the efficiency losses from separation; (3) a tax base factor arising from variations in regional per capita incomes. Examining the case of a federal state, they conclude (p. 1073) that, with labour immobile and capital mobile, since fiscal autonomy generates regional fiscal competition for capital, “…the choice by a majority between autonomy and independence trades off the constraints imposed by fiscal competition under autonomy against the efficiency losses from separation.” Of course, this model is highly simplified, neglecting for example such potentially significant factors as the possibility of limiting fiscal competition by taxing labour or consumption and the effects on regional competition of different compositions of public spending for a given level of taxation in different regions.

Alesina and Spolaore (1997) examine the issue from a different perspective, looking at the optimal number of nations and thus at their size.\(^1\) Considering on one hand the benefits of economies of scale in providing public goods and on the other the costs arising from heterogeneous preferences for those goods, they conclude that two factors have produced “an inefficiently large number of countries” (p. 1028). One factor is international economic integration; the other is democracy. Democracy is troublesome from this perspective essentially because under majority rule it is not possible to implement sufficiently redistributive policies within nations (or between them) to maintain an “efficient” number of nations. For example, since dictators generally prefer larger states – more room to extract rents -- when authoritarian empires collapse, separatism, regional autonomy, and increased decentralization inevitably result. The new state system cannot sustain the redistributive interregional transfers needed to keep regions with different preferences and very different income levels together. At the same time, as trade barriers decline, market size and country size cease to be identical so smaller countries become more economically viable.

This argument brings out the key issue of redistribution between regions in such forms as reduced taxes or increased transfers. Such schemes are generally more feasible within than between nations. Those regions that might favour secession may, as it were, be financially compensated for sticking with the country.\(^2\) However, increased dependence on central largesse obviously raises commitment problems. One reason some countries are created as (or become) federations is presumably to reduce such problems by formalizing constitutionally regional powers and rights as well as, in some cases, such redistributive schemes.

Interestingly, in the case of European Union countries, it might perhaps be argued that the relatively strong ‘regional support’ bias of EU transfers has in effect reduced the dependence of poorer regions on national largesse and goodwill even in unitary counties and hence perhaps increased the temptation for dissident regions to consider striking out on their own. This argument implicitly assumes that changing status from a region to a member state of the European Union (EU) would be simple – an assumption made

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\(^1\) See also the extended book-length argument in Alesina and Spolaore (2003).

\(^2\) For example, this is essentially how Treisman (1999) characterizes regional transfer policy in early post-Soviet Russia.
explicit in the Scottish nationalist party (SNP) slogan ‘Independence in Europe’. The same argument was explicitly put forward in Québec in 1995 when secessionists argued that moving from the status of a province to a country would not affect the economic ties with the United States embedded in the North American Free Trade Agreement (NAFTA). Up to now, however, these beliefs have not been systematically evaluated in the literature. Indeed, short of an analysis that combines both formal dynamic modelling with a detailed comparative and historical “institutional” analysis — perhaps along the lines suggested by Greif (2006) — it is far from clear that we are as yet even close to being able to understand such inherently dynamic, complex and multidimensional issues as the formation of states through secession or merger in particular cases, let alone in the general terms in which these issues are discussed in most the literature reviewed here.

2.2. Determinants of Decentralization

Although there are a great many studies of the determinants of the level of decentralization, so far as we know none include the threat of secession as a possible explanatory factor. However, some studies do include the degree of ethnic fragmentation as a determinant of decentralization. In his pioneering work, for example, Oates (1972) finds that a rather imprecise measure of ethno-linguistic–religious diversity (0, 1 variable) has no impact. More recently, Panizza (1999) estimates the impact of income levels, the degree of democracy and the degree of ethnic fractionalization on centralization, measuring the latter by IMF GFS data on the share of central government revenues or expenditures in total revenues or expenditures. Although Panizza (1999) properly emphasizes both the limits of his data set and the role of outliers, he concludes that an increase in either ethnic fractionalization or democracy appears to decrease centralization, at least for some model specifications and some years. For example, with respect to 1985, the most recent year studied, he finds a significant impact of ethnic fractionalization for all four samples he examines. If one assumes that such fractionalization is an indicator of a threat, latent or active to national unity, then -- or so it seems -- to some extent countries have apparently been attempting to cope with the problem by means of increased fiscal decentralization.4

3 Desmet et al. (2006) explore the EU case in a unique way, using genetic differences as a proxy for cultural distance. Data on genetic differences are available (in Cavalli-Sforza, Menozza and Piazza (1994) for only three specific regions in the EU – the Basque Country in Spain, Sardinia in Italy, and Scotland in the U.K. However, by making a number of rather strong assumptions – e.g. that each region is culturally homogeneous as is the “rest of the country” region, but that the two regions differ so that the median income voter in each obtains different utility from national public goods -- Desmet et al. (2006) rather ingeniously estimate that the region out of the three they examine that is most likely to gain from an agreed secession (that is, one to which both parties assent) is the Basque Country, followed by Scotland. We examine each of these cases in more detail later in the present paper with different data – and a considerably less elaborate model.

4 Subsequently, Alesina et al (2002) extended and popularized measures of “fractionalization,” which they defined as the probability that two randomly selected individuals from the population belong to different (ethnic, religious, linguistic) groups: the lower the number, the less fractionalization. However, as Bird and Ebel (2006) note, what is relevant in the present context is not fractionalization in this sense but rather what they label “fragmentation,” that is, the territorial concentration of such differentiation.
However, other papers yield different results. For example, Arzaghi and Henderson (2005) suggest that countries are more likely to be federal when regional ‘tastes’ differ. But they also find a positive impact of ethno-linguistic diversity on centralization (measured as the share of central government in total government consumption). They offer two explanations for this, to them, surprising result. First, they suggest that one reason why more ethnically diverse countries may be more centralized is because increased centralization may be seen as a “strong-arm” way to prevent splitting the country up. In effect, the argument is that since fiscal decentralization is (or may be seen as) a first step down the slippery slope leading towards regional independence and eventually separation, countries wishing to avoid that outcome remain (or become) centralized. Second, and quite differently, they suggest that centralization may simply reflect the extent to which the majority population exploits the minority group.

Most recently, Martinez-Vazquez and Timofeev (2008) have re-examined the determinants of decentralization using cross-section data. In their model, which is estimated using both expenditure and revenue decentralization and which includes as explanatory variables such factors as population, area, the extent of international integration, and ethno-linguistic fractionalization, they find in some formulations that, in contrast with the findings of Arzaghi and Henderson (2005), the last of these factors is significantly associated with expenditure decentralization. Thus, although once again the data are probably still far too crude to capture the multidimensionality of the underlying concepts, a fair summary at present would appear to be that we do not as yet really know much about the relationship between the heterogeneity of “cultural differences” within a country and the degree of decentralization.

2.3. Decentralization and Political Outcomes

Finally and most directly related to this paper, some recent political science literature has examined explicitly the relationship between decentralization and national unity. At one end of the spectrum of analytical approaches is the discursive text by Kymlicka (1998), who reviews such cases as Catalonia and Québec in detail. His conclusion is discouraging for those who believe that decentralization or federalism may provide some of the “glue” needed to maintain national unity. On the contrary, he concludes (p.142) not only that “federalism may not provide a viable alternative to secession in multination states” but that moving in this direction may actually induce more people to think that “…secession [is] a more realistic alternative to federalism.”

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5 Although Letelier (2005) finds no such impact of diversity indexes, his equation includes federal constitutional status as an independent variable. Since one finding of Arzaghi and Henderson (2005) is that diversity is associated with federal status, this constitutional variable may in part capture the effect of diversity.

6 See also Martinez-Vazquez and Timofeev (2009) for a convincing demonstration of the multi-dimensional nature of fiscal decentralization and the difficulty of measuring in by any single number.

7 As noted earlier, Arzhagi and Henderson (2005) mentioned a similar “slippery slope” argument though again without either any formal theoretical or empirical evidence being offered in support.
Moving away from strictly discursive analysis, Curtice (2006) explores survey evidence on perceptions of national identity and the support for various devolution arrangements by residents of Scotland and Wales. His conclusion is not quite as bleak as Kymlicka’s, but it too is not encouraging for those who may hope that the political solution to national disunity lies in decentralization. Curtice (2006, 109) concludes that “it would be difficult to argue that devolution has engendered the breakup of the United Kingdom;” on the other hand, however, he also notes that although “the demand for independence for Scotland and Wales may not have been diminished … it has not evidently been fostered.” Unfortunately, the analysis in Curtice (2006) of a number of polls in the period from 1974 to 2003 relies solely on a simple descriptive reading of means, showing, for example, that support for independence of Scotland was 28% in May 1997 before devolution, peaked at 37% in September 1997 immediately after devolution, and then returned more or less to the pre-devolution level (26%) in 2003.8

A quite different approach to the issue of the political outcomes associated with decentralization is used by Lustick, Miodownik and Eidelson (2004) who employ an agent-based simulation model to create Beita, a virtual multiethnic state composed of 4096 agents who comprise the polity (and may be seen as representing its participants e.g. individuals, families, or villages). Agents at a given point in time have different identities – ranging from repressive centralizers to secessionists - from each other, and the identity of a given agent may change over time. In this framework, Lustick, Miodownik and Eidelson (2004) examine the impact of various strategies of the central government on three types of behaviour of the agents acting as groups: ethno-political mobilization, secessionist activity and secession. They find that repression by the central government can reduce ethno-political mobilization fairly efficiently. As we point out in Section 3 below, many countries seem already to have applied this “strong-arm” approach in practice. In contrast, and perhaps more surprisingly, at least in their model reduction in the other two types of behaviour – secessionist activity and actual secession - is more easily achieved by increasing the voice mechanisms available to minorities.

Even more interesting perhaps is their finding that although “low levels of power sharing…have no significant effect on the amount of secessionist activity… [large increases in such sharing] registered significant decreases in secessionist activity (Lustick, Miodownik and Eidelson (2004, 223).” Indeed, in their model both increasing power sharing and creating “seminoncentral institutions” turned out to reduce the frequency of secession. Although it is of course dangerous to draw inferences for the real world from a simulation model like this one, the idea that a taste of power may make little or no difference but that substantial devolution may result in significant reductions in secessionist pressure is obviously interesting – and seems quite contrary to the conclusion one might draw from Kymlicka (1998). Similarly, Jenne, Saideman and Love (2007) examine the determinants of claims by minority groups using a five level index with respect to the strength of these claims from none (0) to secession (4) -- with claims

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8 In Section 4 below, we first consider voting behaviour in Scotland and Wales over a rather longer period and then apply multivariate regression analysis to somewhat similar survey data for Québec.
for affirmative action (1), linguistic/cultural autonomy (2) and regional/territorial autonomy (3) in between -- as their dependent variable. Their analysis suggests, perhaps unsurprisingly, that “a history of autonomy seems to encourage more assertive claims in the direction of separation from the center (p 553).”

On the whole, however, it seems fair to say that as yet no analysis seems to have been able to model adequately the essentially dynamic interaction between ethnic or other cleavages and “decentralization” in its many guises in the (often very different) contexts of countries such as those sketched in Section 3 below. However, as summarized in Table 1, five recent empirical papers do focus more directly on the issue of the relation between decentralization and political outcomes.

[insert Table 1 near here]

Saideman et al. (2002) examine two issues using the Minority At Risk data set (MAR) -- the intensity of non-violent protest and the intensity of armed conflict. Their unit of observation is a group in a country for a given year. Although 275 groups for 116 countries are in the database, owing to missing data the largest N used by the authors is 2560. They estimate pooled regressions for the 1985-1998 period for all groups and then estimate similar regressions separately for geographically concentrated groups and for those not concentrated ones -- as well as for both types of groups living under democratic or autocratic regimes. Their dependent variables are coded 0-5 for protest and 0-7 for armed conflict. Their independent variables include measures of regime type and duration and indicators of political institutions including a federalism variable (1 if substate units have substantial decision making powers), as well as such control variables as three measures of differences between ethnic groups -- political, economic and cultural.

From our perspective, their analysis yields a number of interesting results. For example, federalism appears to reduce violence when minority groups are concentrated. However, this effect disappears when only democracies are analyzed, suggesting that perhaps “…autocracies, lacking free and open elections, need other institutional arrangements to address the grievances of ethnic groups....federal systems may be succeeding in creating a localized ‘escape valve’ for ethnic pressure (Saideman et al. (2002, 122).” We return to this point briefly in our discussion of the case of Yugoslavia in Section 3 below.

Sorens (2004) examines the share of votes gathered by secessionist parties in fifteen regions. This study finds, in line with the arguments of Alesina and Spolaore (1997), that globalization and GDP are significant positive determinants of support for secessionist parties. Unfortunately, Sorens (2004) does not include a precise measure of the level of fiscal decentralization -- such as the share of expenditures or revenues associated with the

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9 However, this study, like the earlier interesting multivariate analyses of separatism in Ayres and Saideman (2000) does not include any explicit variables related to the federal or decentralized structure of government.

10 For more information on the MAR data set, see http://www.cidcm.umd.edu/mar/.
central government -- as an independent variable. Using a four level “autonomy index,” however, this study does find that increases in the index appear neither to fuel nor to dampen significantly support for secession, which is more or less the same result one may infer from the earlier-cited work by Curtice (2006) on Scotland and Wales.

Sorens (2008) argues that there is an alternative to secessionism – regionalism, which he defines as territorial recognition within the state. He estimates for a set of democracies the regionalist party share of votes or the secessionist party share of vote either for all elections for which he has data (panel approach) or for the mean election results for the 1977-2000 period for a set of regions and countries. His main finding of interest here is that autonomy (measured using a 0/1 variable) has a positive impact on the share of votes received by both regionalist and secessionist parties share of votes, as Brancati (2007) – discussed below – had earlier reported. Interestingly, Sorens (2008, 355) concludes that in stable democracies “…in many cases, the regionalist option arises to thwart the ambitions of those secessionist movements that seek…to cut off fiscal flows to lower income areas.”

Some studies thus appear to suggest that increased autonomy for territorially different groups may counter secessionist movements, while others suggest it may be a step down the slippery slope towards secession. This issue is perhaps dealt with most directly in two recent papers by Brancati (2006, 2007) which focus specifically on the role of regional parties. Brancati (2006, 652) begins from the observation that a “growing number of scholars suggest…that political decentralization does not reduce ethnic conflict and secessionism, rather it intensifies it by reinforcing regionally based ethnic identities.” She further observes that studies of the impact of decentralization on the level of national unity (disunity) should concentrate on democracies because “decentralization is only genuine in democracies (Brancati, 2006, 652).”

Brancati (2006) carries out a quantitative analysis for 30 democracies (Polity score 5+) using constituency-based data for the 1985-2000 period. All countries considered have regionally concentrated ethno-linguistic groups. As we noted earlier, without such regional concentration, measures of ethno-linguistic differentiation have little meaning with respect to decentralization. Two sets of logit results are reported; one for 1985-200 with rebellion as the dependent variable and one for 1990-2000 with inter-communal

12 While we accept her point in general, she attempts to buttress it by noting that in countries such as Ethiopia central authorities infringe on the powers of sub-national legislatures. However, this is not really the point since in non-democratic countries central authorities generally also infringe on the powers of the national legislature. More relevantly, as Wheare (1963) noted long ago, one clear test of a “real” federation is the extent to which the central legislature itself is restrained from infringing on sub-national legislatures. As the literature on the “spending power” (Watts 1999) shows, however, in reality even few democratic federal systems can pass this test if it is strictly applied. Perhaps one really needs an “index of relative infringement”?
13 See http://www.systemicpeace.org/polity/polity4.htm for more information on this index.
14 See note 4 above. We should perhaps emphasize, however, that this consideration does not imply in any way that decentralization may not be warranted and useful in order to improve public service delivery even in such ethnically homogeneous countries as Korea and Japan.
conflict as the dependent variable. Both use information from the MAR data set, as supplemented by the author for a few countries. The independent variable of direct interest to us, decentralization, is measured in both a zero-one format and using a scalar index. Various control variables are used including political decentralization, ethno-linguistic fractionalization, fiscal decentralization, measured (as usual) on the expenditure side using data from Government Finance Statistics of the IMF (regional expenditures/total government expenditures).15

Branca (2006) finds that “rebellion” (measured by a scale from 0 - none evident - to 7 - protracted civil war - with a mean of 1.04) was significantly reduced by political decentralization in 3 out of 5 models. On the other hand, fiscal decentralization has no impact in the one model in which this variable was tested. Similarly, “inter-communal conflict” (on a scale from 0 - none evident - to 6 - large scale inter-group violence - with a mean of 0.95) is also significantly reduced by political decentralization in 4 out of 5 models. Again, fiscal decentralization has no impact in the one model in which it was tested. However, the index of political decentralization in Brancati (2006) is constructed as the sum of indices for: i) regional democratic elections; ii) regional legislatures that can raise taxes; iii) regional legislatures that have joint or exclusive control over education; iv) regional legislatures that have joint or exclusive control over public order/police; and v) regional legislatures that must approve constitutional matters. Since at least three of these items (ii, iii and iv) are themselves partly or fully linked to the level of fiscal decentralization, to some extent the effect of fiscal decentralization may be captured in the political decentralization index.

In any case, Brancati (2006, 681) concludes that decentralization is “…a useful mechanism in reducing both ethnic conflicts and secessionism.” In a later paper, however, the same author argues that political “…decentralization seems to increase the strength of regional parties by giving regional parties a better chance of governing at the regional level than at the national level” (Brancati, 2007, 158). If one combines this conclusion with her earlier finding (Brancati 2006) that the strength of regional parties (defined as parties operating only in one region when regions are areas with matching subnational governments) increases the intensity of both rebellion and inter-communal conflict, perhaps enthusiasm for decentralization as the key to maintaining unity and an effective national state should be a bit restrained. On the other hand, once more the waters are muddied since Brancati (2007) also reports some evidence that fiscal decentralization may reduce the strength of regional parties. The key aspects of her studies and of the three others summarized above are depicted in Table 1.

To decentralize – and save the nation! … or dissolve it? That is the question that theory and empirical work has not yet been able to answer. Before continuing the story, however, it may be useful to introduce some of the real-world players in this serious game. We do so in the next section.

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15 As many have argued, revenue decentralization is a more persuasive measure of decentralization (e.g. Stegarescu 2009, and, for an even more recent discussion, Martinez-Vazquez and Timofeev 2009). However, the relevant data are seldom easily obtainable for many countries.
3. Countries at Risk

As of July 1st 2009, there were at least 193 countries in the world and perhaps as many as 203. We begin with an overview of how many of these countries may be considered to be “at risk” in terms of national unity.

3.1. The Universe under Study

Table 2 lists (alphabetically, by continent) 34 “countries” in which there is arguably a secessionist (or at least autonomist) movement. [insert Table 2 near here]

In the third column of Table 2, we attempt – inevitably roughly – to characterize the basis for dissent. Where available, we also show the measures of “fractionalization” on what seems to be the relevant ‘fracture line’ (data from Alesina et al. 2002). Although some of these data seem questionable – for example, in the data year, Kurdish was not a recognized language in Turkey, which may perhaps explain the exceptionally low index for linguistic fragmentation in Table 2 – even a casual perusal of these measures suggests that no clear link is evident between the degree of ethnic, linguistic, or religious heterogeneity in any country and either its degree of centralization or the strength of secessionist threats to national unity.

Consider, for example, Sri Lanka, where a vicious and prolonged civil war has just been ended by might of arms: in terms of the fractionalization indexes in Alesina et al. (2002), one would more likely have envisaged such a conflict in Canada since that country is substantially more “fractionalized” than Sri Lanka on all three of the dimensions measured (language, religion, and ethnicity). Equally, why one sees regional autonomist movements active in countries like Thailand with very low fractionalization indexes seems equally puzzling. Of course, as already mentioned, one key important missing link in the argument is the degree of regional concentration of those who are “different.” Other potentially critical explanatory factors include the level of development, the nature and effectiveness of political institutions, and, of course, the degree and nature of decentralization.

In the fourth column of Table 2, we consider whether regional conflict has resulted in violence. According to these data, armed conflict – sometimes minor, sometimes less so – has currently or recently occurred in about half of these countries, and another quarter

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16 See [http://en.wikipedia.org/wiki/List_of_sovereign_states](http://en.wikipedia.org/wiki/List_of_sovereign_states) for more information. Disputed countries include Kosovo, Taiwan and so on.


18 As mentioned in note 4 above, the lower the index, the lower the fractionalization.
have seen such conflict in recent decades. When it comes to breaking up, it seems, few countries go “gently into that good night”, to paraphrase Dylan Thomas.

Finally, with respect to decentralization, the last column of Table 2 shows that seven countries in this list are formally federal, two are (arguably) in transition to a federal structure and that in at least 10 others some form of decentralization – in some cases up to the creation of separate countries – has taken place. In addition, for a few countries we show what is arguably the best measure of effective fiscal decentralization - the share of own-source total revenue collected by sub-central governments in the late 1990s (data from Stegarescu 2009).

Although we review each of the countries included in the “universe” set out in Table 2 briefly in the remainder of this section, in the balance of the paper we concentrate for the most part on the relatively small subset of these countries that combine three characteristics. First, there has been a political – but essentially non-violent – threat to national unity. Second, one response has been to implement some form of decentralization, short of secession, that gave more powers to entities associated with groups seeking more autonomy/independence. Third, we have data that enables us to say at least something about the effect of decentralization policy on reducing, or increasing, the threat to national unity. In the end, only four developed OECD democracies – Spain, Belgium, the United Kingdom and Canada – satisfy these criteria.

Returning to Table 2, it is important to emphasize that both the countries listed and the characteristics attributed to them in the table are largely (and inevitably) matters of judgment. Indeed, some of the jurisdictions listed (e.g. Martinique and Guadeloupe) are not “countries.” In addition, the time period covered may differ considerably from country to country. For example, we discuss briefly the on-going conflict in Russia with respect to Chechnya as well as the break-up of Yugoslavia but we do not discuss the breakup of the Soviet Union. On the other hand, we do consider briefly the breakup of Czechoslovakia into the Czech and Slovak republics. Similarly, the distinction between what we call “secessionist” and “autonomist” movements – that is, whether explicit secession is a clear objective of the dissident region or group or whether their aim is better described as simply achieving a greater degree of autonomy within the country – is again a matter of judgment. In some instances, we use both labels either because each seems appropriate at different times or with respect to different movements. Considerable judgment, possibly fallible, has also been used in filling out the other cells in Table 2, drawing not only on the sources cited but also on our own knowledge of a number of the countries.

In short, the universe we consider in this study does not have clear boundaries. It is not, for example, simply a matter of “countries in conflict”: many countries in conflict

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19 See http://www.globalsecurity.org/military/world/war/index.html
20 We follow the listing of “federal” countries found in http://www.forumfed.org/en/federalism/by_country/index.php.
according to our data source, such as Colombia and Uzbekistan for example, do not meet our criteria. Nor do countries like Nepal in which conflict seems to be mainly what might perhaps be called “ideological” rather than regional in nature. Sometimes, we focus not so much on countries as such but on separated territories with a distinct (often, but not always colonial) history – Tanzania, the French departments, Tibet and the Uighur regions of China. We are interested primarily in countries in which there is a fairly clear linkage between dissident movements and particular regional (not local) territories. Nor is the central question whether countries are ethnically, linguistically, or religiously homogeneous or not. Again, what matters is, first, whether “fractionalization” in any of these (possibly overlapping) senses is linked to specific regional bases and, second, whether the combination has led to the rise of a visible and (at times) active political secessionist or autonomist movement. All these distinctions are not only vague, they are, as we have noted, almost inevitably judgmental. Nonetheless, this is the terrain we have been charged with exploring in this paper.

In the remainder of this section, we comment briefly on most of the countries listed in Table 2, in the order listed there, both to explain at least in part the way we have filled in the cells in that table and to draw out some common characteristics found in a number of countries. We then consider further in Section 4 the four developed countries for which we have some relevant evidence on the linkage between decentralization and political outcomes, concluding with some new estimates for the case of Québec.

3.2. Africa

**Algeria:** An ethnic-language (Berber) based secessionist movement in the Kabyle region has long shown a desire for more autonomy: Tensions between Berbers and the central government started shortly after Algerian independence in 1963 but was at first submerged to some extent in a broader conflict with Islamist elements. However, violence broke out specifically on this issue in the Kabyle region in the “Berber Spring” of 1980, with demands to make the Berber language official. Again, in 2001 in reaction to the “Black Spring” disturbances, in which Kabyle protesters were killed, the Berber Arouch Citizen’s Movement was created with the objectives of recognition of the Berber language as the second official language of Algeria, expanded democracy, and more regional autonomy.

**Congo RDC:** A secessionist movement was launched in Katanga in the early 1960s at the birth of the country. Although it was suppressed after a civil war, the country largely remained under the control of various regionally based warlords until the 1990s when it became embroiled in the biggest interstate war in African history, involving a number of countries and at times the foreign conquest and de facto secession of large areas of the Congo. In 2005, a new constitution resulted in formal reunification, with more autonomy granted to the provinces than in the past. At the same time, however, as had happened in

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21 See note 19 above.
22 For example, in Belgium we discuss decentralization and Flemish separatism but do not mention the differential treatment of the (small but concentrated) German-speaking population.
Nigeria several decades earlier, the number of provinces was to be increased from 11 to 26, largely in an attempt to weaken their autonomous tendencies; for example, Katanga was to be divided into four provinces. However, there has already been some slippage in the implementation of this measure. The future of Congo RDC remains unclear.

**Ethiopia:** Eritrean separatists fought the Ethiopian government from 1961 to 1991 in a conflict known as the Eritrean war of Independence. The secessionist movement of Eritrea succeeded in winning independence in 1993 following a referendum in which the Eritrean people massively voted in favour of independence. Other regions of the country are not currently exhibiting a threat to national unity although legally all have the right to secede. Ethiopia is formally a federation, with 9 very varied states, but it is also an extremely poor country that throughout its recent history has been neither very ‘federal’ in reality nor very democratic. Although Giorgis (2009) suggests that the current economic crisis may perhaps result in some increase in the current low level of fiscal autonomy at the state level, as yet there is little evidence of any serious interest in further decentralization, let alone any linkage with concerns about national unity.

**Ivory Coast:** Following a civil war subsequent to a disputed election and a coup attempt, at present there is a de facto (cease-fire) North–South division of the country. However, despite the clear regional split and ethnic differences, this is not a case of secessionism. The residents of the rebel held area (Centre-Nord-Ouest: CNO) do not demand more powers for the region as such. Instead, their demand is for more power for the residents of the CNO in the central government, in part by recognizing the right to vote in national elections by Ivorians belonging to ethnic groups that overlap with neighbouring Burkina Faso; at present, such people are often denied a voting card based on their ethnic origin as indicated by their family name.

**Morocco:** In 1975, two-thirds of the colony of Spanish Sahara was annexed by Morocco. The remaining southern part of the colony was initially annexed by Mauritania but then annexed by Morocco following the withdrawal of Mauritanian troops in 1979. An indigenous secessionist group (the Polisario) continues to resist the forced integration of the region into Morocco. A referendum on the status of this part of Morocco has long been supposed to take place under U.N. auspices, but it has been repeatedly postponed.

**Nigeria:** A major civil war took place in Nigeria in the 1960s when Biafra, a region rich in petroleum, attempted to secede. Following the war, the three large regions that had earlier constituted the Nigerian federation were divided into the present 36 small states. However, Nigerian politics continues to be dominated largely by oil revenues. Since these revenues flow mainly to the federal government, in practice the country is run more as a unitary state than as a federation (Asadurian et al. 2006). Civil unrest in the oil-producing regions, inhabited largely by minority ethnic groups, continues; in addition there are currently some religious based frictions between the northern provinces (Muslim) and the rest of the country that continue to give rise to occasional communal violence in some provinces.
Somalia: In 1991, following the collapse of the central government of Somalia, the Republic of Somaliland declared its independence from Somalia. Legally, Somaliland argues that it withdrew from a union with the former Italian colony of Somali that the former colony of British Somaliland had entered into in 1960 after receiving independence from the UK. The continuing lack of law and order in the overall country has made this secession an effective one. Other regions of Somali (such as Puntland) have also been operating largely on their own in recent years owing to the total collapse of the central government of Somali – the classic example of a “failed” state.

Sudan: The South Sudan secessionists, a religion-ethnic based movement, ended their long-standing civil war with the Northern regions of Sudan after reaching an agreement devolving power to South Sudan and the promise of a subsequent referendum on secession (Searle 2008). Although questions have been raised about the stability of this agreement, particularly with respect to the division of the oil revenues, it still holds. As yet, however, the regional government still remains almost wholly dependent on federal revenues. Further regional conflict continues to occur in the Darfur region of western Sudan, apparently driven in part by the pressures arising from a long-standing drought.

Tanzania: In 1963, Tanganyika and Zanzibar were merged into Tanzania. Although a unitary country, Zanzibar retains considerable autonomous power, including with respect to revenues: for example, it levies its own VAT and is subject to lower customs duties (Smart 2008). However, for reasons that appear to be more rooted in history rather than ethno-religious differences, some Zanzibaris continue to contest the merger into Tanzania.

In Africa, only one of the nine major secessionist/autonomist movements in Africa listed above resulted in the creation of a recognized country (Eritrea), although owing largely to the complete deterioration of the central Somali government Somaliland has also been a de facto country for almost 20 years. Ethiopia and Nigeria are formally federal countries, but in neither country is there any evidence that decentralization has been used to further national unity. However, Nigeria, like Congo, has attempted to reduce the likelihood of powerful regions seceding by replacing large sub-national units by smaller and less powerful ones. Most recently, Sudan’s agreement with the southern secessionists is a clear example of an attempt to reduce the likelihood of secession by becoming more federal, with some decentralization of authority and revenues, although it seems unlikely that this will discourage a vote for secession, if and when such a vote takes place. Finally, the relatively high degree of autonomy of Zanzibar (full retention of all revenues collected on its territory, freedom to vary tax and custom duties) does not seem to have dampened recurring public denunciation of unfair treatment by mainlanders, although this may be in part a bargaining tactic for further concessions. Interestingly, in the countries largely influenced by France, such as Algeria, Morocco and the Ivory Coast, no one ever seems even to consider meaningful decentralization as a possible way to build national unity.
3.3. The Americas

Bolivia: Recently, an autonomist movement developed in the resource (natural gas) rich region of Santa Cruz, which is geographically distinct and largely separated from the rest of the country. In a referendum held in 2008, those living in Santa Cruz voted in favour of more autonomy. However the referendum was declared illegal by the courts.  

Canada: A secessionist movement based on language has been active in Québec since 1960. The party advocating secession, the Parti Québécois was elected to power (majority government) in Québec twice (1976-1985 and 1994-2003) and held two referenda asking for a mandate to secede. In the first referendum (1980) the vote was 60% against; in the second, however, in 1995, the vote was only 51% against. In addition, the secessionist movement has since 1993 been represented in the federal parliament by the Bloc Québécois (which has since 1993 been represented in the federal parliament by the Bloc Québécois (which has since 1993 been represented in the federal parliament by the Bloc Québécois (which has since 1993 been represented in the federal parliament by the Bloc Québécois. We examine this case in more detail later in Section 4 below.

France: Two West Indian islands, Guadeloupe and Martinique, as well as the former colony of French Guiana, are formally departments of France, with full representation in the French parliament. All three have autonomist movements, deriving from ethnic differences and anti-colonialism. The Martinican Independence Movement (MIM) founded in 1978 is formally secessionist, with the objective of an independent Martinique. However, although the MIM has been the majority party in the regional council since 2004, it has apparently been quiescent. Although similar independence movements exist in the other two territories, the Decolonization and Social Emancipation Movement (MDES) in French Guyana and the Popular Movement for the Liberation of Guadeloupe (UPLG), they are even weaker. In January 2010, a vote was held in Martinique and Guiana on a change in status towards more autonomy as in New Caledonia. This was rejected by respectively 79% and 70% of voters. Interestingly, in 2003 two small islands, Saint Martin and Saint Barthélemy voted to secede from Guadeloupe and become separate “collectivities” of France; in 2007, the French Parliament granted them this status. These two islands now have their own Senators in Paris, although as yet they are still represented in the lower house by Guadeloupe. These overseas departments and collectivities, while remaining part of France (and the European Union), are generally treated like any other part of that country, although there

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23 “Illegal autonomy referendum deepens division in Bolivia,” Written by Andreas Information Network, Thursday, 17 april 2008. (http://ain-bolivia.org/index.php?option=com_content&task=view&id=116&Itemid=32). Similar ‘resource-based’ secessionist movements have arisen at times elsewhere – for example, in addition to the current “River States” problem in Nigeria alluded to above, in the past difficulties have arisen in the Cabinda region in Angola and Bougainville in Papua New Guinea. Usually, the root cause is that the producing regions feel unfairly treated by the central authorities. For an interesting general discussion of “resource conflicts,” see Collier and Hoeffler (2005).

24 Similar “small island” secession movements are not unknown elsewhere in the West Indies: for example, Anguilla separated from the British “associated state” of St. Kitts and Nevis in 1971. Subsequently, after St. Kitts and Nevis became an independent (and federal) country in 1983, secessionism arose in Nevis although a referendum to separate in 1998 failed. An earlier attempt to create a larger Federation of the West Indies in 1958 out of a number of British colonies was dissolved in 1962 (Hicks 1978).
are some minor variations (for example, lower VAT rates apply in the overseas
departments as discussed in Bird (forthcoming)).

3.4. Asia

China: There is a long-standing language-religious autonomist movement in Tibet, with
historical roots relating to the forced annexation of Tibet by China. In 2008, the Tibetan
leader of this movement, the Dalai Lama, declared that his objective was greater
autonomy for Tibet within China, not full independence. More recently, there have been
violent episodes with dissident Uighur groups in China’s large western Xinjiang region,
apparently motivated by ethnic and religious differences with incoming Han migrants. As
the examples of Hong Kong and Macau (and the on-going issues with Taiwan) illustrate,
China seems unlikely to react to autonomist movements by loosening central control. On
the other hand, as Wong (2007) shows, China also has a history of treating ethnic
regional groups favourably in some respects – provided they pose no threat to central
power.

Georgia: Two secessionist regions, Abkhazia and South Ossetia, effectively broke away
from Georgia as a result of its defeat by Russia in a brief war in 2008. Secessionist
sentiment in these regions arose largely from the substantial number of ethnic Russians in
effect stranded there by the disintegration of the USSR in 1991 and was, it appears,
sustained as a result of explicit and implicit Russian support over the years prior to the
recent war. As we note below, a somewhat similar situation exists in Moldova. However,
it is interesting to note that no such movement has emerged in the Baltic ex-USSR states,
although the issue of recognition of minority (Russian) language rights continues to be a
real one in those countries as well.

India: Two secessionist movements have long been active in India, one in the northwest
(Kashmir) based largely on religion and one in the northeast (mainly the state of Assam)
arising from ethnic differences. The long-standing conflict in Kashmir is of course
closely associated with, and a major cause of, the on-going Indo-Pakistani differences. In
the northeast region, particularly Assam, where a secessionist group called the United
Liberation Front has long been active, there is a long history of conflict between the
Assamese and ethnically different migrants from other parts of India that has at times
turned violent. In both Kashmir and the northeast, a considerable degree of ‘asymmetry’
has over the years become part of India’s federal structure (Rao and Singh 2007).
Kashmir, uniquely, has its own constitution and much wider powers than other states
although in practice the continuing unrest has substantially reduced the degree of real
freedom from central control. In the northeastern region, India has established a number
of new states based primarily on language, all of which except Assam are quite small.
One of these states, Sikkim, a former British protectorate, was merged with India in 1975
following a referendum. These states have special status in India with respect to land,
migration, customary laws and religious practices among other matters. In this and other
ways, India has made many asymmetric decentralizing accommodations -- both formally
through constitutional and fiscal arrangements and more discretionarily through short-
term political and financial deals -- in an effort to maintain national unity. At the same time, the central government has never hesitated to intervene with force against regional separatist actions.

**Indonesia:** Aceh, East Timor, Moluccas and Papua have or had secessionist movements. The South Moluccan conflict of the 1960s now seems to be largely forgotten. Aceh and Papua were given increased autonomy in some respects in 2001. However, it was not until further autonomy was given to Aceh after the region was devastated by a tsunami in 2004 that the once violent Aceh movement also appears to have become reconciled with staying in Indonesia after the 2005 tsunami which devastated the region. Matters remain rather difficult in Papua, largely owing to tensions with incoming migrants from other islands. The most dramatic case, however, is East Timor where the original annexation of the former Portuguese colony was deemed illegal by many Timorese, who are almost all Christians, quite different from mainly Muslim Indonesia. Following a prolonged violent struggle and a 1999 vote for independence in referendum organized by the United Nations, the region seceded and became an independent country in 2002. Perhaps in part in an effort to accommodate local differences without empowering regional level governments too much, Indonesia has over the years engaged in substantial decentralization primarily to smaller sub-national regions (Brodjonegoro and Ford 2007).

**Iraq:** There is an autonomous/secessionist movement in Kurdistan based on ethnicity and language. The first Gulf war (1991) resulted in the de facto autonomy of this region, which has since then been under the control of long-established Kurdish parties with their own armed forces. Following the second Gulf war, in 2005 the new Iraqi constitution declared that Iraqi Kurdistan is a federal entity recognized by Iraq. Supposedly, the Kurdistan region is to continue to exist in the revised constitution that has been in negotiation for several years, along with some sharing of oil resources (Bishop and Shah 2009). However, the ratification of this constitution, originally scheduled for July 2009 has been deferred to some as yet unspecified date.

**Pakistan:** Originally, Pakistan came in two separate chunks – east and west of India. However, the eastern part, now Bangladesh, seceded from Pakistan following a war in 1971, largely because Bengali political leaders had insufficient political power in the central government, which was based in the west. Although both countries share the same colonial past and religion, they have different languages. Subsequently, Pakistan has continued to be troubled by regional conflicts, both from an ethnically-based movement in Baluchistan (which is rich in gas) and in the north-western regions from the ethnically and ideologically based Pashtun Jihad. In both cases, the major responses so far have been military, rather than attempting further to accommodate these regions within a still more decentralized federation – or letting them go.

**Philippines:** A secessionist movement based largely on religious differences has long been active among the Muslim (Moro) population in Mindanao and the south Celebes islands. Although the central government continues to employ substantial military efforts against this movement, some efforts have also been made to accommodate Moro
concerns by creating an Autonomous Region for Muslim Mindanao in 1989. So far, however, it appears that this move toward further decentralization has had little noticeable effect (Wallich et al. 2007).

**Sri Lanka:** From 1983 to 2009, the Liberation Tigers of Tamil Eelam (LTTE), an armed separatist organization, fought against the central government in a bitter civil war. For much of this period, LTTE operated an effectively separate state in the north of Sri Lanka. Although in 2001 the LTTE agreed to settle for a separate region rather than a separate country, no agreement was reached and civil war broke out again in 2005. In May 2009, after an exceptionally strong military campaign the Sri Lanka government defeated the LTTE. However, the ethnic, linguistic, and religious differences that gave rise to the original problems continue to exist, and it is as yet unclear whether the victorious Sinhalese majority will be willing to attempt to accommodate them to at least some extent through the kind of federal (or at least highly decentralized) structure that has often been suggested by outsiders.

**Thailand:** For some years four provinces in southern Thailand have seen constant conflict between a religious-based (Muslim as opposed to Buddhism) secessionist movement (Pattani) and the central government’s armed forces.

**Turkey:** As in Iraq, there is an autonomous/secessionist movement in Turkish Kurdistan based on ethnicity/language -- the PKK, which began its military opposition against Turkey in 1984. The recent de facto autonomy of Iraqi Kurds bolstered this movement to some extent, but Iraq, Turkey and Iran – the third country with a substantial Kurdish population – are all concerned to prevent the unique Kurdish multi-country secessionist movement from achieving its apparent goal of a unified Kurdistan. In recent years, the Turkish government has, in an attempt to accommodate some of the wishes of the large Kurdish population in southeastern Turkey, loosened to at least a small extent the heavy restraints it had imposed on the use of the Kurdish language.

**Yemen:** Yemen was created in 1990 by the unification of North and South Yemen. North Yemen gained its independence from the Ottoman Empire in 1918; South Yemen had to wait until 1967 to gain its independence from Britain. Following a civil war in 1994 launched by southern secessionists, the north won. More recently, however, northern tribesmen apparently reflecting in part historical and religious differences have again been launching attacks on central authorities and there continues to be unrest in the former South Yemen.

Summing up the Asian cases, Iraq and India have to some extent used asymmetric federalism to accommodate regionally-based differences, as has the Philippines. On the other hand, although China grants asymmetric treatment to territories that are reintegrating into China such as Hong Kong, so far its major reaction to regional differences, see Bird and Ebel (2007).
secessionists has been forceful suppression. Indonesia, having lost one territory (East Timor), has to some extent attempt to mitigate regional pressure by decentralizing more authority and resources to local (not large regional) areas. Most countries in the region, however, including at times all those mentioned earlier in this paragraph, have primarily reacted to perceived threats to national unity by force.

3.5. Australasia

**New Caledonia:** An indigenous movement has been active in this former French colony since 1985. As a result, New Caledonia’s relations with France are unique. First the Matignon Accord of 1988 and then the Nouméa Accord of 1998 substantially increased Caledonian autonomy. Indeed, the second of these agreements describes the devolution process as irreversible, specifies a gradual devolution of powers such as taxation to the New Caledonian assembly, and provides for separate New Caledonian citizenship (required to vote in local elections) and a separate flag. On the other hand, New Caledonians remain citizens of France and elect representatives to the French Parliament. The Nouméa Accord requires that a referendum on complete independence from France should be held between 2014 and 2019. This is thus a clear example of using devolution as a stepping stone towards possible sovereignty – the pattern that some (at least in the South) envisage for Sudan, that many Kurds appear to anticipate in Iraq, and that, as mentioned in the next section, is also envisaged for Greenland.

3.6 Europe

**Belgium:** Following the creation of regions and “language communities” in 1970, Belgium took the next step towards devolution and became a formal federation in 1993. Subsequently, owing largely to continuing pressure from the (majority) Flemish language community, the spending and regulatory powers of these regions and communities have increased although their taxation powers have lagged (Bayenet and de Bruycker 2007). We discuss this case a bit more in Section 4 below.

**Cyprus:** Following independence in 1960, a violent conflict ensued between Turkish Cypriots and Greek Cypriots. An attempted coup d’état by the latter in 1974, who at the time wanted to annex Cyprus to Greece (Enosis), resulted in a de facto partition (under UN supervision) between the Greek majority part and the Turkish minority part of the island that persists to this day. Recently, following the admission of Cyprus (effectively the Greek part) into the European Union, some attempts at reconciliation were made, including a federal arrangement proposed by the Turkish minority that was turned down by the Greek majority.

**Czechoslovakia:** In 1993, a few years after Czechoslovakia emerged from the Soviet-controlled bloc, the country was divided into two new countries, the Czech Republic and the Slovak Republic (often called Slovakia). Although this separation occurred without violence, it is relevant here because in large part it occurred owing to a disagreement between the two territories over the nature of the union. Essentially, the Slovaks were in
favour of a confederation while the Czech Republic wanted a stronger federation. Since they could not agree, each decided to go its own way rather than try to work together – a decision that may have been reached in part because each region considered (correctly) that in any case it would soon become a member of the European Union.

**Denmark:** Interestingly, two detached territories, Greenland and the Faeroe Islands, at present have a sort of “federal” arrangement with Denmark, with both presumably moving towards full sovereignty over time. Greenland is an autonomous country within the Kingdom of Denmark. In 2008, the population of Greenland voted in a referendum in favour of more autonomy, with the Danish government remaining in charge of foreign affairs, security and financial policy and government transfers. The Faeroe Islands have been an autonomous province of Denmark, with more or less the same powers as Greenland, since 1948.

**France:** France is included here because some groups in the island of Corsica continue to call for more Corsican autonomy or even independence from France, primarily to promote the Corsican language and increase the power of its local government. In 2003, however, Corsicans voted down a referendum that would have suppressed the existing two French departments into which the island is divided and granted greater autonomy to Corsica. Interestingly, although Corsica is subject to the usual French VAT, several special lower rates are applied to particular products in Corsica (Bird forthcoming).²⁶

**Moldova:** As in Georgia (discussed earlier), there is a breakaway part of Moldova on the east bank of the Dniester river; this region is commonly called Transnistria (the Romanian form of the name) in English. The region, which has a Russian-speaking majority (as well as a Gagauz-speaking minority), proclaimed its independence following a referendum in 1991 with the support of Russia, which maintains military bases in the area. Although neither Moldova nor any country other than Russia and a few allies have recognized its independence, Transnistria, with Russian support, continues to operate independently of Moldova.

**Russia:** Interestingly, and perhaps somewhat surprisingly, given the recent experiences in Georgia, the former Soviet Union (the USSR), which was divided into 15 new countries in the early 1990s provides a rare example of a country divided without a civil war.²⁷ Subsequently, however, Russia, by far the largest and most important country to emerge from the USSR, has itself faced separatist challenges from armed groups in the Caucasus region, notably in Chechnya. The First Chechen War, opposing the separatist movement to the central government of Russia, began in 1994 and ended in 1996 with a cease fire and a peace treaty in 1997. The Second Chechen War began in 1999, and ended in 2009 when the Chechen rebels were defeated by the Russian Government. However, in an echo of the historically difficult and late conquest of the Caucasus region by Russian

²⁶ The parallel to the case of Zanibar in Tanzania discussed earlier is interesting.
²⁷ Perhaps the major previous historical example is the Austro-Hungarian empire although it -- like the Ottoman empire which did not go as peacefully -- essentially collapsed because of the First World War.
forces, ethnic and religious based groups in the region (e.g. in Dagestan) have continued to launch sporadic violent attacks on the Russian state.

**Spain:** In addition to the long-standing armed secessionist movement in the Basque country, other movements supporting more autonomy exist in other regions (autonomous communities), of which the most developed is that of Catalonia. The secessionist/autonomous movements in these two autonomous communities are mainly language based. Although these movements had been severely repressed under Franco, after 1978 the new constitution de facto transformed Spain into a federal state. We discuss developments since then briefly in Section 4 below.

**United Kingdom:** Three distinct regions of the United Kingdom have had various experiences with national unity issues in recent years. For decades, Northern Ireland was plagued by a violent conflict over both its constitutional status and the relationship between the Unionist (Protestants) and the Nationalist (Catholics). As a result, the operation of its parliament was suspended in 1972 and it was abolished in 1973. It was not until 2006, after over three decades of violence and negotiation that a new government of Northern Ireland was established, with power shared between the two main groups and a new parliament. Separately from the dramatic events in Northern Ireland, in 1998 a Scottish parliament was established as was a Welsh assembly (with fewer powers). As we discuss further in Section 4 below, the secessionist party in Scotland (the SNP) is currently in power with a minority government and the constitutional and fiscal position of both Scotland and Wales is currently under review.

**Yugoslavia:** Unlike the USSR, Yugoslavia did not go quietly. Formally Yugoslavia had always been organized as a federal country (as was the USSR itself). However, as one observer (Miller, 1981, 32) put it, as long as the Communist party “…retains its monopoly of political power in the system, federalism will remain merely an expedient, a safety valve for regional pressures….” When the party was removed, the valve could not hold. As the 1990s proceeded, Yugoslavia was progressively divided into a number of small countries. The first was Slovenia in 1991, with little opposition and little internal dissent. Next in the same year came Croatia, although it still has some unsettled border issues. Also in 1991 came Macedonia, although its secession was formally recognized only in 1993 and it continues to cope with demands by its Albanian minority group for more autonomy. In 1992, however, when Bosnia declared its independence, war broke out between the Croats, Serbs, and Bosniaks (Muslims) who lived in the territory. This struggle was finally settled, after much violent fighting, by the Dayton Agreement of 1995, which created the unique new federation of Bosnia and Herzegovina. The constitution of Bosnia and Herzegovina represents a unique -- and uniquely complicated -- attempt to use decentralization of powers and revenues to hold together the very disparate groups – Serbs, Croats, and Bosniaks – located in its territory. In 1992, the

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28 Horvat (1971, 71) had memorably characterized Yugoslavia as “one country with two alphabets, three religions, four languages, five nations, and six federal states called republics.” So far, out of Yugoslavia have come six countries, with one more (Kosovo) a de facto seventh.

29 The story, which is much too complicated to go into here, is told in detail in Fox and Wallich (2007).
Federal Republic of Yugoslavia was officially established as the fifth “post Yugoslavia” country. However, this was by no means the end of the story. The new Federal Republic consisted formally of two entities, Serbia and Montenegro. Over time, the latter became steadily more autonomous and in 2006, it declared its independence on the basis of a referendum. Two new countries, Montenegro and Serbia were thus created. In addition, the Albanian (Muslim) majority of the southern Serbian province of Kosovo had long been unhappy with Serbian domination, resulting in yet another war in the late 1990s that was ended only by armed intervention (including the bombing of Serbia) from outside. The outcome was essentially foreign control of the Kosovo region for the next decade. In 2008, shortly before the European Union formally replaced the United Nations as the governing power of the region, the elected Assembly of Kosovo declared its independence of Serbia. Although Serbia has not recognized this independence, a large number of countries have, and the formal status of Kosovo is currently under consideration at the UN.

Overall, Europe provides examples of peaceful (Czechoslovakia) and violent (Yugoslavia) secessions, of language minorities accepting their new status (Russians in the Baltic states) or rebelling against it (Russians in Georgia), and of unitary countries becoming more or less federal to accommodate the demands of minorities (Spain, UK) or the majority (Belgium). While the full tale is still to be told, the preliminary evidence suggests that in some cases decentralization may help glue a country together and in others not.

4. Decentralization in Action: The Evidence

In this section, we consider what voting and survey data seem to tell us about the effectiveness of formal decentralization (of varying degrees) in affecting separatist sentiments in a number of developed democracies – Belgium, Spain, the United Kingdom, and, in a little more detail, the case of Québec in Canada.

4.1 Belgium

As mentioned in Section 3, Belgium’s decentralization in recent decades has clearly been driven by the desire of Flemish-speakers, who are now a majority of voters, to assert their language rights and in general to obtain more autonomy. These demands have been heard, and education and other services in Flemish regions are increasingly under their control. Nonetheless, as Figure 1 shows, the share of Flemish votes obtained in national elections by the Vlaams Blok (Vlaams Belang), the most extreme Flemish political party, has slowly but steadily increased over time, from only 2% in 1978 to 12% in 2007.

30 Belarussian has a complex ‘hybrid’ federal model with both regional and linguistic communities. In the Flemish region, however, the two overlap: see Bayenet and de Bruckyer (2007).
A pessimist might perhaps conclude from this picture that “appetite grows with the eating” in the sense that successive attempts to meet Flemish demands by increasing their autonomy first over spending and subsequently to some extent over revenue seems to have resulted in yet more demands. However, it is not at all clear that the end result of continuing down the road of what in Canada has sometimes been called “profitable federalism” will necessarily be the secession of Flanders. On the contrary, as Kipling once put it, the moral might instead be that “if once you have paid the Danegeld, you never get rid of the Dane.” That is, to allude to an even older nursery story, perhaps a dissident region that is being “bought off” by increased flows of funds from the centre may not want to kill the goose that lays the golden eggs but rather to continue to extract more gold by keeping the secessionist threat credible through such means as continued voting for a nationalist party.

4.2 Spain

Consider next the results of elections in the two most ‘autonomous’ regions of Spain, the Basque country and Catalonia, as shown in Figures 2 (with the Catalan vote also found in Figure 3).

In this case, in contrast to Belgium, the share of the vote going to the most extreme ‘autonomist’ parties has behaved quite differently in the two regions over time. The Basque party most closely associated with terrorism gained vote share for a few years in the 1980s but has since then steadily lost ground, perhaps in part as a result of various attempts by the central government to reduce or forbid their participation in elections but perhaps also reflecting the growing prosperity of the region as Spain became more closely integrated into Europe. In contrast, in Catalonia, where politics and not guns have always ruled, the vote of the most ‘nationalist’ party rose sharply only in the 2004 election when the popular ‘founder’ of modern Catalonia retired and a swing to the left took place nationwide. It is hard to draw any firm conclusions from these data about the effects of Spain’s increasingly de facto ‘federal’ character on national unity.

Of course, using the share of votes of one party to ascertain the strength of secessionist sentiment may not tell the whole story. For a shorter period than covered in Figure 2, Figure 3 therefore compares the shares of votes of two parties in Catalonia and the support for an independent Catalonia as reflected in survey data.  

We thank our discussant at the conference, Alejandro Esteller Moré for providing in his written comments the data used to produce this figure.
The question asked in the survey is “Would you support the independence of Catalonia?” As Figure 3 shows, while Catalonia’s support for independence has remained relatively stable at about one-third, support for the sovereignist party (ERC) has been both lower and, as already noted with respect to Figure 2, less stable, reflecting such factors as relations with the central government and the economic situation. It is not entirely clear which of the two lower curves in Figure 3 is the most meaningful indicator of the politically relevant support for sovereignty.

4.3. United Kingdom

Leaving aside the very different (and violent) case of Northern Ireland, which was discussed briefly in Section 3 above, consider in a little more detail developments in Scotland and Wales.

The Scottish National Party

In 1927 the Government of Scotland Bill, backed by the Scottish Home Rule Association, failed because it was not given sufficient parliamentary time (Devine and Finlay 1996). As a consequence, most nationalists decided that nothing could be expected from the “British” parties. The result was that in 1928 the National Party of Scotland was formed, followed in 1932 by the Scottish Party. These two merged in 1934 to become the Scottish National Party (SNP), a centre-left political party which thereafter campaigned for Scottish independence (Kellas 1989). Figure 4 shows the share of the vote going to the SNP (and to Plaid Cymru in Wales, discussed below) from the general election of 1935 to 2005.

One year after its birth the SNP received 1.1% of the Scottish vote in the 1935 general election. The percentage of popular vote for the SNP in Scotland remained small until the discovery of North Sea oil off the Scottish coast in the 1960’s -- an event that the SNP used as an argument for independence (and a larger share of oil revenues) (Duerr 2007). This argument apparently proved fairly persuasive since the SNP received its highest support in terms of votes in the general election held on the 10 October 1974, one year after the 1973 oil shock. The SNP campaign slogan in 1974 was simple: “It’s Scotland’s Oil” (Kellas 1989). However, the causal link between the oil price and the vote for the SNP is certainly not evident in either voting or survey data if one compares the evolution of the vote share of the SNP and nationalist sentiments with the price of oil (Green 2005).

Regardless, the mills of devolution have continued to grind in recent years. A separate Assembly for Scotland was proposed in a legislative act of 1978 but did not come into

32 Recall the earlier discussion, in Section 2 above, of the poll results for Scotland and Wales analyzed in Curtice (2006).
effect as it failed to receive sufficient support in a referendum on the issue\(^\text{33}\). However, in 1999 substantial powers were finally officially devolved to Scotland and a Scottish Parliament and government came into existence. The process has not stopped there: in 2009, the Scottish Government issued a report on ways to increase Scotland’s fiscal autonomy and an official commission on devolution appointed jointly by the Scottish and UK governments (the Calman Commission) also issued its report.\(^\text{34}\)

**Plaid Cymru**

The Welsh nationalist party, Plaid Cymru, was also founded in the 1920s as the result of the merger of several smaller groups to form the Plaid Genedlaethol Cymru (Welsh Nationalist Party). Quite differently from the case in Scotland (or Northern Ireland) the objectives of this new nationalist party reflected concern with culture and language in Wales rather than with any specific political goal. A few years later, the express objective of self government for Wales was incorporated into the party’s program (Balsam 1979).

As Figure 4 shows, the percentage of vote for Plaid Cymru during general elections was insignificant until the 1970 election when it obtained 11.4% of the vote in Wales. Subsequently, unlike the rise and fall of the SNP support over this period, Plaid Cymru maintained approximately the same level of support, peaking in the general election of 2001 with 14.3%. This difference between the support for the Plaid Cymru and the support for the SNP is probably largely explained by the fact that Plaid Cymru, unlike the SNP, draws its vote primarily from those who live in a traditional rural cultural mode and that both Welsh-speakers and rural residents are minorities in Wales (Balsam 1979).

Nonetheless, as in Scotland – although to a lesser degree - substantial devolution of powers to Wales, including the creation of a Welsh Assembly, took place in 1999. Currently, following in the footsteps of the Calman committee, whose work underlies the recent Scottish report cited earlier, a committee established by the Welsh Assembly is considering options for further fiscal devolution to Wales.\(^\text{35}\)

On the whole, for the three European countries considered in this section, decentralization seems to have had relatively little apparent impact on secession minded voters either in slowing down their support – Belgium -- or in increasing it – the UK.

\(^{33}\) The proposal obtained a majority of the vote (51.6%) but only 32.9% and not the required 40% of the electorate of Scotland ([http://en.wikipedia.org/wiki/Scotland_Act_1978](http://en.wikipedia.org/wiki/Scotland_Act_1978)).


\(^{35}\) For the first report of this commission and other information, see [http://wales.gov.uk/icffw/home/?lang=en](http://wales.gov.uk/icffw/home/?lang=en)
regions. In Spain, while the story may differ in the two regions considered, it is equally difficult to detect any clear link in the voting data one way or the other between increasing decentralization over time and the degree of support for further moves toward autonomy (let alone secession). Indeed, perhaps the clearest European example of an apparent link along these lines was noted in Section 3 with respect to the initial decentralization by Denmark of many powers to Greenland in 1979, and the 2008 Greenland vote favouring still further moves in this direction.

4.4. The Case of Québec

Perhaps, however, we can learn more by analyzing more closely the evidence from Québec. As Figure 5 shows, at the provincial level, support for the “sovereignist” option put forward by Parti Québécois (PQ) rose from 10% when that option was first offered and since 1973 has not fallen below 30% of votes cast either in provincial elections or referendums. Even more strikingly in some ways, as Figure 5 also shows, public support for the sovereignist party at the federal level (Bloc Québécois, BQ) has remained above 40% even though this party does not – by its choice -- participate in the federal government in any direct manner and can certainly not achieve sovereignty in any way, shape or form. In a sense, therefore, voting at the federal level for the BQ can perhaps be considered a more “pure” expression of secessionism than voting provincially for the PQ, since the latter also inevitably reflects voters’ judgments about how well, or how badly, the provincial government has been serving their interests.

[insert Figures 5 near here]

In Section 2 above we reviewed some limited empirical work across countries and regions for varying sets of countries. While useful, such work is hard to interpret for many reasons, not least because what is meant by pursuing autonomy or secession is unlikely to mean the same thing across the various countries / regions examined. It is thus interesting to look more closely at the results for one region, Québec, which has had the same secessionist party since 1968.

In particular, we examine, using both quarterly and annual survey data, the determinants of the support for sovereignty, our dependent variable. The independent variables we consider are (1) Québec’s overall unemployment rate, (2) Québec’s average personal income, and (3) one of the following three indicators of decentralization:

- The difference between federal spending in Québec and federal revenues collected in Québec- a crude concept of “net fiscal balance.” If an increase

---

36 Interpreting this case is difficult in part because exactly what the “sovereignist” option means has not always been clear even to Quebecois and may have changed over time.
37 We thank Claire Durand of the sociology department of the Université de Montréal for providing this data which can be found at http://www.mapageweb.umontreal.ca/durandc/
38 For further discussion of this concept and its measurement in the Canadian context, see Vaillancourt and Bird (2007).
in this amount is interpreted as spending more to buy support for federalism in Québec, it would presumably have a negative impact on the support for sovereignty.

- The ‘own-revenues’ of the Québec government as a share of federal revenues collected in Québec. If an increase in this ratio is interpreted as showing a greater capacity of the Québec government to do well without federal financial support, presumably it should increase support for sovereignty;
- An index with a value of 0 before 1972, 1 in the 1972-1977 period and 2 afterwards to account for changes in provincial tax autonomy in Canada. Again, an increase in this index may be interpreted as showing a greater capacity for the Québec government to manage without federal financial support and might thus be expected to increase support for sovereignty.

Table 3 presents results for both annual and quarterly estimations. The annual data spans the 1968-2004 period while the quarterly data span the 1981-2005. Years or quarters in the periods covered are excluded when survey data on support for sovereignty is missing for the relevant period.

As Table 3 shows, we find no consistent evidence that decentralization has an impact on the support for sovereignty. Three coefficients are not significant; of the two that are significant, one shows that a more generous federal government increases support for sovereignty and another that more autonomy in terms of revenues reduces support for sovereignty. This is exactly the reverse of the expected signs noted above. We also find no impact of unemployment but note that support for secession appears to increase with personal income.

Of course, such confusing results are not entirely unexpected. For one thing, it is not difficult to suggest plausible explanations for the results obtained. For example, an increase in the autonomy index (or in the revenue measure) might perhaps be interpreted as reflecting the ability of Québec to obtain more control over its spending and general position without leaving Canada, thus perhaps making sovereignty seem less desirable. Similarly, an increase in federal support - if that is what the ‘net fiscal balance’ actually measures – may actually, by increasing the federal presence, exacerbate secessionist tendencies. Two additional perverse effects may also occur if a region that “behaves well” in terms of not pursuing separatist aims is “paid well” for doing so. First, as indeed we mentioned earlier (“Danegeld”), the region may actually be encouraged to behave badly – or at least to threaten to do so – in the future in order to keep the funds flowing. Second, and somewhat less obviously, the very act of extending a reward may perhaps make it less likely that secessionists will see any need to change their basic views since

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\[ \text{39 For some discussion of the changes in provincial tax autonomy over these periods, see (e.g.) Bird and Vaillancourt (2006).} \]

\[ \text{40 The annual data for the support for sovereignty, fiscal autonomy and federal generosity are presented in appendix Figure A-1} \]
they can easily rationalize not acting on them for the moment in exchange for payment. For both these reasons, rewarding good behavior by paying for it may not only be unlikely to reduce sovereignist support but it may also lead to still more ‘bad behavior’ in the future.

In addition, many factors other than those captured in this simple exercise also changed over the period reviewed. For example, Canada joined NAFTA (North American Free Trade Area) in 1989. If entering into a wider economic zone widens a region’s economic possibilities, regional secessionist or autonomist tendencies may perhaps be reinforced by strengthening the hand of those who argue that their region would be as well off – or even better off – on its own. As suggested by Alesina and Spolaore (2003), for instance, separatist movements in some European Union countries may have benefited from this factor as well as from the general trade liberalization that has characterized recent decades, an argument also put forward by Sorens (2004).

5. Conclusion

The main conclusion that emerges from this paper is in a sense a bit frustrating: no one as yet has any very clear ideas or evidence about the impact of decentralization on national unity. Even without going into the many ways one might characterize both the key concepts of interest here – “decentralization” and “national unity”, this negative outcome is not surprising. In principle, as some of the country cases discussed earlier suggest, moves toward decentralization may be used either as a way station for a region on its way out of a country or as an attempt to induce regions to stay rather than to leave. As always, the devil is not only in the details of what is done but also in the specific context and time when it is done, as well as at whose initiative.

In some of the countries considered in this paper, no ‘exit’ option other than armed conflict is available for those who would take unhappy regions out of the country. Bednar (2007) argues in theoretical terms that that in the case of federations in principle there is always an exit option, but that if that option is too costly or difficult to be attractive, then working within the federal structure – remaining loyal to the nation-state and exercising the ‘voice’ option of Hirschman (1970) -- may be the best way to improve matters. In effect, Bednar (2007) suggests that, under some conditions regions, like people who tie themselves to forced savings plans, may find it in their own interests to have their hands tied, for instance through constitutional prohibitions on secession that induce them to work within the system to seek the proper level of decentralization. In many of the countries we have considered, however, in which violent conflict is either present or a major threat, unless the central government controls adequate force to suppress rebellion

#Footnotes#

41 From some perspectives of course, this conclusion is perhaps only to be expected. After all, we do not really know the optimal degree of centralization for a simple organization like a government department or a private firm – unless, perhaps we are prepared to leave the real world and narrow the problem down solely to the one or two dimensions that we can comfortably deal with. The world of decentralization, autonomy, and secessionism is far too broad to be easily captured with the tools we now have.
completely, decentralization may perhaps be more likely to result in fragmentation than in a stronger country.\textsuperscript{42} Particularly, but not exclusively in such cases, the precise sequencing of decentralization (Bahl and Martinez-Vazquez 2006) is obviously crucial. Indeed, more generally, as we noted in passing earlier, one really needs to analyze these issues in a more dynamic game-theoretic framework with very close attention to the specifics of each particular situation.

For example, Erlingsson (2005) provides an interesting model of municipal secessionism in Sweden. Many of his arguments can be applied in the more ‘national’ context of the present paper. For example, secessionism may arise for economic reasons -- we (the secessionist region) are paying too much or getting too little. Or, as we have tended to stress in the present paper, secessionism may arise for “cultural” reasons -- we are different from them. Finally, it may even arise for opportunistic political reasons -- e.g. the local elite cannot play the role it thinks it deserves in the larger national arena. How far such movements get, however, depends both on the degree of public support they receive and on the rules governing the process (e.g. importance of public support, need for approval of central government) as well as on the ways in which the various players (central government, national parties, regional government, regional parties) interact. For instance, the relative income levels of the ‘secessionist’ region and the ‘rest of the country’ may play an important role. Suppose, for example, that trade liberalization means that a formerly impoverished ‘hinterland’ region now becomes a ‘new frontier’ for expanded trade and economic activity -- or that oil is discovered in the region. In either case, at least potentially -- depending on how taxing powers are allocated -- the region may both need less central support than before to provide public services at the levels its inhabitants desire and be less likely to receive such support because it is now relatively better off. If the region is allowed to access all or much of the new revenue potential, it may be happy to stay. However, if the rules of the game restrict it from accessing the new revenue sources to any extent, it may begin to look for a way out.

One possible solution to such problems that has been tried in a number of countries is asymmetric decentralization. As Bird and Ebel (2007) show, a surprising number of countries around the world have to some extent already decentralized asymmetrically in the sense of bestowing more powers (and/or money) on some regions than on others. So long as the degree and nature of the asymmetry remains acceptable to those on the short end as well as to the beneficiary regions, such decentralization may act as “glue” in the sense of helping to hold a heterogeneous country together. Canada, Belgium, Denmark, Spain and even France have arguably all followed this path to some extent in the past, and the United Kingdom appears to be going the same way. Developed, democratic countries can, it appears, make use of decentralization of the asymmetric variety to at least some extent to foster continued national unity.

\textsuperscript{42} Eaton (2006) makes this argument with respect to Colombia, a country in which at times substantial territory (though relatively few people) have been beyond central control. Interestingly, however, none of the armed groups in Colombia have ever pursued secessionist policies: their aims have always been to take over the state as a whole.
On the other hand, in the many conflict countries discussed in Section 2, asymmetric decentralization may not always work out the same way. On the contrary, it may, as in the case of South Sudan and Iraq, prove in the end to be simply a temporary staging place on the road to separation. Of course, each case is unique. In South Sudan, a referendum process has been agreed on to allow the population to decide on whether to secede or not. In Iraq, not only is there is no such agreement but two of its neighbours, Turkey and Iran, strongly oppose such a possibility, let alone such an outcome. In such countries, granting more powers to potentially secessionist regions may perhaps whet the appetite for sovereignty. Taking such powers away once granted, however, is probably almost inevitably going to result in an explosion, as arguably occurred when Serbia tried to reassert its dominance over Kosovo. If national unity is the final goal, one must not, it seems, “overshoot” with respect to decentralization: the pendulum may break before it can swing back.

References


Figure 1

Belgian general elections 1978-2007

% of vote going to the Vlaams Blok (VB)


Figure 2

General Elections in Spain 1977-2008

Catalonia (% of vote going to the ERC)
Basque Country (% of vote going to the HB)

Source: Archivo Histórico Electoral, URL: http://www1.pre.gva.es/argos/archivo/
Figure 3
Support for independence and for the ERC, Catalonia, 1991-2007

Source: Data kindly supplied by Alejandro Esteller Moré

Figure 4

Source: Library House of Commons, Election statistics: UK 1918-2007,
URL: http://www.parliament.uk/commons/lib/research/rp2008/rp08-012.pdf

Figure 5
General Elections in Quebec 1966-2008

% of vote for the Parti Québécois (PQ)

% de vote pour le Parti Québécois (BQ)

Source:
Le Directeur général des élections du Québec
URL: http://www2.electionsquebec.qc.ca/corpo/francais/elections-generales-provincial.asp.
Elections Canada, URL: http://www.elections.ca/accueil.asp?textonly=false
Table 1 Empirical Studies with autonomy/federalism as a determinant of autonomist/secessionist behaviour.

<table>
<thead>
<tr>
<th>Studies</th>
<th>Units of analysis-N</th>
<th>Data sources</th>
<th>Statistical technique</th>
<th>Dependent variable(s)</th>
<th>Federalism variable: definition and results</th>
<th>Other variables: summary and selected results</th>
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<tbody>
<tr>
<td>Saideman et al (2002)</td>
<td>Ethnic group by country by year N=2564-2582</td>
<td>MAR data set Groups at risk 1985-1998 and data collected by authors</td>
<td>Prais-Winsten OLS</td>
<td>Protest (0-5) Rebellion (0-7)</td>
<td>Coded by authors using CIA handbook. Increases protest but reduces rebellion</td>
<td>Regime type/duration, political institutions (presidential, PR), GDP, differences between ethnic groups</td>
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<td>Sorens (2004)</td>
<td>Regions (15) in democracies with secessionist party N=125; all regions in countries N=2227</td>
<td>1980-2000 data collected by author</td>
<td>Fixed effects Tobit and OLS and ordered tobit</td>
<td>Share of votes obtained by secessionist parties in regional or national (in region) elections and changes in autonomy</td>
<td>Increase in autonomy has no impact on secessionist votes. Higher secessionist vote increases autonomy</td>
<td>Globalization, economic conditions (absolute and relative), type of election</td>
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<tr>
<td>Sorens (2008)</td>
<td>Regions in countries 1977-1980 as above N=480; cross section of means N=2293 panel</td>
<td>As above. Data on regionalist parties exclude parties with no regional goal</td>
<td>Tobit - with and without US states and regions accounting for less than 0.55% of country population</td>
<td>As above</td>
<td>In all equations autonomy increases support for both secessionist and regionalist parties</td>
<td>GDP, population, distance, sea access, language, past independence (which increases support for secessionism but not regionalism)</td>
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<tr>
<td>Brancati (2006)</td>
<td>30 democratic countries N= 184-290</td>
<td>Author collected data 1985-2000 (23 MAR identified countries +7)</td>
<td>Ordered logit. Fixed effects tested insignificant and hence not included</td>
<td>Anti-regime rebellion (7 values) Inter-communal conflicts (6 values)</td>
<td>3 mutually exclusive decentralization variables. Either no significant or negative impact on rebellion or conflict</td>
<td>Strength of regional parties (three variables), % subnational expenditures and revenues, electoral system, GDP, ethno-linguistic diversity</td>
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<td>Brancati (2007)</td>
<td>37 democratic countries N=148-294</td>
<td>Author collected data 1945-2002</td>
<td>OLs decade fixed effects</td>
<td>Regional party vote (%)</td>
<td>Dichotomous decentralization variable (17 decentralized). Increases the share of regional party votes</td>
<td>Electoral system, % subnational expenditures, ethno-linguistic diversity and concentration</td>
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Source: compilation by authors
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<th>Armed Conflict *current or recent</th>
<th>Regional Decentralization (degree of decentralization)</th>
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<td>Regional/ Language (.7190)</td>
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<td>Religious (.3056)</td>
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Source: Compilation by authors
Table 3. Regression analysis, Support for sovereignist party in Québec, poll results,

<table>
<thead>
<tr>
<th></th>
<th>Annual results</th>
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<th>Quarterly results</th>
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<td>Constant</td>
<td>9.88</td>
<td>2.45</td>
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<td>0.00084*</td>
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<td>Federal expenditures -</td>
<td>0.0042</td>
<td>--</td>
<td></td>
<td>.007*</td>
</tr>
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<td>revenues per capita</td>
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<tr>
<td>Autonomous revenues</td>
<td>--</td>
<td>0.84</td>
<td>--</td>
<td>-101.6*</td>
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<tr>
<td>Québec/ federal collection</td>
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<td></td>
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</tr>
<tr>
<td>in Québec</td>
<td></td>
<td></td>
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<tr>
<td>Autonomy index</td>
<td>--</td>
<td>--</td>
<td>3.97</td>
<td>--</td>
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<tr>
<td>Adjusted R2</td>
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<td>0.70</td>
<td>0.71</td>
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<td>33</td>
<td>33</td>
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</tr>
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Source: Calculations by the authors
* indicates coefficient significant at the 5% level.
Figure A-1
Main variables used in estimations reported in Table 3

Percentage of support for sovereignty in Québec (%)
Autonomous revenues of the Québec government/ federal revenues collected in Québec (%)
Personal income ($ per capita)