BIFURCATED AND INTEGRATED PARTIES IN PARLIAMENTARY FEDERATIONS: THE CANADIAN AND GERMAN CASES

by Wolfgang Renzsch

INTRODUCTION

Canada and Germany are parliamentary federations with multi-party systems in which there is a governing core (majority party or coalition) and a fragmented opposition at the federal level. The Canadian House of Commons as well as the German Bundestag embrace five caucuses each. In Canada, the traditional bipolarity between the Liberals and the Tories has given way to a more complex structure. The Liberal majority caucus is currently opposed by two essentially conservative parties, the Progressive Conservatives and Reform Party, which is now known as the Canadian Alliance; by the social democratic New Democratic Party (NDP); and by a party limited to a single province, the separatist Bloc Québécois. In the Bundestag there is a centre-left majority formed by a coalition of the Social Democrat and the Green caucuses. The “red-green” government is opposed by the caucuses of the Christian Democrats and the Liberals on the political right, and by the Party of Democratic Socialism (PDS), nominally a party of the left. The caucus of the PDS, the former East German “Socialist Unity Party” (SED), is difficult to characterize in ideological terms: it is partly inclined to traditional socialist or communist positions, and its perception of politics is largely moulded by a dichotomy of capitalism and socialism. To a large extent it also represents the deeply conservative interests of the former ruling and administrative classes of German Democratic Republic (DDR) as well as of East German social protest.

Comparing the party systems of federations, however, involves more than looking at the party composition of the federal legislatures. The relationship between parties at the central and the non-central levels is of substantial interest. In this respect, the two cases are altogether different. In Germany, despite some modifications, the party system is essentially the same at the federal and at the Länder levels. The 16 diets are more or less smaller copies of the Bundestag; there are only three Länder in which there are parties that are not represented at the federal level. With two exceptions, the two major parties in the Bundestag, the Social Democrats and the Christian Democrats, provide the largest caucuses in all of the 16 Land parliaments. Differences, however, exist among the smaller parties. The PDS recruits the votes of roughly 20 percent of the electorate in the East, and is represented only in each of the East German diets. Its votes in the West are negligible. Indeed, as a splinter party, it has not yet won a seat in the West. Conversely, the Greens have caucuses in all West German diets but one, and none in any of the five East German Länder. The Free Democrats are represented in six diets now, all in the West. Basically, the federal and the Länder party

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2 Populists right wing protest parties have won seats in Baden-Württemberg, Brandenburg and Sachsen-Anhalt. Here I omit one MP in Schleswig-Holstein who represents the Danish minority. Schleswig-Holstein election law privileges the Danish minority, which usually wins a seat in the diet.

3 In the diets of Saxony and Thuringia the PDS became the second strongest party in 1999.

4 In this context, the CSU and the CDU, though officially two parties, are considered as one.
systems are the same, with a restricted representation of the smaller parties. Therefore it is justifiable to speak of one nation-wide German party system, despite some modifications in East Germany.

The parties which make up the German party system are "integrated," meaning they operate at different levels of government having (or trying to have) "ranks closed." The same integrated parties contest elections at all given levels of government: at the local, regional (if given), national as well as the European arena. Furthermore, the European "party families" like the Social Democrats, the Christian Democrats, Liberals and Greens ("Rainbow" caucus) try to establish federations of their respective parties at the European level. Regional variations of national party systems are familiar in Germany and in Europe. They range from the Bavarian CSU, the "sister party" of the CDU, over the

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5 The terminology used here is based primarily on Smiley's ideal types of "integrated" and "confederal" party systems. See Donald V. Smiley, *The Federal Condition in Canada,* (Toronto: McGraw-Hill Ryerson Ltd.,1987); pp. 103ff. German (and most European) parties and party systems can be described as ideal types of integration.

6 Ernst Kuper (unter Mitarbeit von Uwe Jun), *Transnationale Parteienbünde zwischen Partei- und Weltpolitik* (Frankfurt: Peter Lang, 1995).

7 In Germany, parties provide political links from local level up to the European level of government. Politicians move from one level to the other, but being elected to the federal legislature is considered as the most influential. However, quite a number of politicians change levels in order to get appointed for government office, although it is not necessary to hold a seat in parliament to become a member of government.

8 The (Bavarian) Christian Social Union (CSU) and the (non-Bavarian) Christian Democratic Union (CDU) are bound together by an agreement that CSU contests elections in Bavaria only, the CDU outside Bavaria. This rule is applied to all levels of government including the European Parliament. In the *Bundestag* and in the European Parliament they linguistically divided Belgian party system, *Lega Nord* in Italy to a currently emerging bipolarity between the Labour Party and Scottish National Party in the newly established Scottish Assembly. In principle, most of these parties, although they present spatially defined interests, are integrated.

Canada is different. The federal and the provincial party systems do not coincide, and the different regions show quite remarkable differences in party structures. Different party systems can not only be distinguished historically, but also contemporarily. The federal party system is clearly distinguished from those at the provincial level. The federal majority party, the Liberals, as well as the other traditional "big" party, the Progressive Conservatnes, both serve in seven out of ten provinces, either as government or as official opposition. The NDP, currently number "four" on the federal level, is either the government or the official opposition in four provinces. From an European point of view, the most surprising feature of the Canadian party system is that the federal official opposition does not contest provincial elections: the Reform Party/Canadian Alliance acts as a purely federal party. Whether the intended merger of Reform and Progressive Conservatives in the proposed "Canadian Alliance" will be successful remains to be form a joint caucus.

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10 I omit here Yukon, the North West Territories and Nunavut. In Yukon the Liberals form the official opposition, NWT and Nunavut Legislative Assemblies are elected on a non-partisan base. See web sites of the respective assemblies.
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Currently, the new party looks more like Reform under a new label. Finally, Quebec has a party system of its own: the majority parties at the federal as well as the provincial level, the Bloc Québécois and the Parti Québécois, are restricted to that province, and do not contest elections outside. These parties do not have any formal agreements with other parties about spatial restriction.

The "bifurcation" of the Canadian party system\(^\text{12}\) — meaning that either the same party does not regularly act on the provincial and the federal level of government, or that the federal and provincial party of the same name are "divorced" — constitutes a surprising and not easily understood particularity, at least from a European perspective. Considering that European parties, despite all differences of social conditions, cleavages, regional discontent or governmental systems are integrated, the "integration" of German parties as well as the "bifurcation" of Canadian parties demands an explanation.

This paper tries to explain the "integration" and "bifurcation" of parties and party systems with Carty's concept of the "Three Canadian Party Systems,"\(^\text{13}\) which emphasizes that party systems are shaped by the "institutional arrangements for governing, within which the political parties have had to operate." This concept is suitable for a comparative analysis. A comparison of the party systems of these two countries seems to be appropriate\(^\text{14}\) because being federations, they have at least two levels of government, and because being parliamentary democracies, the parties act in a comparatively disciplined manner.\(^\text{15}\) These requirements restrict a comparison to a small number of examples. Among these, the Canadian and German party systems are important examples of "integrated" and "bifurcated" systems.

Parties and party systems are usually explained by the social conditions of the society they act in, especially by social cleavages, by regional discontent, by conflicts between state and church\(^\text{16}\) by historical circumstances, and by legal requirements. These aspects are important and must not be neglected, but they

\(^{11}\) National Post, 2 October 1999, p. 1: "Tories vote 95% against united right." For further information see United Alternative's/ Canadian Alliance's web site.


\(^{15}\) The combination of federalism and parliamentarism is a prerequisite for a meaningful comparison. In unitary states bifurcated parties are logically impossible; non-parliamentary systems, e.g. presidential ones, do not require party discipline. Non-disciplined parties, like the American ones, are able to harbour contradictory or even adversarial positions, and therefore are much less in danger of being split between the layers of government.

will not be questioned here. However, additionally, not alternatively, this contribution tries to point at the institutional setting and, thereby, at the interplay of institutional and social factors. The working structures of the two—quite different—federal systems provide different channels to express discontent and to settle conflict. *Vice versa* the ways and means in which conflicts are expressed and resolved influence the development of political systems. The different institutional frameworks have caused two different party systems, a bifurcated one based on regionalized parties, and an integrated one based on national parties. One of the important institutional factors for the evolution of different parties are the different electoral systems. First-past-the-post electoral systems support regionalized representation, while proportional systems favour national parties. First-past-the-post electoral systems also provide incentives for the parties to support the (regional) interests of their strongholds and of marginal areas. They tend to exploit disputes with the centre or other regions by exacerbating spatially based discontent. In proportional systems, parties emphasize nation-wide issues, and avoid particular regional concerns. Spatial conflicts always threaten party unity. On election day even small returns in weak areas are counted. All votes are of the same value regardless where they were cast.

Different party systems have different impacts on the kinds of political competition and the processes of political decision making. The regional parties in Canada tend to express social and political conflicts as centre-periphery oriented, which often results in disputes between the two orders of government. German national parties, however, often transform spatial conflict or even disputes between the different levels of government into conflicts between the big parties.

**PARTY SYSTEMS IN CANADA**

"The beginnings of a party system first appeared in the United Provinces of Canada (now southern Ontario and Quebec) in the period following the Act of Union of 1840." After Confederation in 1867, the party system was extended to the Maritime provinces and later to the West. However, parties were originally not well established but were more unions of groups which did not show loyalty to a national but to sectional leaders. It was not until the end of the 19th century that a national two-party system emerged. In a century society devoid of important ideological cleavages, the political parties differed little in opinion at this time. The parties mirrored each other closely, and sought support from all classes, religions

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18 Neither "regionalized" and "bifurcated" nor "national" and "integrated" are identical. European regional parties are mostly integrated.


20 In Germany the strategy of the PDS is most remarkable. The East German party campaigns also in the West despite a return of about 2 percent of the electorate. However, this 2 percent might become important when added to the return in East Germany; it might help to pass the five-percent-threshold at the federal elections.


and ethnic groups. Conflicts between classes and regions were handled quietly within the parties rather than openly between them. Thus, the party system resembled the American model more than the British. Their main function was patronage, and partisanship pervaded the state. Parties became the principal channels for recruitment of civil servants and other governmental employees. Politics was parochial and oriented towards receiving favours from the government. Parties were vote gathering machines, held together by the incentives to gain or to maintain office. Within the parties little distinction was made between federal and provincial politics. On the contrary, the fusion of federal and provincial politics made patronage work even for the party which was in opposition. Local party organizations normally operated at both levels of government, and party notables moved easily from one level to the other. In these bygone days parties were stable and well integrated.\(^{24}\)

After World War I the "first party system" was swept away by administrative reform, social mobilization and political realignment. The patronage party system was replaced by a brokerage system. Firstly, due to industrialization and urbanization a set of new cleavages emerged within Canadian society. Most important was the cleavage between rural agricultural and urban industrialized Canada. This social cleavage had an important geographical dimension: it became a cleavage between the industrializing centre and the agricultural West and the Maritimes (plus the rural areas of Ontario and Quebec). Secondly, political realignment was caused by the conflict about conscription, the introduction of democratic electoral arrangements, universal suffrage, impartial electoral machinery and the end of gerrymandering. Party competition also modernized. Thirdly, the creation of a professional civil service reduced political patronage at the federal level, which deprived the parties of the glue that kept them together, and which tightly bound federal and provincial party interests. Political cleavages were now defined in regional terms; governing meant accommodating the various factions and divisions in Canadian society. Parties consequently became political brokers, and as such, instruments of governance.

With the emergence of brokerage parties, the spatial variation of party support increased considerably, indicating the parties' reduced capacity for national integration. The federal orientation of the parties strained their capacity to integrate national and provincial interests. In the Prairies and the West, the traditional two-party system lost its grip. The balance between the two historic parties disappeared, and protest parties established themselves. Thus, before the Second World War the old two-party system changed into a "two-and-a-half party system" through the emergence of third party movements. Protest parties became a common feature in the West, exploiting primarily regional discontent. This period saw the rise of the Progressive party, and the Co-operative Commonwealth Federation (CCF) and the Social Credit Party. The party system became asymmetric because the Liberals were still able to build an organization capable of embracing the regions' diverse interests, while the Conservatives proved to be incapable of reconciling competing regional claims.\(^{25}\)

The Diefenbaker revolution and realignment (1957/58) ended four decades of Liberal brokerage politics. Canada had evolved into an urban, industrialized, well-educated and plural society. Provincial governments grew quickly and provincial politicians adopted the role of regional spokesmen. The federal political agenda changed. Instead of brokerage politics, Prime Minister Diefenbaker, as well as his successors Lester Pearson and Pierre Trudeau, pursued a pan-Canadian policy — "One Canada" — approach. The Bill of Rights, national development and national energy policies, the


\(^{25}\) Thorburn, *Party Politics*, p. 9; Carty, p. 20ff.
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Canada Pension Plan, medical insurance, bilingualism and biculturalism, and constitutional reform centralized responsibilities in the hands of the federal government. Because of this pan-Canadian approach regional accommodation shifted from parties to the first ministers' conference. Regional accommodation was consequently institutionalized in a complex system of federal-provincial relationships, often described as "executive federalism." Deprived of their role as brokers between competing regional interests the parties developed new styles of politics. Parties shifted their attention to the nation and adopted a pan-Canadian style of political leadership and governance. The party organizations were personalized, and underwent a process of centralization at the leadership level. Party leaders and/or their agents subsequently took control of the campaign machinery across the whole country.

The pan-Canadian policy approach caused discontent primarily in Quebec and the west. Quebec did not join the Canada Pension Plan. National energy policies pitted the industrialized east against the oil producing western provinces. Growing tensions between the federal government and the provinces affected the parties. The process of centralizing the parties as electoral machines around their national leaders strained their ability to integrate politics within the provinces. It became difficult for the parties to act as defenders of federal and provincial interests simultaneously. The result has been the separation, or often formal divorce, of the provincial and federal wings of the same party. When provincial parties were punished by the electorate for their association with federal parties, they sought more independence from their federal counterparts. Regional differentiation proceeded furthest in Quebec, and least in Atlantic Canada. On the west coast the two old parties have nearly disappeared from provincial politics. Because of the political realignment in the West in favour of the Conservatives, and later Reform/Canadian Alliance and the NDP, the Liberals ceased to be a national party in a geographic sense of the term. In Quebec, the provincial Liberals became the party of the federalists, or — to be more precise — of non-sovereignists. The geographically unbalanced character of the party system weakened the ability of the parties to carry the burden of accommodating regional differences in the governing process. Party competition between regionally concentrated parties diminished the possibility of accommodation. Parties became less interested in reconciling diverse interests: now they exploited them in the first-past-the-post electoral system, which has continued to the present day.

The bifurcation of the major Canadian parties was caused by the advent of executive federalism. The links between the federal and provincial level of government provided by the major parties were replaced by co-operation between ministers and civil servants. They developed the necessary "trust ties" required for successful federal-provincial negotiations. The parties confined their role to political competition: they provided the channels not only for partisan competition at the federal level


30 Concerning the effects of the electoral system, see Cairns, “The Electoral System,” pp. 55- 80.
but also for competition between the provinces and the federal government. By expressing adversarial interests between the levels of government, the parties lost their abilities to bridge conflicts between the orders of government and became bifurcated. The bifurcation of the party system was further exacerbated by the upsurge of Quebec nationalism, and later by western alienation. Conflicts of the centre-periphery type not only created regionalized parties but also bifurcated ones, as regional conflicts began to call into question the existing federal structure.

In the general election of 1993, the “two-and-a-half party” system, in which the Liberals and Conservatives regularly received over three quarters of the votes, was replaced by a five-party system. The Bloc Québécois and the (neo-Conservative) Reform Party established a firm position in the House of Commons at the expense of the Progressive Conservative Party. This new party system stabilized in the 1997 general election.31 Since 1993, out of five parties in parliament, three have represented distinct geographic regions. The Liberals have primarily become the party of Ontario where they won all but one (1993) or two (1997) seats. Ontarians constituted 55.4 percent (1993) respectively 65.2 (1997) percent of the Liberal caucus. However, they remained the only party in the 1990s which won seats in all regions (not all provinces) of the country.32 All other parties more or less represent only one region. Not surprisingly the Bloc Québécois recruited all its caucus member from Quebec, where they gained 72 percent of the seats in 1993 and 58.7 percent in 1997. The Reform Party gained all its seats (except one in 1993) in the West. The Progressive Conservatives saw themselves primarily restricted to the Atlantic provinces, and the NDP in 1993 – like Reform – to the West. In 1997, the NDP won about a third of their seats in the Atlantic provinces.33 The Liberal majorities in 1993 and in 1997 were hardly the result of the strength of the party; it resulted instead through the split of former Tory votes among PC, Reform and Bloc Québécois.

The 1993 and 1997 general elections confirmed the growing tendency of regional interests to become a prime issue at national elections.34 Observers spoke of “balkanization” as regional interests gained priority over nationwide interests. Traditional Liberal brokerage politics ceased to be successful in accommodating the rift between Quebec and the West: the two philosophies were irreconcilable. For many Quebecers, Canada was still considered as a compact between two founding peoples, the English and the French. However, many Canadians outside Quebec regarded Canada as a partnership of ten equal provinces, none of which was entitled to special privileges.35 Therefore, Quebec’s pledge to gain acceptance as a distinct society, for provisions to shelter French Canadian culture, and for certain veto positions (e.g. concerning immigration or regulation of the labour market), were considered as undue and unacceptable by the West. The official Liberal pan-Canadian policy of bilingualism, for instance, was perceived as offering too little in Quebec and as too much in the West.

Regional fragmentation of the Canadian party system has been supplemented by a bifurcation of the parties between the orders of government. It is quite common in federal

31 See Table 1 and 2, page 25.


systems that the results of national elections vary from those at the sub-national level. Usually the party in office nationally has to encounter difficulties at provincial or land elections. In Canada the differences seem larger than in Germany, but there is a remarkable variance on this point within Canada. Political representation of the Atlantic provinces at the federal level resembles representation at the provincial level. In three of the four provinces the strongest provincial party is concurrently also the strongest party federally. In Newfoundland, even the two strongest parties are the same. In New Brunswick, having an effective three party system both on provincial and federal level, number two and three have switched. 36

As indicated, Quebec plays a special role. Quebecers often see themselves alienated from anglophone Canadian society. From their point of view, they have fought a constant struggle to preserve their traditions, cultural distinctiveness, and especially their language. The place of francophone Quebec in Canada dates back to the days of Confederation. Sometimes the conflict smouldered under the surface, in other periods it was in open flames, radicalized by the quest for national sovereignty for Quebec. 37 The current provincial party system reflects this cleavage between sovereigntists and federalists, which became enhanced by the failed constitutional accords of Meech Lake and Charlottetown as well as by two referendums on an independent Quebec in May 1980 and October 1995. 38 All other divergent interests and political affiliations are comparatively unimportant in the face of this conflict, which has created the actual two-party system in the Quebec Assemblée Nationale. 39 The differences to other provinces are not only marked by the Parti Québécois which contests elections in Quebec only, but also by the Liberal Party of Quebec rallying practically all federalists (or non-separatists) on the provincial level. 40

The federally dominant party in Quebec, the Bloc Québécois, was founded by dissent MPs of the Conservative caucus in the House of Commons after the failure of the Meech Lake Accord. A few Liberal MPs joined them. The Bloc did not become a branch of the provincially dominant party, the Parti Québécois, but they shared the common goal of sovereignty for Quebec. These two parties are linked together by their prime goal, by an overlapping membership, and by mutual support. 41 They are functionally distinct only with respect to the political spheres they act in.

However, the other relevant parties, the Progressive Conservatives and the Liberals, are

36 See Table 3, page 25.


39 The Assemblée Nationale counts 76 MPs of the Parti Québécois, 48 Liberals and 1 member of the Action Démocratique du Québec, web site of the Assemblée Nationale.

40 Most remarkable is the political career of the current leader of the official opposition and leader of the Liberals in the Assemblée Nationale, Jean Charest. From 1993 until 1998 he served as the leader of the federal Progressive Conservatives in the House of Commons. In 1998 he switched to provincial politics in Quebec to become immediately leader of the provincial Liberals, cf. www.assnat.qc.ca/eng/membres/chaj5.html.

also bifurcated. National elections are successfully contested by the federal Tories as well as by federal Liberals.\(^4^2\) The Reform Party is the only major federal party whose participation in the federal elections in Quebec is negligible.\(^4^3\) This de-facto absence of Reform in Quebec is easily explained by its opposition against any – alleged or real – privileged treatment of the province within the Confederation: Reform and Bloc are the opposite ends of the scale on this issue. Curiously enough though, despite their antithetic, positions they can be viewed as “odd bedfellows” because they agree on certain points about the federation: they oppose pan-Canadian approaches, especially bilingualism and biculturalism; they are anti-federal; they oppose federal intrusion into provincial politics; and they support a devolution of power to the provinces.\(^4^4\)

Ontario, the largest Canadian province, is also a case of its own. Until the late 1980’s the “two-and-a-half” provincial party system seemed to mirror the national party system. The two big old parties, the Liberals and the Tories, were the prime actors, the NDP remained a minor party.\(^4^5\) That changed after the provincial election of 1990 when the social-democratic NDP, with only 37.6 percent of the popular vote, won a majority of the seats in the provincial legislature. The provincial elections of 1995 and 1999 indicated a return to the old two-and-half-party system in the province: both times the Progressive Conservative gained overall majorities in the provincial legislature, the Liberals came second, and the NDP was reduced to its former status of a “third party.” However, it should be noted that the ruling PC government in Ontario, led by Premier Mike Harris, favours neo-conservative approaches, rather than the brokerage style of the traditional Tories.

The Progressive Conservatives were not able to translate their strong position in Ontario into success at the federal level. At the national election of 1993 and 1997 the federal PC failed, while the federal Liberals won all the seats in Ontario but one (1993) and two (1997) respectively. But they did so only because the conservative votes were split between the PC and the Reform Party.\(^4^6\) Thus, without the fracture of the conservative votes in Ontario, the federal Liberals would have hardly been able to form a majority government at Ottawa.\(^4^7\)

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\(^4^2\) In the 1997 general election, the Bloc Québécois returned 44, the Liberals 26 and the Progressive Conservatives 5 MPs from Quebec to the House of Commons, Frizzell and Pammett (eds.) *The Canadian General Elections of 1997*, p. 251.

\(^4^3\) In the 1997 general election, Reform candidates contested 11 out of the 75 Quebec ridings. They received between 0.8 and 2.5 percent of the popular vote; see Frizzell and Pammett (eds.) *The Canadian General Elections of 1997*, pp. 251–263.


\(^4^6\) In the 1993 general election, the Liberals won all seats but one, while the Progressive Conservatives got 18 percent of the popular vote and no seats, and the Reform 20 percent and one seat; see Thorburn (ed.) *Party Politics*, p. 617. In 1997, the Liberals failed to win two seats. One returned a PC, the other an independent. In 27 of the 101 ridings won by the Liberals, PC and Reform together counted more votes than the Liberals, PC and Reform each gained about 19 percent of the popular vote; see Frizzell and Pammett (ed.), *The Canadian General Elections of 1997* pp. 251-274.

\(^4^7\) To overcome the disadvantage resulting from the electoral system, leaders of the Reform Party initiated the process of merging the Reform and PC in the “United Alternative,” which was later renamed the “Canadian Alliance.” It remains to be seen whether merging the two parties on federal level will be successful. If traditional Tory-conservatives feel dominated by a neo-conservative Alliance, the result could be a split of the new party on provincial level into two competing parties.
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In the western provinces, the picture changes again. With the exception of Alberta, the provincial party systems are no longer structured by the competition of the two old parties. The two major parties are different in each of the three other provinces: either NDP and Liberals (British Columbia), NDP and PC (Manitoba), or NDP and the Saskatchewan Party (really Saskatchewan Conservatives) have become the main competitors.

Federally, the west has become the heartland of the Reform Party (now known as the Canadian Alliance). In 1997, the Reform Party won all its 60 seats in the west. Only 28 seats in the west went to other parties.48 Manitoba, the most eastern province of the west, is the sole province in which Reform has not gained the majority of seats.49 To a lesser degree but similar to Ontario the Liberals gained from a split of conservative votes between Reform and the PC.50 Most remarkable is the fact that the electorates of both Saskatchewan and British Columbia supported the right-wing Reform Party federally, and provincially the left-wing NDP.51

In the western provinces generally, the traditional system of middle-of-the-road brokerage parties has given way to a more competitive party system with a left-right confrontation. In three of the four western provinces, the NDP serves in government or as official opposition. Federally, right-wing Reform and to lesser degree left-wing NDP gained from setbacks suffered by the Liberals. Both parties succeeded primarily because brokerage politics failed. Growing ethnic diversity in the west deepened the cleavage between English and French Canada. Federal pan-Canadian policies, expressed in the National Energy Policy,52 Meech Lake and Charlottetown Accord, especially the politics of bilingualism (which interfered with the provincial jurisdiction over schools) and acceptance of Quebec as a distinct society, seemed to devalue the status and the contributions of other ethnicities to Canada, bred opposition to any special treatment, especially of Quebec, and fostered a strong belief in the virtue of equality of provinces. The Reform Party, in particular, capitalized on the widespread discontent in the West about Canadian federalism and the intrusion of the federal government into provincial jurisdiction.53

The picture as a whole shows Canadian parties fragmented in a twofold way: regionalization is expressed in party systems differing in the various regions of the countries. Bifurcation of the party systems is not merely an organizational distinction between the federal and a provincial branch of a party, but – outside the Atlantic provinces at least – federal and provincial parties even of the same name are distinct.54 At first glance, bifurcation of the party systems can to a large degree be attributed to the decline of the PC. On the federal level the old Tory party disintegrated into the Bloc Québécois and the Reform Party when the PC failed to accommodate the divide between

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48 Liberals: 15 seats, NDP 12 seats, PC 1 seat; see Frizzell and Pammett (eds.) The Canadian General Elections of 1997, p. 251.

49 Liberals 6 seats, Reform 3 seats, NDP 4 seats, PC 1 seat.


51 See Table 4, page 25.

52 The economic prosperity of the western provinces has been linked to the exploitation of mineral and natural resources. The provinces were interested to avoid any federal control of these resources; David E. Smith, The Regional Decline of a National Party: Liberals on the Prairies (Toronto: University of Toronto Press, 1981), p. 133.


54 It should be mentioned, however, that the membership and party activists of federal and provincial parties often overlap.
English and French Canada. In the West – with growing distance from Quebec – federal brokerage politics were less accepted than in the East. A closer look shows that the regionalized and (partly) bifurcated party systems reflect the political cleavages of the different Canadian regions. This is most prominent in Quebec where political competition is dominated by the question of staying in the country or not. Therefore the two main provincial parties represented at the Assemblée Nationale mirror the conflict between federalists and sovereignists.

The bifurcation of the Canadian party system is not merely a question of separated party organizations but also one of electoral behaviour. The electorate of the western provinces has voted provincially within a familiar left-right scheme, and given majorities to the “left” NDP in three of the four provinces. Federally, however, they primarily supported Reform.55 Obviously the bifurcated party structure offers the opportunity to return a party, which is not involved in the provincial political competition, to the House of Commons as a regional representative. In Ottawa the electorate of the west prefers to be represented independently of the political cleavages at home. Reform, not being involved in provincial politics, offers the opportunity for an unhampered representation of western interests. The different spheres of jurisdiction allow different party identifications provincially and federally which are obviously not felt as conflicting loyalties by larger parts of the electorate.56 It seems doubtful whether Reform – even under the new “Canadian Alliance” label – can pursue this function any longer if it becomes a national party by expanding to Ontario and the Atlantic provinces or successfully merges with the PC and becomes involved in provincial politics.

**PARTY SYSTEMS IN GERMANY**

Unlike Canada, the German party system can be depicted as a national one with regional modifications. The main German party “families” trace their history back to the second half of the 19th century. The Conservatives were the defenders of the traditional – in the 19th century still semi-feudal – political and social order; the Liberals demanded personal and economic liberty, German unity instead of dozens of principalties, and the integration of markets. The labour movement and the Social Democratic Party grew out of the cleavages between labour and capital and between labour and government (Anti-Socialist Laws, 1878 – 1990). Finally, the conflict between government and Catholic Church (“Kulturkampf” of the 1870s) supported the development and consolidation of the Centre Party (Zentrumspartei). All these “party families” except the Centre Party rested in certain social strata of society. The Centre Party represented Catholic interests regardless of social class or status. Regional strongholds did not gain the importance of regional representation.57 The few regional parties (Poles, Alsace-Lorraine, Guelph supporters of the deposed House of Hanover) sought co-operation with other parties critical of the Prussian-German rule. During the Weimar Republic (1919-1933) the party system underwent a process of severe fragmentation. The strictly proportional electoral system was rather supportive to splinter parties. Weak national governments allowed the rise of the

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57 The Centre Party recruited its followers primarily in Catholic areas; the Social Democrats were strong in industrialized parts of Germany; the Conservatives were supported primarily by the (aristocratic) Prussian agrarians, the civil service and the army.
Nazis, who seized power in 1933 and established twelve years of dictatorship.58

After the Second World War, a reformed and more integrative party system emerged. The newly established Christian Democracy integrated the former clientele of the Catholic Centre Party and conservative Protestants. It developed a distinct organization in Bavaria, the Christian Social Union (CSU); in the other parts of the country, it was named the Christian Democratic Union (CDU). Formally, the two parties agreed not to compete: the CSU contests local and Land elections in Bavaria only, while the CDU runs outside Bavaria. In the federal and European parliament both parties have joined into a common caucus. During the 50’s the parties managed to “swallow” some regional and refugees parties.

The Social Democrats successfully absorbed left-wing splinter parties and organizations, including parts of the Communist clientele, as well as smaller pacifist and neutralist movements. At least since the 1960s the different social milieus were diluted, and the parties lost “given” political support. In East Germany traditional political affiliations have nearly been totally lost because of the lack of political freedom for 60 years. Today German catch-all parties have been depicted as “patchwork carpets,” or “loosely coupled anarchies,”59 that are similar but not identical: the groundwork of the patchwork still shows remainents of the different colourings.

Beside these two big parties, the Liberals (FDP) survived as a comparatively small but often rather influential party. Originally a right-wing Liberal party, they distinguished themselves from the predominantly still Catholic Christian Democracy by adopting secular policy approaches.

This “two-and-a-half” party system dominated politics nation-wide at all levels of government, and remained stable until the 1980s. Changes occurred with the consolidation of the Greens in the 1980s and the absorption of the Party of Democratic Socialism (PDS) after German unification in 1990. The Greens started off as a protest movement of veterans of the students movement of the late 60s and of the peace movement, opposing NATO rearmament and ecological hazards. Originally, the Greens pursued politics of direct democracy and fought professionalization within the party. Being successful at Land and federal elections the Greens overcame some “infantile diseases,” however, they still advocate a separation of governmental executive office and party leadership as well as strict gender equity in public office.60 Meanwhile they have become the smaller partner in several coalition governments at Land level, and – since 1998 – in the federal government. The Greens have – like others – become a party interested in getting access to governmental power, however, they still care for stronger participation of rank and file in intra-party decision making. The latter has caused a considerable amount of stress for the “red-green” federal government during its first year in office. It proved – and still proves – to be difficult to reconcile the expectations of rank and file of the Green party and the actual possibilities of a government in office.

The East German PDS is the successor of the former Socialist Unity Party (SED), which

58 See Peter Lösche, Kleine Geschichte der deutschen Parteien (Stuttgart: W. Kohlhammer, 1993); Alf Mintzel and Heinrich Oberreuter (eds.), Parteien in der Bundesrepublik Deutschland (Leske und Budrich Opalden, 1990); Oscar W. Gabriel, Oskar Niedermayer and Richard Stöss (eds.), Parteiendemokratie in Deutschland (Westdeutscher Verlag Opladen, 1997).


60 The Greens usually have two leaders, a woman and a man, and half of the public offices to which the Greens are entitled are to be given to women. Until June 2000 a party leader who took over a public office had to resign from functions within the party.
ruled the GDR. Today the party represents the interest of the former administrative elite (the “ruling class” of the GDR), and East German social protest. Currently, the party is trying to “modernize” its appearance in order to get out of the ghetto of the old GDR-milieu. Whether these attempts will be successful remains to be seen. In the East German Länder the party returns about 20 percent of the popular vote, but only one to two percent in West Germany. Although the PDS membership and electorate are clearly concentrated in East Germany, the party itself contests elections at all levels of government (including the European parliament) and in all parts of Germany. There are two reasons: party ideology and the electoral system. The party ideology focuses on “overcoming capitalism” which hardly can be pursued regionally. Unlike the Canadian electoral system, the German system pays premiums for getting votes in the whole country. Even a return of one or two percent in West Germany at federal elections can be vital for the party to be represented in the Bundestag.\(^{61}\) It is still open whether the PDS will in the long run consolidate as a party left of the Social Democrats, or as a regional East German party, or will vanish from the political spectrum entirely.

Protest parties – except the “early” Greens – have been short lived up to now. In the late 1960s and again in the 1990s, right wing parties succeeded at Land elections and formed caucuses in Land diet. Until today none has stayed longer than two legislatures, and they never won seats in the Bundestag.

German parties are – unlike Canadian – integrated. All of them are organized from the bottom up. Their main area of activity is local politics (elections of local councilors are run on party tickets). The local party clubs are delimited mostly along municipal boundaries, not along constituencies.\(^{62}\) There the ordinary party members enjoy a number of incentives like getting access to information about local politics (which are often too unimportant to be reported in the media but can considerably influence living conditions in a small environment), to local decision making, and patronage. Besides that, the local party club provides the opportunity to socialize with people of the same political faith, and to meet party notables from time to time. Political careers up to highest office usually start at local level.\(^{63}\) The political way up, which is sometimes named “Ochsentour” (oxens’ trip), is promotion from local level to Land level and finally to federal level.\(^{64}\) Intra-party elections to conventions at Land or federal level start locally. Here again, the different levels are regarded as a hierarchy. However, political integration is not only an issue of élite recruitment but also of influencing politics. Local party clubs discuss policies regardless of jurisdiction. They are entitled to propose resolutions at any level of the party organization. It is another question, however, whether real influence can be exercised that

\(^{61}\) The German electoral system combines proportional representation and the single-member constituencies. Half the member of the Bundestag are elected in constituencies by the first-past-the-post system, the other half by party lists. To be able to form a caucus a party has to get either five percent of the federal popular vote or has to win at least three constituencies. For a small party it is very rare to win a constituency. While the PDS won four seats in the former East Berlin in the 1994 and 1998 elections, the party is “safe” as long as it wins five percent of the federal votes. But the one or two percent in the West are vital for the party because 20 percent in the East makes only about 4 percent federally.

\(^{62}\) Like in Canada, the constituency boundaries of the two levels of government are not identical. Since the parties are not organized within constituencies, the federal and Land electoral boundaries have practically no impact on party organizations.

\(^{63}\) The career of the former German Chancellor Helmut Kohl is quite remarkable from this respect; see Klaus Dreher, Helmut Kohl: Leben mit Macht (Stuttgart: Deutsche Verlags Anstalt, 1998).

\(^{64}\) Except the first two Chancellors, Adenauer and Erhard, all others have laid the ground for federal office in Land politics. When a federal government changes, a number of federal ministers are drawn from Land politics.
way. Unlike in Canada, party finances and campaigning are also integrated. The interlocking structure of German parties over all levels of government has considerably contributed to the stability of the parties and the party system.

On election day most voters do not distinguish between the levels of government. Land, European and even local elections have – at least partly – become referenda about the political performance of the federal government. For Land governments it is very difficult if not impossible to dissociate itself from an unpopular federal government run by the same party. The impact of federal politics on Land elections is partly justified because of the influence of Land government on federal politics via the second federal legislative chamber, the Bundesrat.

Intra-party communication, access to information, influence on decision making, patronage etcetera constitute a common electoral fate for politicians of the same party at different levels of government. Closing ranks over the levels of government is considered important for success in elections. Therefore, the parties often try to accommodate conflicts between the different levels of government at the party board. The federal and Länder leaders meet regularly on an equal footing, at least in principle. However, party leaders in government are able to exercise more influence than those in opposition. Party discipline is cherished but not enforced as strictly as in Canada. Political positions are “softer” because the various interests at different levels of government as well as of coalition partner have to be taken into account.

FEDERALISM

After the discussion of the Canadian and German party systems the focus will shift now towards the different institutional settings, in particular towards the decentralized competitive federalism of Canada and the unitary co-operative federalism of Germany. Both political systems have developed party systems which “fit” their federal structures.

CANADA

Today Canadian federalism is highly decentralized, but originally the picture was different. The British North America Act (BNA) of 1867, later labelled as the Constitution Act (1867), provided for a strong central government: it was entitled to jurisdiction over trade and commerce, interprovincial transportation, banking, currency, as well as for protecting the rights of religious and linguistic minorities, for taxation of any kind, and to a broad general power to make laws for the “peace, order and good government of Canada.” The federal government was to appoint the Lieutenant Governors of the provinces, and to have the power to “reserve” provincial legislation for the pleasure of the Governor General. Finally, Ottawa could bring “works and undertakings” in the provinces under federal control by its “declaratory power,” and had an unlimited power to “disallow” or invalidate any or all provincial laws within a year of enactment.

The provinces, on the other hand, were given responsibilities in matters of local and provincial concern such as education, health, and what became later labelled as social policy. In addition the provinces were granted a broad, however imprecise, residual power in “property and civil rights.” Under changing political challenges, the demarcations of federal and provincial powers were bound to create disputes between the federal and the provincial governments. However, the settlement of 1867 lacked the instruments for conflict resolution: the provinces did not obtain a strong voice in federal decision making. Though the Senate was supposed to represent the regions equally, it did not fulfill this task since it was appointed by the federal government according to its own interests. Furthermore, no rules existed for amending the constitution. In principle this right remained in British hands upon request of the federal government. The same was true of
judicial arbitration of intergovernmental disputes. Although the federal government was empowered to create a Supreme Court, the ultimate judicial authority remained with the British parliament.\textsuperscript{65}

From confederation until the end of the 19th century, the federal government pursued the nation- and market-building objective to the advantage of Ontario and Quebec. Tensions between the provinces and the federal government were fuelled by growing Catholic-Protestant and French-English conflicts creating pressures for a more decentralized model of federalism. For French-Canadians, it became indispensable that matters of religion and language remain within the jurisdiction of the provinces. Without this Quebeckers feared becoming an unprotected minority in Canada.

At the end of the 19th century, the provinces gained strength. Industrial development and exploitation of resources took place largely under their control. Provincial revenues swelled, reducing their dependence on federal support. The federal government used its power of reservation and disallowance relatively infrequently. In an era of a minimal state, federal and provincial responsibilities seldom overlapped, and – until the Great Depression of the 1930s – seldom gave reason for intergovernmental conflict.

The tranquillity changed when the Great Depression caused a crisis of the state and the federal system. A formal unemployment rate of more than 20 percent resulted in enormous pressure for welfare and relief which fell largely

in the competence of the provinces. Decreasing revenues and increasing burdens drove the provinces to the brink of bankruptcy. The federal government led by Prime Minister Bennett sought to copy President Roosevelt’s New Deal but failed because the Judicial Committee of the Privy Council ruled that the key provisions of the Canadian New Deal were \textit{ultra vires}, or beyond the powers of the federal government. The courts reinforced a decentralized model of the federal system. Since this ruling any regulation or treaty signed by the federal government has needed provincial legislation to be implemented when areas of provincial jurisdiction were affected. The courts resolved the ambiguities of the 1867 Constitution Act extensively at the expense of the federal government.\textsuperscript{66}

However, Keynesian policies and the welfare state remained on the political agenda. The political debate centred on the question of whether or not a federal system would be able to provide for these demands. It was stopped temporarily during World War Two, as Ottawa assumed virtually all the powers of a unitary government. As early as 1944 the debate on the creation of a Canadian welfare state resumed. The central government only seemed to be able to control the major fiscal, jurisdictional, and bureaucratic resources for implementing the necessary measures. Ottawa declared its commitment to policies of “full employment and insurance against privations from unemployment, accident, ill health, and old age.” The federal system adapted easily to these new policies. Federal spending in these fields has been considered constitutional, even on matters which lay within provincial jurisdiction.\textsuperscript{67} The emerging “co-operative federalism” replaced the strict separation of spheres of jurisdiction by interdependence.


\textsuperscript{66} Stevenson, \textit{The Unfulfilled Union}, pp. 49ff.; Smiley, \textit{The Federal Condition in Canada}, pp. 49f.

overlapping and shared responsibilities between the federal government and the provinces. To manage this new kind of intergovernmental relations, a network of negotiations between federal and provincial ministers and executives developed. "Executive federalism" became the central characteristic of Canadian policy making.68

Despite some objections at the beginning, this new approach towards federalism did not cause much repercussion. Ottawa retained the control over the income tax system and paid for a welfare program based on shared cost or conditional grant programs. Among these were the hospital insurance (1955), later expanded to full medical care (1968), assistance to post secondary education (1968) and the Canada Assistance Plan (1966). Federal leadership was mostly accepted, and federal financial assistance was welcome. Conditions were usually relatively loose and easily accommodated within provincial priorities.69

This process did not cause major provincial-federal conflict. Objections, however, were raised in Quebec. The provincial government, led by Premier Duplessis, was strongly opposed to the expansion of federal powers through spending. The reason for the rejection of federal encroachment was to be found primarily in different political philosophies, not so much in a conflict over responsibilities. The Quebec government was linked to the conservative wing of the Catholic Church which – together with the conservative business community – resisted the development of public welfare programs.

Welfare was supposed to be left to the Church and voluntary organizations.

The end of the fairly harmonious intergovernmental relations was caused by the "quiet revolution" in Quebec. In 1960 the newly elected Liberal government of Premier Jean Lasage started to pursue policies of modernization by adopting similar kinds of welfare policies to English Canada, but rejected constitutional interference or financial penalties. In other words, Quebec wanted to pursue its own welfare policies without interference from Ottawa, paid for in part by federal money nonetheless. In response to Quebec, the federal government re-negotiated its fiscal arrangements with the provinces, and gave the provinces a greater share of tax revenues and enriched the equalization program. Quebec also gained a de facto special status in many areas, including a separate Quebec Pension Plan and "opting-out" clauses for a number of shared cost programs in return for a greater share of taxes.70

The election of the conservative Union nationale government in 1966 inflamed demands for a more fundamental change. Quebec nationalists demanded "égalité ou indépendance" defining Canada as a partnership of two nations, represented by Ottawa and Quebec. More important, the Parti Québécois, which was founded in 1968, gained power in 1976, and proposed a model of "sovereignty-association" in which a "sovereign" Quebec would maintain ties with the rest of Canada in a bi-national framework. The federal Canadian reply to these demands was expressed by Prime Minister Pierre Trudeau advocating a bilingual and bi-cultural Canada. He rejected any kind of asymmetry, which he regarded as a slope towards separation. The Constitution Act of 1982 enshrining the Charter of Rights and Freedoms, however, was not only rejected by Quebec nationalists but by Quebec federalists also.

68 See Ronald L. Watts, "Executive Federalism;" Dupré, "Reflections on the Workability of Executive Federalism.”


70 Leslie, “The Fiscal Crisis of Canadian Federalism,” p. 27.
Bifurcated and Integrated Parties in Parliamentary Federations

Discontent about Ottawa-dominated federalism grew not only in Quebec but, due to economic difficulties, in the west too. During the 1970s the better-off provinces started to quarrel with Ottawa on new policy fields like environmental protection, which both levels of government entered. Under the conditions of economic volatility, especially when Ottawa withdrew from cost-sharing programs, the provinces rejected federal regulations that might have interfered with their industries. The tensions were highlighted when energy became an important issue. When the energy prices soared, the oil and gas producing provinces were interested in selling their resources at world market prices. On the other hand, the federal government tried to keep energy prices low for the consuming provinces. The federal government reasoned that Canadian oil and gas should be shared across the country. With the National Energy Program of 1982, the federal government sought to gain control over this industry.

Under these auspices Canadian intergovernmental relations became highly contentious. The provinces sought to limit the federal spending power and the ability of the federal government to intervene in areas of provincial jurisdiction. They strengthened their own financial capacities and powers in areas important to them. More and more the debates took the form of rival conceptions of the nature of the system. The provinces saw the Confederation as a “community of communities,” while the “Canada-centred” view saw Ottawa as the primary order of government. Intergovernmental relations became more conflictual, as the clash of visions intensified. It all culminated in a constitutional battle after the failed Quebec referendum of 1980. The Tory governments (1984 – 1993) led by Prime Ministers Mulroney and Campbell did not succeed in reconciling the fundamental divides in Canada. The two attempts at reconciliation, the Meech Lake (1987) and the Charlottetown Accord (1992), both failed. The rift between Quebec’s “minimum conditions” for the francophone group, and the proposal of equal national standards for all Canadian citizens could not be bridged.

These were aggravated by further tensions within the arena of intergovernmental fiscal relations. Neither level of government was content. For the federal government, the increasing costs of joint programs and dependence on the decisions of provincial governments for program implementation became a problem. The provinces complained that shared-cost programs and conditional transfers limited their ability to make programs more effective, and cost-matching grants distorted their spending priorities. Block grants and tax-points instead of cost-matching grants helped to reduce the financial burdens of the federal government, but insufficiently. The limited ability of the federal government to contribute to joint programs led to a fiscal-driven decentralization. The conditionality of transfer payments was reduced; indeed, in daily governmental business, federal transfers have become more or less unconditional, although not always officially. Provincial spending of these sums has simply gone beyond realistic federal scrutiny.

In addition, persistent and alarming increases in the federal deficit and debt led to further conflicts in federal-provincial relations. In the mid- and late-80s the federal government limited its contributions to shared-cost programs. The provinces reacted angrily to these unilateral federal actions because, with some justification, they felt the federal government tried to solve its financial problem at their expense. The provinces felt that the federal government made them adopt programs Ottawa was interested in with financial incentives, but cut the funding later and left the provinces alone.


72 Barker, “Disentangling the Federation,” pp. 147ff.
with the blame for the consequences of reduced program remains to be seen. Sceptical voices have been heard already.\textsuperscript{76}

In sum, the conflict between English and French Canadians was a birthmark of Confederation, and it is still the fundamental tension in the federation. Linguistic, religious and cultural cleavages and a historical humiliation – the French were the first white settlers in this part of North America – created tensions between Quebec and the “rest of Canada.” These tensions have been the catalyst to virtually all intergovernmental conflicts in Canada. The ways and means provided by the Canadian constitution to express discontent failed to produce integrative settlements. Without taking this aspect into account, the development of Canadian federalism is hard to understand. Institutionally, Canadian federalism suffers from the changing relevance of public tasks since Confederation. In the course of history provincial jurisdiction on “property and civil rights” proved to be more viable than federal competence to make laws for the “peace, order and good government.” Judicial interpretation of the constitution gave the power over policy definitions to the provinces, however, the power to tax was left primarily with the federal government. The asymmetry between provincial responsibility for most policy fields and the federal power to raise taxes did not cause severe tensions until firstly Quebec and later the western provinces started to complain about federal encroachment into provincial policies through its spending power.\textsuperscript{77}

\textsuperscript{76} See Policy Options, November 1998, especially the contributions by Keith G. Banting, Robin Broadway, Thomas J. Courchene, Harvey Lazar, and Francois Vaillancourt; see also William B.P. Robson and Daniel Schwanen, “The Social Union Agreement: Too Flawed to Last,” Backgrounder (Toronto: C.D. Howe Institute, February 8, 1999).

\textsuperscript{77} Barker, “Disentangling the Federation,” p.145. Because of this asymmetry the Rowell-Sirois Commission advocated in 1940 “not only the clearest possible separation of federal and provincial policy responsibilities, but a parallel separation of revenue

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\textsuperscript{73} Barker, “Disentangling the Federation,” pp. 151ff.


The asymmetry of provincial policy responsibility and federal spending power has been aggravated by the competence of the federal government to act unilaterally when spending is concerned.

In principle, two political conceptions of the federation stood against each other: the idea of a Canadian nation constituted by Canadian citizens of equal rights and opportunities, and the idea of a federation of the Canadian provinces. The Québécois added a further conception, Canada as a compact of two founding nations, the English and the French. The development of the welfare state led to a clash of these competing conceptions: Pan-Canadian policies were pursued in order to create nation-wide equal social standards, initiated and co-financed by the federal government. This approach was rejected by the provinces, which regarded these policies as an undue interference in their areas responsibility, and as pressure to adopt policies they did not want or to change programs they had adopted already on their own. Constitutional settlements of these conflicts striven for by the Mulroney government failed. This, growing economic disparities among the provinces, and federal withdrawal from cost-shared programs, turned conflicts about different political “philosophies” into severe federal-provincial or inter-provincial conflicts. Conflict resolution by a financial retreat of the federal government and from defining national standards has not proved to be conciliatory. The results of the general elections of 1993 and – even more – of 1997, indicate an increasing discontent with federal policies and rising support for anti-federal parties.

GERMANY

German federalism – not only compared to Canadian standards – is highly centralized. Observers have spoken of a “unitary federal state.”

Many – not only Canadian – observers have drawn attention to the probably most important distinction between Canadian and German federalism, the “functional” or “administrative” division of powers in the German federal system. Unlike in Canada and most other federal systems in which “dual” or “jurisdictional” or “legislative” federalism prevails, in Germany the responsibilities of the two orders of governments are not primarily divided according to certain policies but to functions: In most areas of domestic policies the federal government is in charge of legislation, the Länder governments are responsible for the implementation of federal laws as their own task.

The particular type of German federalism originated from the circumstances of federation building in Germany. When, in 1867, the North

Konrad Hesse, Der unitarische Bundesstaat (Karlsruhe 1962).


80 Policy fields are within the responsibility of one level of government which is in charge of legislation, implementation and financing. Ideally, the spheres of responsibility are “watertight compartments,” in which each level of government can pursue its policies without interference of the other level. In reality, this ideal is hardly realized.

Bifurcated and Integrated Parties in Parliamentary Federations

German Federation, and respectively in 1871, the German Empire, were created by the then still semi-feudal governments of the German principalities, their prime interest was to establish a domestic market without internal tariffs, with a common currency, and common civil and labour laws. The members of this federation, e.g. Prussia and Bavaria, were governed – by the standards of the time – by modern and efficient public administrations. They were interested in common regulations as indicated by the list of fields of concurrent legislation of Empire enshrined in the constitution, but they did not wish to create an imperial administration which might have impinged their own spheres of responsibility.  

By furnishing supreme legislative power with the Bundesrat, the founders of the Empire took care to ensure that the imperial policies remained under the control of the state governments. Until 1918 imperial public administration remained rather small, and many of the imperial public tasks were taken over by the state administrations, especially by Prussia, and for the most of the time the Prussian prime minister served simultaneously as imperial Chancellor.

Although Germany has undergone quite dramatic developments during the last 130 years of its history, the leading structural principles of the federal system have remained the same. Today the Bundestag (federal parliament) serves as the main legislative body on federal level. Via the Bundesrat the Land governments are involved in federal legislation. Functionally the involvement of the Land administrations is necessary because they have to implement federal law as “their own task,” meaning that they are responsible for the lawful execution, and – even more important – they have to pay the expenditures connected. Without any effective say of the Länder in federal decision making the federal government would be in the position to legislate extensively at their expense. Consequently the rules concerning the influence of the Länder governments on federal legislation discriminate according to the encroachment of federal laws in the affairs of the Länder. Federal laws containing regulations affecting Land administrations (mostly financial) need the consent of the majority of the Länder (Zustimmungsgesetze) for enforcement. Against other laws the Länder can raise objection which, however, can be overruled by the Bundestag (Einspruchsgesetze).

Today more than 60 percent of federal legislation needs the consent of the Bundesrat. The catalogues of exclusive (Art. 73), concurrent (Art. 74, 74a), framework (Art. 75) and tax legislation (Art. 105 Basic Law) of the federal government are rather extensive. They include not only tasks that are typically within the jurisdiction of a federal government (like foreign relations, defence, currency) but also civil, criminal and penal law, the whole tax legislation and fiscal equalization, social assistance, nuclear energy, industrial relations, transportation, civil service of all levels of government including pay schemes, general regulations for universities and many others. Even though the catalogues were quite long in 1949 already, they got extended when new tasks emerged like the regulation of nuclear energy or

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82 A resemblance with the European Union is quite obvious. The emerged of “functional” or “jurisdictional” federalism seems to depend on stage of development of the federalizing states.

83 For historical background see Wolfgang Renzsch, “German Federalism in Historical Perspective: Federalism as a Substitute for a National State,” Publius. The Journal of Federalism, 19:4, (Fall 1989); pp.17 – 33.

84 It must be noted here that the civil service (Beamten) in Germany is much more comprehensive than anywhere else in the world. It includes the administration of the federal, the Länder and the local governments, as well as police, teachers, university professors etcetera. Until recently, the employees of the federal railway system as well as the postal services belong to the civil service too.
environmental protection. The legislative responsibility of the Länder has practically been restricted to regulation of schooling, police and local governments. In these fields, however, the Länder have to honour certain “unwritten rules” concerning the comparability of the services rendered. The Länder administrations find more room for discretion of their own in the area of voluntary activities (gesetzfreie Verwaltung). Each government is entitled to pursue policies in non legally bound areas like economic promotion, culture etcetera within the limits of the Land budgets.

This institutional setting leaves little to be legislated by the Länder themselves, and it leaves them absolutely no discretion about raising taxes. On the other hand, it offers the Länder governments the opportunity to be partners in the process of federal legislation, not quite on equal footing since the federal government has taken over the role of the agenda setter, but the Länder have become important veto players. Because of the importance of federal legislation for the Länder, and because of their indispensable role in the process of federal legislation, an elaborate network of federal-Länder and inter-Länder communication and co-ordination has been developed. The Länder governments are usually consulted when a federal law is being drafted by the federal administration, and they have access to the deliberations of the committees of the Bundestag and can present their views there. The committees of the Bundesrat meet monthly, and finally – if no agreement between the federal government and the Land governments has been achieved – the representatives of the Bundestag (proportionate to the caucuses) and the Bundesrat (one representative of each Land) meet in the mediation committee of both houses of parliament on equal footing. The whole process of federal-Länder negotiations is accompanied by negotiation within the political parties involved.

Usually this collaborative mode of federal decision making works sufficiently well and without much public attention. Mutual dependence and joint interest in “getting things done” are incentives to compromise. Both sides accept that they have to honour the interest of the “other side,” and mostly prefer the “second best” solution instead of a gridlock. In certain cases, however, compromise is difficult or impossible. The reason for severe conflicts are usually matters of finance, when either the Länder considered financial burdens connected with federal law as not acceptable or – most regularly – when revenue sharing is disputed. However, the “joint decision making trap” can


89 The revues of the two most important taxes, the income and corporation tax as well as the purchase (value added) tax, are shared between the federal government and the Länder. By constitutional command the income and corporation tax is – after a part has been deducted for the local governments – divided evenly between both orders of government, the shares of purchase tax are determined by federal law which needs the consent of the Bundesrat. In practice the division of the revenues of the purchase is negotiated in the conference of the “heads of governments” – in Canadian terms: conference of First Ministers – before the formal legislative process starts.
be considered more as theoretical than as a practical problem.\textsuperscript{90}

CONCLUSION

Canada and Germany have proved to be well suited for comparing party systems in different federations. In both politics governance is organized in parliamentary federal systems, in which party competition is decisive for the allocation of political power by maximizing votes at the different levels of government. Federal systems and party systems necessarily interact; they organize both conflict and conflict resolution. Parties, and their political “behaviour,” largely determine the effective working structures of federal politics: they integrate or exacerbate disputes between the actors within the federal systems.\textsuperscript{91}

Despite similarities of the political systems, the party systems are profoundly distinct. From a European perspective the integration of German and the bifurcation of Canadian parties is most surprising and requires explanation. Without neglecting historical, social, and legal factors and circumstances, the bifurcation and integration of parties and party systems in Canada and Germany result from the different types of federalism – jurisdictional and functional – in each country. Each of them offers different ways and means to articulate interests and discontent, and applies different strategies to resolve disputes.

Both federal systems rest on a continuous process of negotiations between the administrations of the two orders of government (“executive federalism”), in Canada – as Smiley has put it – the “result is a situation in which federal and provincial governments are both interdependent and autonomous.”\textsuperscript{92} In Germany, however, the federal and Länder governments are interdependent as well, but hardly autonomous. Because of the lack of autonomy of the various governments, Germany has been described as a “semi-sovereign” state.\textsuperscript{93}

The different types of federalism have created different modes of conflict resolution and decision making. The German federal system provides for an effective participation of the Länder governments in federal decision making via the Bundesrat (and the joint mediation committee of both houses of parliament) – at least in so far as federal politics encroach on the Länder. Although the Länder governments regularly complain about the interference of the federal government into their responsibilities, with some regularity they accept federal legislation affecting Land politics. Sometimes they even demand federal regulation.\textsuperscript{94} Mostly, federal-Länder conflicts can be resolved within the institutional setting because parties have taken over the interlocking structure. Often they are able to break political gridlock because they have an interest to develop an image as “problem solvers.”


\textsuperscript{92} Smiley, The Federal Condition in Canada, p. 85.


\textsuperscript{94} For instance, the Länder governments requested uniform tax legislation as well as uniform pay schemes for all civil servants regardless of the actual employer in order to avoid competition among themselves.
Since the German federal government can hardly legislate without the consent of the Länder governments, it enters a process of negotiation before political decisions have been taken. Because of the partisan composition of the Bundesrat, the electoral results at Länder level are of importance for the federal government as well as the federal opposition. If the latter gains a majority in the Bundesrat, the federal opposition can influence federal politics considerably. This was the case in the 1970s, in the 1990s, and – after a period of less than a year – again since 1999. Therefore the parties are interested in integrated policies over the levels of government. Furthermore, because the Bundesrat decides by majority votes – a minority of Länder governments can be forced to implement policies they have rejected in the Bundesrat – the Länder government have an interest in quasi-parliamentary processes of majority building. The practice of partisan loyalty helps to prevent that Länder get singled out in the process of decision making.

In comparison, Canada lacks an “institutional machinery for effecting the authoritative resolution of conflicts between [the levels of government]” and “... an effective forum for open regional advocacy and brokerage within our institutions at the federal level of government.” Due to the separated fields of jurisdiction, the federal government is not forced to enter processes of joint-decision making. Institutionally it is not obliged to enter “negotiations” with the provinces about joint policies. It remains the decision of the federal government whether at all or to what degree it seeks the consent of the provinces. It can apply the “carrot” of offerings or the “stick” of withdrawal of federal funds by unilateral decision making. Given a situation of legal insecurity of the provinces vis-à-vis the federal government, the development of mutual trust and reliability are hardly to be expected.

Although the legislative powers of the federal government are rather restricted, the federal spending power permits encroachment in areas of provincial legislative jurisdiction. The provinces have not become effective veto players in the process of federal decision-making. The provinces’ legal power to decide whether or not they will accept federal proposals has proved to be ineffective. In reality, even for better off provinces, it is difficult to relinquish offered federal funds, and therefore they mostly accept federal policies.

Since institutional integrative devices are missing intergovernmental conflicts tend to be dealt with by competition and confrontation, not by co-operative means. Competing party governments could hardly remain under one party “umbrella.” Disputes among the federal and provincial governments as well as representation of regional interests could not be integrated within parties but were channelled through competing political parties. Bifurcation of parties is caused by competitive conflict resolution between the level of government, by the absence of brokerage, cross-level negotiation and bargaining within the parties.

The differences of the party systems reflect these different types of federal systems. The parties’ function to integrate or to exacerbate conflicts focuses on different types of disputes: In Canada bifurcated parties tend to transform societal conflicts and competing interests in regional and – even more important in this context – federal-provincial institutional disputes. Federal-provincial disputes became exacerbated because Canadian parties have become representatives for certain regions. The electoral system supports the parties’ tendency towards regional concentration and emphasizing regional interests. The single member constituency system gives incentives to develop

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95 Smiley, p. 85.
96 Gordon Robertson, quoted by Smiley, p. 85.
regional strongholds and to neglect or abstain from other areas. Therefore, Canadian political parties have become representatives more of regional than social interests.

In Germany integrated parties exacerbate social conflict but integrate regional and federation-Länder institutional disputes. The latter are quite often resolved within parties. The different types of party systems, born out of different federal arrangements, create their specific version of political competition. The interlocking German political system has not only produced integrated parties but also a specific electoral behaviour. On federal election day citizens focus on different policy options rather than regional representation. Land elections are regarded at least partly as an election of member of the Bundesrat and an opportunity to “punish” the federal government.98 Therefore, the federal impact is quite important. Thus Land, local and even European elections tend to become referenda about the federal government in office. Given these conditions the main political parties try to accommodate diverse regional and federal-Länder interests within the parties in order to keep ranks closed over the different orders of government. Doing so, different regional and federal-Länder interests are organized out of the political process. Parties try to present integrated programs and unanimous positions at all levels of governments and in all Länder. This type of party competition supports the tendency towards homogeneity and provides for hurdles for more regional differentiation. The latter would threaten the highly cherished unity of the parties.

Therefore, party competition hardly allows regional differentiation and it has supported the development towards the German “unitary federal state.” The immobility of the political system, the difficulties to pursue change and reform, can be attributed at least partly to the fact that the parties are not interested in articulating federal-Länder or Länder-Länder disputes.

In Canada, on the other hand, party competition fuels the tendency towards disintegration of the federation. Bifurcated political parties tend to exploit federal-provincial conflicts to maximize votes. From the point of view of Canadian citizens, it makes sense to distinguish between the two orders of government. Partisan links between federal and provincial politics would restrict an unhampered presentation of regional interests. However, campaigning against “Ottawa” or the other provinces supports disintegrative tendencies.

98 The last election of the Land legislature of Northrhine-Westphalia in May 2000 was labelled as a “small federal election” by the press.
### Table 1: Seats Won by Region: 1993 and 1997 Canadian General Elections

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### Table 2: Party Caucus (MPs Only) by Region, Canadian General Elections, 1993 and 1997

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### Table 3: Federal and Provincial Seat Distribution in Atlantic Canada (1997)

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### Table 4: Federal and Provincial Seat Distribution in Saskatchewan and British Columbia (1997)

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101 Frizzell and Pammett (eds.) The Canadian General Elections of 1997, p.251; web site of provincial legislatures, year of reference 1997 (ranking italicised, identical ranks bold.)

102 Frizzell and Pammett (eds.), The Canadian General Elections of 1997, p. 251; web site of Saskatchewan and British Columbia