



Divergence and Convergence of Policy Priorities among Sub-National Units in Federal Systems: The Cases of Canada and Spain

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Introduction

The study of policy dynamics at the sub-national level in federal systems is getting growing attention by scholars of comparative politics and agenda-setting. These studies analyze to what extent the political agendas of regional governments are converging or diverging over time, focusing on: institutional factors (e.g., formal rules defining issue jurisdiction, type of government, intergovernmental arrangements), preferences (mostly of political parties), and agenda capacity (Hooghe et al. 2008). This constitutes an important change from previous analysis on comparative federalism, which traditionally focused on institutions as explanatory variable, providing a static outlook on the vertical distribution of authority between levels of government (Wibbels 2003). It also constitutes an important change in relation to another set of studies (Filippov et al. 2004; Wibbels 2006; Aldrich 1995) that pay attention to party politics and policy preferences, but still deal mainly with the relationship between the national and regional governments as a whole (e.g., Constantelos 2010). Finally, analyses of issue prioritization at the sub-national level (and the relations with the national and supranational level of governance) also make a contribution to the policy

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dynamics approach (Jones and Baumgartner 2005, Baumgartner et al. 2011). Thus far, this approach has centered on the national level (Adler and Wilkerson 2012; Breunig 2011) and, more recently, the European level (Timmermans and Alexandrova 2011; Alexandrova et al. 2012).

Recent research (Chaqués-Bonafont and Palau 2011; Montpetit 2012) on policy dynamics at the sub-national level uses extensive databases developed according to the methodology of the Comparative Agendas Project. This allows us to go beyond case studies, and provides a comprehensive analysis about the pattern of issue prioritization across sub-national governments and countries' policy sub-systems over time. Our preliminary results already illustrate that agenda dynamics at the sub-national level are shaped by a mix of factors, including party politics and institutions. For example, the constitutional distribution of competencies in a federation imposes important constraints on the capacity of sub-national governments to pursue their policy goals and define their priorities independently over time. Differences in fiscal autonomy between the Basque Country and Navarra, on the one hand, and the other regional governments of Spain partly explain the divergence in patterns of prioritization of issues between these two sets of *comunidades autónomas* (CCAA). The gap between the revenues and formal responsibilities of the Catalan government, combined with the investment deficit of the Spanish government in public infrastructures, has dominated the Catalan agenda throughout the past few decades. In contrast, these issues have occupied only a minor position on the agenda of the Basque government, which benefits from fiscal powers to set base rates and collect taxes, out of which only a share is sent to the Spanish government.

A comparable asymmetry in the constitutional division of policy responsibilities does not exist in Canada. The Canadian constitution

defines the same sets of competencies for all 10 provinces. Likewise, all provinces enjoy similar fiscal powers and equally benefit from federal transfers. In addition, the constitution requires that the federal government equalizes the revenues across provinces, so that less-wealthy provinces can afford to offer services similar to those offered by wealthy provinces. In other words, as policy competencies and revenues are distributed relatively equally across provinces in Canada, nothing in the Canadian federal arrangement prevents provinces from having similar priorities, just as nothing incites them to pay attention to different issues, such as in Spain.

Nevertheless, institutional arrangements do not offer a full explanation of the strength of convergence in Canada in comparison with Spain. In fact, neither convergence – strong or weaker – nor divergence can fully capture the Canadian and Spanish situation over a long period. Examples of divergence can be found in Canada and examples of strong convergence can be found in Spain. In the case of Spain, part of the explanation relies on party preferences and type of governments. Our results indicate that legislative agendas are more similar when the same political party is governing in different CCAA. Likewise, we show that legislative agendas at the national and regional levels are more similar under minority governments. In contrast, in the case of Canada, results indicate that provincial agendas are converging over time, and this is mainly related to intergovernmental dynamics.

In this contribution we present some of the evidence generated by the Comparative Agendas Project in Spain and Canada. We rely on large and comprehensive databases on laws from 1980 to 2007 in Spain and executive speeches from 1960 to 2010 in Canada. The agendas in the two countries were systematically coded following the methodology of the Comparative Agendas

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Project. At the current stage of our research, the data are not fully compatible, as they pertain to the legislative agenda in Spain and the executive agenda in Canada. We must be cautious in making direct comparisons between these different types of agendas. Nevertheless, the preliminary analysis suggests that we can learn much about policy dynamics from data on the Canadian and Spanish agendas.

Policy dynamics in Canada and Spain

In Spain, the analysis of legislative agendas in Andalusia, Catalonia, Galicia and the Basque Country indicates that regional policymakers are paying attention to similar issues but with important variations over time. Table 1 presents correlations of agenda priorities for each pair of Spanish regional governments for the period 1980–2007. With a mean correlation of 0.32 and most coefficients being statistically significant, we can conclude that a modest level of correspondence exists in the priorities of sub-national governments. In comparison, the mean correlation of interprovincial priorities in Canada is 0.43 for the period 1985–2010, indicating stronger correlations of priorities.

The Spanish regional law agendas are linked to each other, and this was especially the case in the 1980s, when regional governments had to accomplish two crucial goals: the construction of their basic political institutions and the development of the welfare state. But correlations

across the regional law agendas decreased gradually, falling under 0.2 between 2003 and 2007. Figure 1 shows important annual variations and a clear downward trend starting in 2001. In addition, figure 1 indicates that interregional correlations are not systematically higher or lower than regional-state correlations.

In sharp contrast, correlations of policy priorities across provinces have steadily increased since the 1970–1974 period in Canada, as shown in figure 2. Although federal-provincial correlations go up and down in a cycle, interprovincial correlations are systematically above federal-provincial ones. Beginning in the 1990s, legislative agendas in Spain were increasingly diverse, and this is explained not only by the institutional factors mentioned in the introduction, but also by party preferences (Chaqués and Palau 2011). The Spanish Constitution and the *Estatutos de Autonomía* impose important constraints on the legislative agenda of regional policymakers. The asymmetric and open character of the Spanish quasi-federal state help explain why Catalonia and the Basque Country have more jurisdiction over the civil code in contrast to other CCAA (and why attention to economic issues has increased since the late 1990s in some CCAA such as Catalonia, after the fiscal reform of 1997. The formal distribution of authority constrains or enables given structures of priorities, but its relative static nature cannot account for important variations over time. Our results indicate that party preferences matter. Regional legislative agendas have become similar

Table 1. Pearson correlations between the national and regional legislative agendas

	Catalonia	Basque Country	Galicia	Andalusia	State
Catalonia	1	.247**	.335**	.364**	.340**
Basque Country	.247**	1	.333**	.301**	.378**
Galicia	.335**	.333**	1	.343**	.366**
Andalusia	.364**	.301**	.343**	1	.379**
State	.340**	.378**	.366**	.379**	1

** Correlation is significant at the 0.01 level (2-tailed).

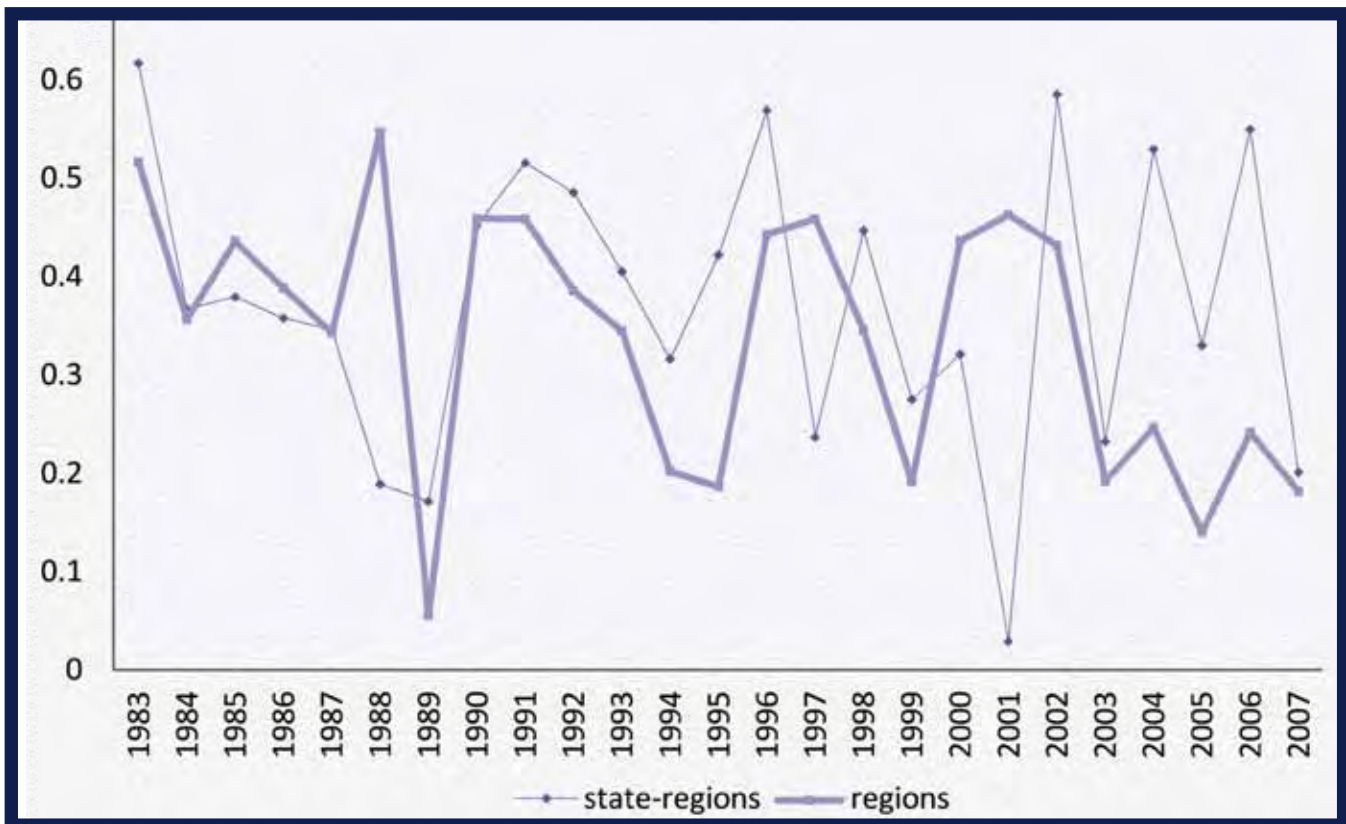
in regions governed by the same political party, while the legislative agendas of regions governed by competing parties diverge. When the socialists govern in Andalusia and Catalonia,¹ the legislative agendas tended to converge, and the same is true when conservative-nationalist political parties (CIU and PNV) are governing in Catalonia and the Basque Country. When different parties govern these regions, different priorities appear.

Party preferences are also important to explain differences in issue attention across levels of government. As figure 1 illustrates, annual correlation between legislative agendas increases when the PSOE is governing in Madrid and the PSC is governing in Catalonia (2004–2007). Our results

1 The Partit dels Socialistes de Catalunya has been governing in coalition with Esquerra Republicana de Catalunya (ERC) and Iniciativa per Catalunya-Esquerra Unida (IC-EU) since 2003. In this analysis we consider that the two regional governments are governed by the same political party, or a party of the same federation (such as PSOE, the socialist party in Spain, and PSC, the socialist party of Catalonia).

further show that similarities and/or differences depend in part on the type of government. The Spanish and regional agendas are more similar when the Spanish government depends on the support of regional political parties in government formation. The annual correlation between the Spanish and Catalan legislative agendas increases when the CIU is pivotal in the formation of the national government (1993–2000) and when the CIU depends on the support of the PP (*Partido Popular*) for the formation of government in Catalonia (1999–2003). Similarly, annual correlations between the Basque and the Spanish law agendas increase when the PNV is pivotal at the national level and when the PNV depends on the support of the socialist party (PSE) for the formation of government in the Basque Country. The opposite occurs when the Spanish government has the majority of seats in the Spanish parliament. The current political situation in Spain supports these observations. The rising of the independence movements in Catalonia and the Basque Country

Figure 1. Mean annual correlation between regional and national legislative agendas in Spain (1983–2007)



(two of the three regions – with Andalusia being the third – not governed by the PP) stresses the confrontation between the Spanish government and the regions, most specifically after the PP won the elections by absolute majority in 2011.

Political parties do not have an equal propensity to generate divergence and convergence in Canada. Part of the explanation has to do with the absence of national party federations. In comparison with Spain, the Canadian federation is highly decentralized, to a point where federal and provincial parties are entirely autonomous from each other, organizationally as much as ideologically. For example, the Liberal Party of Canada, a federal party, does not share any organizational capacity with the Liberal Party of British Columbia (the BC Liberals). In addition, the ideology of the BC Liberals has become closer to the ideology of the federal Conservative Party over the years. Therefore, party labels in Canada are poor predictors of priority convergence or divergence. In recent years, there were notorious fights between conservatives (the

federal and Newfoundland conservatives, for example), as well as counterintuitive alliances. An example is the rapprochement between the Conservative Harris government in Ontario and the social democrats independentist government of Bouchard in Quebec, which analysts puzzled over at the end of the 1990s.

There is no doubt that the Canadian constitution, which treats all provinces equally, enables a great deal of convergence of provincial priorities. But as in Spain, the Canadian constitution constrains and enables, but fails to drive policy priorities. In fact, the decentralization of the federation enables provinces to set their own priorities in a much larger number of issue areas than in Spain. This maneuvering space makes the importance of interprovincial convergence even more puzzling, although it might contribute to the explanation of the weakness of the convergence between federal and provincial priorities. Studies find that convergence is related to interprovincial relations dominated by civil servants motivated

Figure 2. Difference between federal-provincial and interprovincial correlations

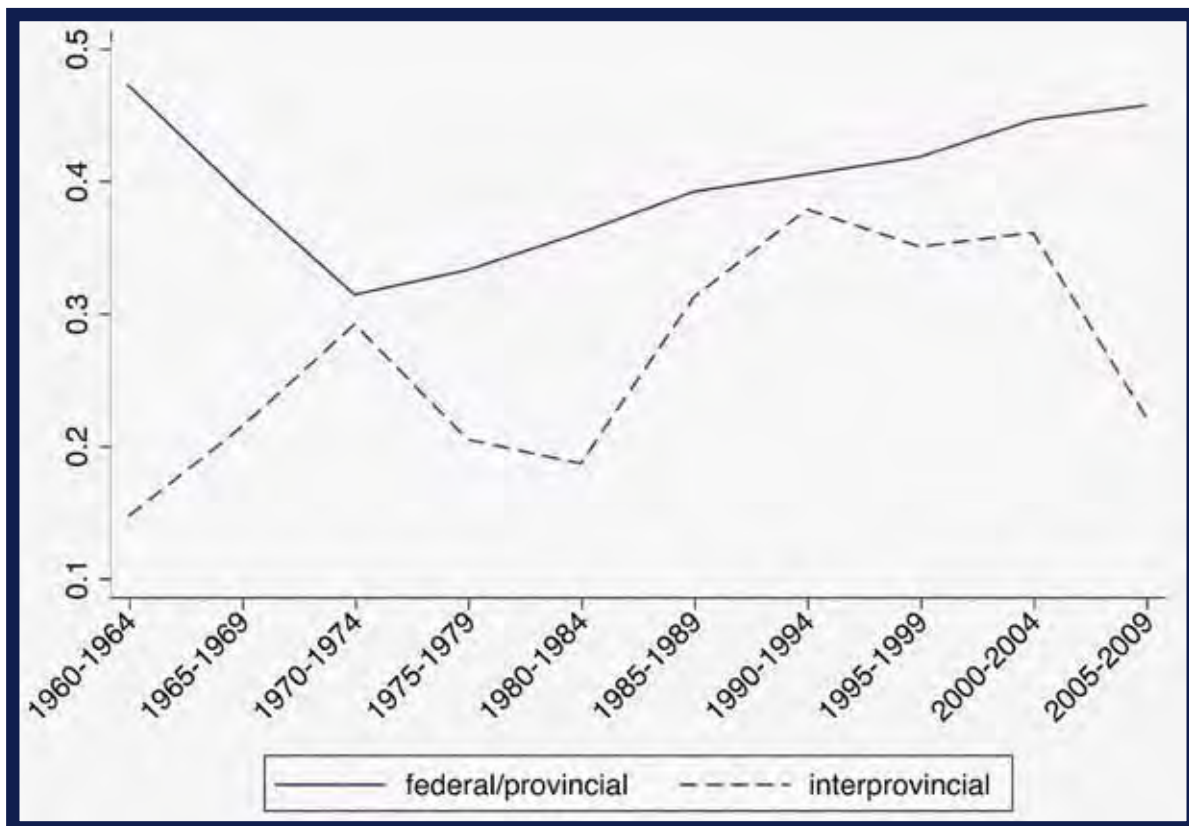
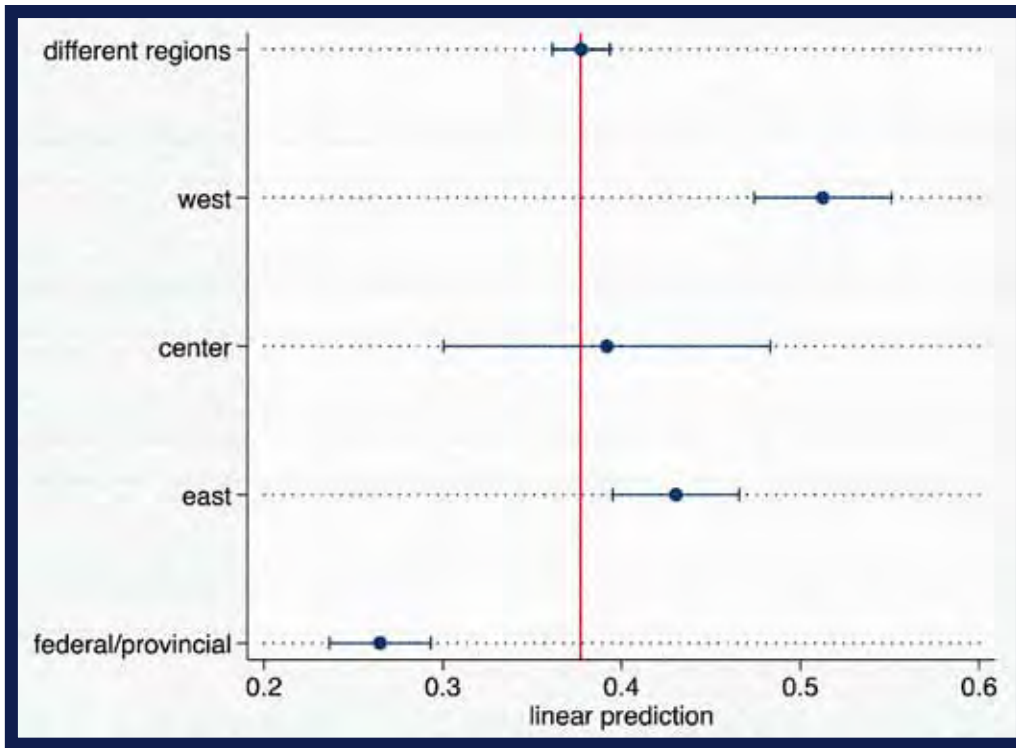


Figure 3. Intensity of interprovincial relations by region

by problem-solving (Inwood, Johns and O'Reilly 2011; Montpetit and Foucault 2012). Facing similar problems, provincial officials interact a great deal to find solutions. And in turn their interactions further encourage their respective governments to prioritize the same issues (Montpetit 2012). In contrast, in Spain, existing analysis shows the lack of this type of interaction and cooperation across regional governments (Subirats and Gallego 2002).

Figure 3 provides evidence of this dynamic. In comparison with Spain, Canada is a very large country, some 6,000 kilometers wide and spanning four time zones. Eastern, central, and western economies significantly differ from each other and therefore the problems facing the east, the center, and the west of Canada are quite different. Logically then, if interprovincial relations are motivated by problem-solving, correlations of priorities should be even stronger within regional blocs. This is exactly what figure 3 shows. The figure features predicted margins, produced from simulations flowing from a regression analysis. Correlations for pairs of provinces from different regions serve as the baseline (the vertical line).

Confirming that overall interprovincial correlations are higher than federal-provincial ones, figure 3 also indicates that western provinces, on the one hand, and eastern provinces on the other have statistically distinct and higher correlations than provinces from different regions. More research is needed, but this pattern is consistent with the willingness of provincial administrations to address concrete problems. In contrast, federal-provincial relations are more frequently plagued by all kinds of dispute, including jurisdictional struggles, which encouraged a differentiation of priorities between the federal capital Ottawa and the provinces. The constitutional disputes of the 1980s and 1990s pushed the federal government and provincial governments in different directions, encouraging the election of the Conservative Party at the federal level in 2006. This party openly promotes a federal agenda limited to policy domains falling under federal jurisdictions.

Conclusion

Policy dynamics across sub-national governments follow different patterns in Canada

and Spain. Intergovernmental dynamics generate increasing similarities in executive agendas in Canada, while in Spain, similarities between legislative agendas are more linked to party politics and type of government. We have argued that institutional features in the two federal arrangements contribute to the explanation of differences in the patterns of prioritization of policy issues in the two countries over time. Canada's stable and symmetric division of policy responsibilities encourages interprovincial convergence, while Spain's open and asymmetric division of issue jurisdiction generates a process of permanent negotiation about political autonomy between the Spanish government and the regions. The current extremely tense political situation in Spain illustrates the implications of this institutional arrangement. Legislative agendas are more similar depending on which political party is governing and under what circumstances (minority or majority governments). In Canada, such dynamics do not

occur, leaving interprovincial relations mostly in the hands of civil servants concerned with concrete policy problems. As a consequence, government priorities develop in the same direction.

From here, our goal is to go further in the comparison of policy dynamics in federal systems of governance (Chaqués, Palau, and Baumgartner 2013). This means expanding existing datasets about the executive (speeches, executive orders) and legislative agenda (parliamentary bills, laws) in view of comparing policy dynamics, taking into account the institutional characteristics of each political system. This also means further steps in the definition of common hypotheses and theoretical explanations of the way in which regional governments prioritize policy problems over time. With this line of research, we seek to establish a closer link between the policy agendas approach and existing analysis of policy convergence and comparative federalism.

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