

**UNIVERSITY OF BERGEN
DEPARTMENT OF COMPARATIVE POLITICS**

**FEDERALISM:
SEARCHING FOR THE PROCESSES
BEHIND CANADA'S ABILITY TO
SURVIVE CHALLENGES**

**MASTER THESIS
ALF PETTER JAKOBSEN
FEBRUARY 2010**

Abstract

The purpose of this master thesis is to look into *what gives federations better abilities to survive challenges*, with a focus on the survival of the Canadian Federation.

There are several theories in chapter two that provide a better understanding of the concepts in this thesis. The two first are the difference between *federal* and *unitary* states, and the difference between three common methods of organizing a federal government. The third is *state building* and its opposite of *state failure*. *State building* and *state failure* combined forms the dependent variable of this thesis, as I wish to discover why Canada has remained in its “*state building mode*” without falling into the *state failure* category.

This master thesis uses two qualitative methods to gain an understanding of the *processes* behind the continued survival of Canada. The first method of *case studies* serve as the information gathering tool, while the second method of *process tracing* is used to analyze the information provided by the empiric sources. Canada which has been descriptively reviewed from the days of colonization until today provides the main bulk of the data. Examples of federal states that encountered state failures are also included in order to make a comparative analysis possible. The four nations of the United States of America, Nigeria, India and former Yugoslavia were selected in order to provide information on federal states that failed to tackle one or several challenge(s). The method of *case studies* also allows other analytical units to be brought in the analysis.

The analysis uncovered that economics can be an important factor in keeping the processes in a federation positive. Economics does however not explain why Canada survived the challenges during the Great Depression of the 1930s, while Yugoslavia succumbed to economic troubles during the 1980s. The analysis shows that a well written *constitution* may prove crucial in handling challenges. The surprising part is the likely top governing factor that seems to be involved in determining the stability of a federation: *popular trust*. Negative *popular trust* over a time seems to have a severe impact on state stability.

My conclusion is that the ability of the constitution to address a possible weak/conflict spot within a federation might be critical. The constitution of Canada has most of this in place, though some weaknesses could be present as the province of Quebec remains distrustful of the Canadian union. It also seems that the various process chains that are active in a federation should concentrate on keeping the *popular trust* positive. A good economy and a fully functional legal system seem to be two key components in maintaining *popular trust*.

Acknowledgments

I would like to extend special thanks to my supervisor Lars G. Svåsand at the Institute of Comparative Politics for his valuable advice and guidance during the authoring of this master thesis.

Bergen, 24 February 2010

Alf Petter Jakobsen

TABLE OF CONTENTS

1.0 - Introduction.....	1
2.0 - Theoretic Framework.....	3
2.1 – Federations and its counterpart; Unitarian States.....	4
2.2 – Organizing a Federation: Parliamentarian, Semi-Presidential and Presidential.....	11
2.2.1 – Parliamentarian.....	11
2.2.2 – Presidential.....	13
2.2.3 – Semi-Presidential.....	14
2.3 – Defining State building and State Failure.....	15
2.4 – Federalism and the challenges it have faced.....	21
2.4.1 – (Former) Yugoslavia.....	22
2.4.2 – United States of America.....	25
2.4.3 – Nigeria.....	31
2.4.4 – India.....	33
2.5 – Short result summary of Chapter 2.....	36
3.0 – Methodology.....	37
3.1 – The nature of a case study.....	37
3.2 – Understanding Process Tracing.....	40
3.3 – Identified variables of interest in federations: Redux.....	44
4.0 – Empiric Framework.....	49
4.1 – Canada.....	49
4.1.2 – General Political, Economic and Values Background.....	50
4.1.2 – Summary of notable events in Canadian History.....	68
5.0 – Analysis.....	72
5.1 – Phase One: Analysing Challenges to federal national stability.....	73
5.2 – Phase Two: Bringing the loose ends together.....	84
7.0 – Literature List.....	92

LIST OF TABLES AND FIGURES

Table 1 - Comparison of various state configurations.....	9
Table 2 - Suggested variable affinity to state-failure or state building in existing literature... ..	21
Table 3 - Quick Fact Overview of Canada today (2008):.....	50
Table 4 - Notable challenges that Canada has faced throughout its lifetime.....	68
Figure 1 - Demonstration of likely state type placement in a 3D plot.....	10
Figure 2 - State Building Scale.....	16
Figure 3 - Demonstration of state failure as a scale.....	19
Figure 4 - Process schematic of Judicial and Constitutional sectors traced to trust.....	88

1.0 - Introduction

Federations are a fairly rare concept, although the few federations that exist cover vast areas of our globe. Some of these federations have experienced breakdowns, such as the United States of America in 1860 and former Yugoslavia in 1991. Other federations such as Canada have managed to stay together; despite having faced multiple challenges.

I have touched the field of federalism before during my bachelor studies at the Norwegian University of Science and Technology, which left indications that federalism in itself does not guarantee a better resistance against state failure. This left me with the following question: Why does some federation remain stable while others fail partially or completely? This question is the main drive behind gaining a better understanding of the processes that affect the stability of federations.

I hope to do this by employing the method of *case studies* when examining a federation that so far has stood the test of time. A federation which seems well suited for providing these answers is the Canadian Federation. It is my hope that the qualitative analytic method of *process tracing* and the data gathering method of *case studies*, may help in determining the reason(s) why Canada so far has been able to handle all the challenges that it has faced since it became a federation in 1867. The main case of Canada will be accompanied by four less detailed cases or units in which things did not fare that well or avoided disaster narrowly, which will hopefully provide clues as to why Canada has not become a failed state. The primary research objective for this master thesis can thus be narrowed down to the following question:

What has given a federation like Canada better ability to survive challenges?

The goal is to highlight what kind of processes may lead to state failure or instability of federations. One reason for improving the understanding of the processes that affect the stability of nations with a federal structure would be that many federations cover vast territories. Any break-ups or state failures of a federal state the size of Canada may have considerable affect on global issues, such as the sensitive world economy. Earlier research aimed towards conflict research by researchers such as Scott Gates, James D. Fearon and David D. Laitin has indicated that economics have a considerable affect on national stability.

It may seem unlikely that a federation would experience any breakdown today, but that does not imply that it cannot happen in the future. The complete breakdown and civil war in the United States was not quite expected in the world or the United States in 1860, yet it did occur. Another unexpected occurrence was the fall of the Weimar Republic in 1933. My research question is inspired by and based on results from previous research from the field of federalism and conflict research. It aspires to make a contribution towards the common pool of knowledge within this realm of science.

I believe that it is important to uncover the *causal inference* which increases stability as well as those factors that decrease stability. Knowing these factors may provide the common pool of researchers the ability to in the future to devise methods that may provide federations with an increased ability to detect and handle challenges before it is too late. This paper will however only focus on the understanding of past occurrences, rather than speculating on how federations can meet future challenges.

This master thesis is divided into four parts. Chapter two will assess the theoretic background and definition of elements important to this study, such as state building, state failure and federalism. This chapter will also contain examples of federations that has not fared that well at one point of time, looking at the theoretic evaluations of the main causes behind the challenges they faced. The third chapter will provide a basic understanding in the two methods employed in this thesis; *process tracing* and *case studies*, along with a brief description of variables that made themselves apparent in chapter two, and what they represent. Chapter four will concentrate on the main case of Canada, and attempt to reveal the challenges that it has faced since the early days of colonization. Chapter five will analyze the information gathered in chapter two and four in order to assess if there are similarities in how the process chains caused selected challenges. This analysis will also try to analyze why some challenges occurred in other federations, but not in Canada. The second half of chapter five will bring the various loose ends together and try to find a reason for why Canada has not experienced a state failure during its existence. The differences or similarities in the analyzed process chains may provide the information necessary to determine what processes that has been instrumental in protecting the Canadian Federation from experiencing a state failure.

2.0 - Theoretic Framework

Theoretic framework is essential for any research project as it serves to explain meanings, differences and similarities of key concepts and ideologies.

As we will look at sources of national instability/state failure in one particular kind of state system, it will be important to understand the differences between the state system in question; Federation/Federalism; and a different state system, such as the commonly used unitary system. This is done in order to understand the difference, similarities and whether they are two dichotomous systems or two similar systems placed in different spots on a scale. The theory section of this project will as a natural consequence focus on explaining the institutional design differences between federalism and unitarianism. Understanding these differences will make it easier for the reader to discern if a nation has a federal, confederal or non-federal system structure. Understanding federalism may also better clarify why I have selected the cases that I plan to use in this study. It will also provide important an understanding of certain expression or words connected to federalism, such as institutions that compose it and the variables that shape it.

There are a broad availability of sources which have worked within the field of federal states in political science; a specific contribution would be “*Comparative federalism and federation (1993)*” by Michael Burgess and Alain G. Gagnon. It may also be worthwhile to examine works and theories from the fields of civil war and conflict research. These two theoretical fields are likely to both have an effect on the shape of the dependent variable in the finished project, though civil war studies are likely to provide the greatest part of the variable. The reason for this choice is the very object I wish to study; internal political stability. It is at the same time unwise to ignore its opposite part; internal conflict, since these two halves tend to intertwine. Both internal *stability* and *conflict* tend to have different degrees of present condition and/or possible outcome(s). Internal conflict may for example lead to either civil war (Former Yugoslavia), peaceful resolution (Canada) or peaceful division (Former Czechoslovakia).

This chapter is divided into four parts. The first two will establish which parameters that is required before a nation can be considered federal. The third will give provide an overview of how the existing scientific community defines the scope of *state building* and its opposite part of *state failure*. The fourth part will provide theoretic insight into specific challenges that has occurred in other federations and asses which factors that was present.

2.1 – Federations and its counterpart; Unitarian States

It may sometimes be difficult to tell a Federation apart from a Unitarian state if you only glance the surface. This chapter serves to shed light on the differences between these two, similar yet different forms of organizing the basic political structure of a nation.

One of the first aspects that identify a federal state is that it is per se not *one* state, but a constellation of many states which have surrendered *some* of their sovereignty to a common overarching central government. This is why most federal states like the United States of America are often referred to as super-states because of their size; though exceptions to this expression exist.

The number of nations who have a state structure organized around the principles of federalism is by far outnumbered by the nations which use a unitary state structure. However, the few federal states that exist usually cover large amounts of land, approximately one third of the land areas of our planet. To make things even more complicated, there are also different degrees of how “federal” a nation can be. To understand what factors set a federation apart from unitary nations we need to look at how the most important aspects of any state are laid out.

The theory of what makes up a federation is not completely clear, as the scientific community has not come up with a common description of what factors that are required before a nation can consider itself federal. The more “extreme” political scientists, such as Jenna Bednar (2009) have perhaps gone further than many researchers by characterizing the European Union as a federal state, while Michael Burgess and Alain-G. Gagnon (1993) and others have characterized the European Union more as a confederal state in the making. I will attempt to combine the elements which these three authors have identified as being crucial for a federal state structure, in order to form a more balanced overview of what elements a nation must have in order to be considered a “federal” nation.

The first aspect that first will set a federal state apart from a unitary state is *division of powers*, where you have a vertical division of powers in addition to *at least* two levels of horizontal separation of powers. This aspect is best illustrated by a nation that has a central federal executive, legislative and judicial branch AND at the same time has an executive, legislative and judicial branch in each member state *with* partial autonomy from the federal state (Burgess 2006: 136). As such it is possible for a state level legislative branch to create laws independently of the federal state which is then valid only in that particular state. This also means that even if the law or system breaks down, fully or partially in one state, it is not

guaranteed that the law will break down in the other states. As such, federal states usually divide authority, power and responsibilities in a manner which may possibly prevent a failure of the entire state (Bednar 2009: 35-42). History has however taught us that this division alone will not protect a federation from splitting in two or more parts (Jenkins 2003: 135-147).

Federations have strict limitations on centralizing authority or powers belonging to the member states. Unitary states do not have this element, thus even if a unitary state has something that remind us of division of powers, though it should not be called true division of powers unless there is something that prevent the central state from “steamrolling” its member states/provinces. It is possible to find some instances of elements in unitary states that may appear to be division of powers, but it is normally fairly easy to discern actual division of powers from seemingly division of powers, once you know where to look. For Federations there is usually a constitution or basic law that explain the limits of how the federal state can claim and even sometimes how it may delegate power and responsibilities (Burgess 2006: 220-224). Unitary states tend to lack such clear limitation, even though these unitary states may have local governments (Rose 2004: 162-163).

A constitution is a document or set of documents which stipulates the rights and responsibilities of the federal state and its sub-entities, addition to the rights and responsibilities of the citizens of the nation. A federal constitution tends to have a clearer picture than a unitary state, as to what the federal state must, can and cannot do. It is also common to state what the sub-entities must, can and cannot do. In this manner it is more difficult for the central state organ to recall or take over powers granted to the sub-entities without creating, at best, a great commotion with regards to violating the constitution, the highest piece of law in the nation (Bednar 2009: 18-20). A unitary state can theoretically reclaim powers from the counties and municipalities as easily as they gave them those powers without facing the same kind of legal consequences a federal government would. Federal states use the constitutional text as safeguards to prevent the described scenario from happening. Some political scientists make the presence of a constitution a requirement for considering if a state is federal or not, second only to the requirement of both horizontal separation of powers and vertical division of powers (Burgess 2006: 136-139, 156-160). “Secured” division of powers may calm worries in a member state with regards to being able to protect their own uniqueness and values. As such they may possibly create a buffer that decreases the chance of religious or cultural conflicts that may tear a nation apart and cause temporary or worse; permanent state failures (Bednar 2009: 18-23).

The Supreme Court can only intervene if the laws come into conflict with the constitution, an ability that is practiced actively in federations such as the United States, Canada and India. This kind of intervention is called “judicial review”; where the Federal Supreme Court actively probes new or altered laws that come out of the legislative branch and has the ability to prevent the empowerment of these laws; should they according to the constitution *encroach* on the rights of the various member states and/or the citizens that make up the federation. Citizens also have the ability to raise a case against the state if they believe that a law is in violation of the constitution and the Supreme Court is tasked with passing the judgement if the law is legal or not (Mitra: 662-663)(Ranney 2004: 752). This makes it possible for citizens to have a channel where they can actively protect their rights, which in turn may provide a medium that can settle disputes in a peaceful manner, instead of resorting to violent rebellions, which is likely to cause state failure.

There are some aspects that we can use to judge if a state is quasi-federal (confederal) or federal. The first aspect is that the federal state controls the foreign policy of the nation. The European Union does have a foreign minister, but the EU cannot control the foreign policies of its member nations. The United States, however has a Secretary of Foreign Affairs who speaks for all the member states in the international arena; member states of the United States have a very limited active voice in foreign policy, usually limited to a few areas such as tourism (Burgess and Gagnon (Eds.) 1993).

The second aspect, which is somewhat disputed among political scientists is military organization. Some believe that a federal controlled military is necessary for a state to be considered federal (Burgess 2006: 38). One of the possible reasons why this is considered an important institution is that this signifies that the member states have reached a common point where all the important institutions found in a nation, are shared by the member states and that they accept the federal state as their sole voice in the international arena.

The past paragraph touches upon one of the possible reasons why federation are created. The keyword with a federal military is “collective security”, as in creating a coherent, unified force that will actively protect the member states of the federation from foreign aggressors. Of course, there are alliances which may serve a similar role but an alliance does not guarantee that your allies will come to your aid, and when that aid comes it is not guaranteed either that they will use all their strength to protect you. In a federation it is certain that another state will defend a fellow member state, because defending another state is like defending themselves (Bednar 2009: 25-28). This sense of needing each other may also contribute in preventing states from seceding from the federation and thus cause a divisional

failure of the state, which may in the worst case scenario turn extremely violent and cause temporary state failure or a total state failure, splitting the nation up into several pieces.

The advantage of a federation is that the various member states can operate both together (thru the federal level) and independent of each other (state level). It is somewhat easier for a member state to maintain their individual identity thru partial autonomy as they can control key institutions such as education, even though they have a government above them. There is one other aspect that is considered to be a major contributor in the creation of federation, namely economics. Federations can make it simpler to negotiate trade deals with other nations, as the federation or confederation represents the entire bulk of member states. A federal or confederal state will also make trade within its territories easier such as the internal market of the European Union and the United States of America (Burgess 2006: 144-149). This may in turn create *interdependence* among the member states, possibly strengthening the ties between the member states and prevent federal state failures as it simply will not be in the best economic interest of the member states to secede from the federal arrangement (Dunne 2004: 162-178).

Constitutions have been pointed out as a tool to secure the most important interests and rights of a member state, though it is highly dependent on the efficiency of the Supreme Court which exists to protect the contents of the constitution thru judicial review. The best example of a Supreme Court that actively monitors new laws for breaches of the constitution is the US Supreme Court. This failsafe could be considered pivotal in preventing grievances between the member state and the federal state, leading either to solution or in a worst case scenario, a possible succession and civil war (Burgess 2006: 156). Other federations may have a more relaxed supreme court, such as Australia, but as this nation is fairly generic in terms of race and culture, it is difficult to say how a relaxed Supreme Court could have affected federal stability in the United States. Canada may however provide important clues to this question as the Quebecois had and still has little trusts in the objectivity and independence of the Supreme Court of Canada, almost leading to the succession of Quebec from the Canadian federation. This particular topic will be closely explored in this paper.

An additional aspect that also touches on how a federation is organized, are the three branches of government first envisioned by prominent philosophers such as Montesquieu and put to use by the founding fathers of the United States of America. These three are commonly known as the legislative, executive and judicial branches (Almond, Powell Jr., Strøm and Dalton (Eds.) 2004: 104-107). The presence of this aspect does not alone identify a federation, as it is usually present in one form or another in most democracies. The reason for the

importance of this aspect is that federations often need to be of a democratic of nature and thus it is an important identifier for a democracy, though it is theoretically possible to have a quasi or non-democratic federal state. (Almond et. al. (Eds.) 2004: 104-107) (Ranney 2004: 750-752). There are other forms of states with decentralized rule similar to federations, such as feudal, aristocratic and oligarch type of states. This is often the first thing you should look at in order to determine if the state can be considered as federal; Federal states have usually a requirement that there is a notable separation between these three branches. Achieving a complete separation is nearly impossible as for example judges are appointed by the legislative and/or executive branches, thus they cannot be considered as completely independent of each other. Separation of powers is a horizontal division of powers between the three main governing braches, most modern unitary democratic states have some form of separation of powers while in dictatorships there is usually a person or persons that are both the legislative, executive and judicial branch at the same time (Almond et. al. (Eds.) 2004: 104-107). We will in chapter 2.3 delve further into how separation of powers are executed in the various incarnations which a federal system can be organized into.

The most important aspects that help us differ a federation from confederation and unitary states, is displayed table 1. It shows a side by side comparison of three federations, one confederation and one unitary state. One of federal examples is Canada, the main cases that this thesis will examine. It should be noted that the European Union, who is confederal example is not yet a declared nation. It does however have the basic institutions that are normally present in a confederation, one of the reasons why researchers such as Alain G. Gagnon and Michael Burgess consider the European Union a confederation.

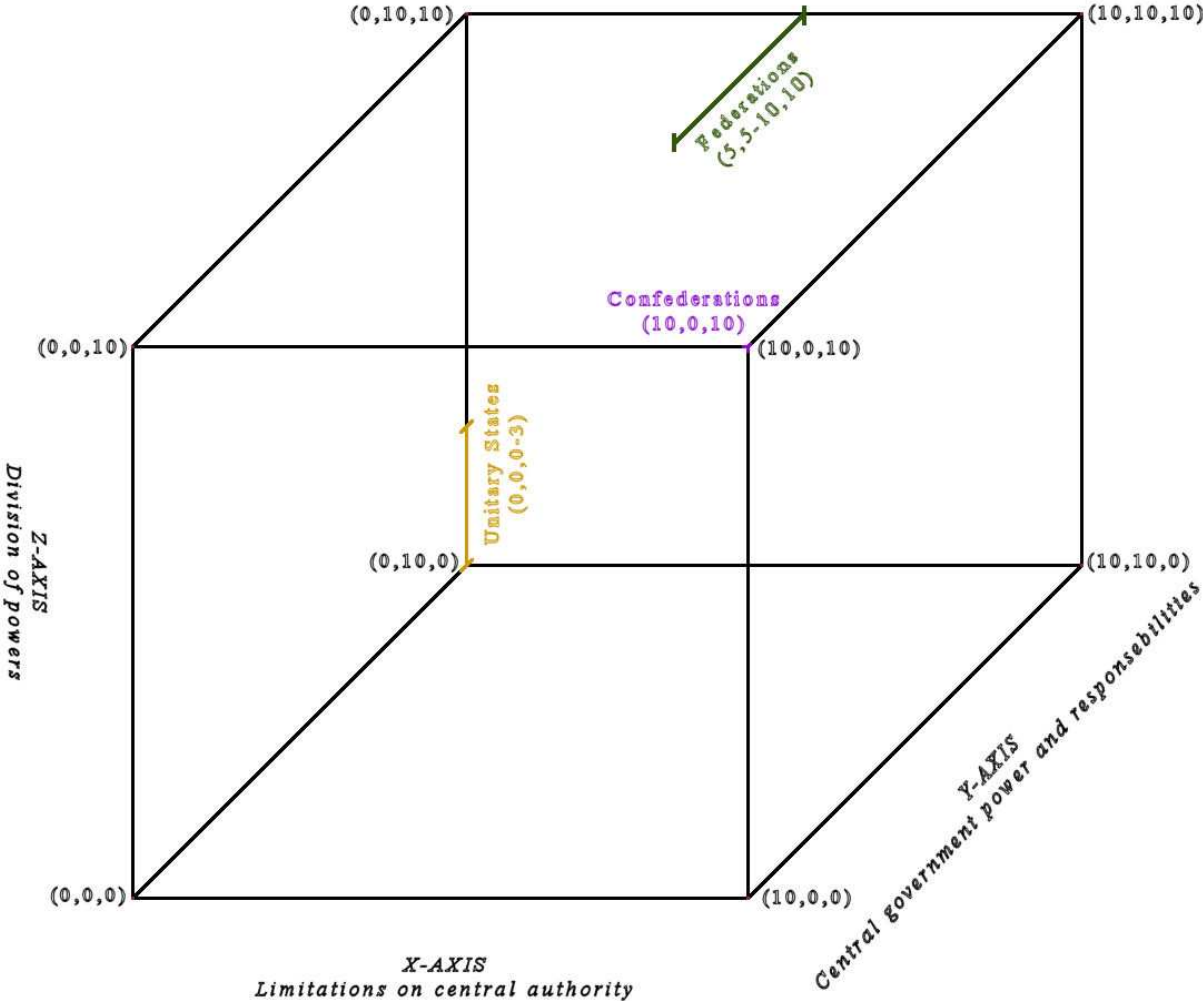
Table 1 - Comparison of various state configurations

Element	United States of America (Present)	Federal Republic of Germany	Canada	Norway	European Union
Type of state	Federal	Federal	Federal	Unitary	Confederal
Division of Powers	Yes	Yes	Yes	No	Yes
Separation of Powers	Yes – Three Branches	Yes – Three Branches	Yes – Three Branches	Yes – Three Branches (Two in practice)	Yes – Three Branches
Executive	President	Chancellor	Monarch of Great Britain	Monarch of Norway	European Commission
Supreme Court	Yes	Yes	Yes	Yes	Partly Yes
“Active” judicial review	Yes	Yes	Yes	No	No
Constitutional Limitations on decentralization of authority	Yes	No	No	No	No
Constitutional Limitations on centralizing authority	Yes	Yes	Yes	No	Yes
Central Monetary control	Yes	Yes	Yes	Yes	Early: No Present: Yes
Centralized Military	Yes	Yes	Yes	Yes	No

What we are left with is an impression that federal states and unitary states occupy two different spots on a scale, rather than being two different entities. There are more similarities between federations and unitary states than imagined. The differences primarily lie in how the central state is restricted in dealing with the lower entities. Federations tend to have medium to strong restrictions when it comes to exercising their authority over lower entities such as member states/provinces, while the authority of the central actor in unitary states is usually not restricted. Confederation are however also similar to federation and unitary states, but tend to differ in key issues, such as the lack centralized military and a central government that is even more restricted than a federal government. Confederations have fewer responsibilities. They act more like a coordinator, rather than a director. As such we can imagine ourselves a three dimensional plot with an X, Y and Z axis, where X is *limitation on central authority*, Y

is central government power and responsibilities and Z is division of powers. Figure 1 shows how these three state configurations could be placed in a three dimensional box. This figure is based on a similar figure used by Scott Gates, Håvard Hegre, Mark P. Jones and Håvard Strand in *Institutional Inconsistency and Political Instability: Polity Duration, 1800–2000* (2006). The placement of the axis is based on a two dimensional figure was used in *Comparative Politics Today: a World View* (Almond et. al. (Eds.) 2004: 106)

Figure 1 - Demonstration of likely state type placement in a 3D plot



Federations will likely score medium on X, medium to high on Y and high on the Z axis, while a confederation will score very high on X, low on Y and high on Z. Unitary states normally have low score on X, high on Y and usually low on Z, but climbing values can be seen in unitary states such as Great Britain and Spain. A typical dictatorship will have low scores on Y and Z, while having very high scores on Y (Not displayed in figure 1). The three

dimensional axis should hopefully give you a demonstration of where these are placed among each others and that they have more similarities than differences, being usually different in the three aspects shown in figure 1.

2.2 – Organizing a Federation: Parliamentary, Semi-Presidential and Presidential

There are three major methods of organizing a federal nation today. Some of these methods may also appear in unitary systems, but they lack a clear vertical division of powers as mentioned earlier. Each system may have its own ways of handling challenges to national stability, and each system may have its own weak spots when being exposed to challenges. Some methods such as the Presidential system is considered to be less stable than the other and will be addressed together with the Presidential system. This chapter serves to explain the difference between the three most used methods of organizing the top governmental system in a federation; namely Parliamentary, Presidential and Semi-Presidential. The three types of government will be presented in the order above.

2.2.1 – Parliamentary

The parliamentary system is a system extensively used among the western nations, federal as well as unitary. Its roots stretch back to the days before democracy. The most notable and oldest parliamentary system is the British, which slowly guided Britain from a monarchy to democracy; although the British crown still persists, it serves a more symbolic role today than it used to. Parliamentary is usually the system used by democratic nations that have a monarch as a symbolic head of state, such as Canada and Belgium. The real power is usually placed in the hand of a *prime minister*. One common requirement for becoming a prime minister is that the person must have been elected to serve in the parliament. The prime minister is often the head of the party with the most votes or from a party serving in a ruling coalition of several parties, where he or she is not necessarily from the party with the most votes. An example of the latter is prime minister Bondevik of Norway's (Christian Democratic Party) second coalition (2001-2005) who led a coalition consisting of the Centre, Christian Democratic and Liberal parties and conservative party where his own party had

roughly 12,4 percent of the votes where as the conservative party had 21,2 percents of the votes (Statistisk Sentralbyrå 2001).

Parliamentarian systems can appear with either one or two chambers. Canada has two clearly separated chambers, where the upper chamber of the Canadian parliament is the Senate and the lower is the House of Commons. A parliamentary does system does not require both chambers to be democratically elected as it is in Canada. The Canadian Senate consist of nominated people, and all of them may reside there until they reach an age of 75. Their main power lies in being able to reject legislation passed by the House of Commons, but may also suggest bills if, and only if they do not concern taxes or money in general. A bill originating in the Senate must pass thru the House of Commons before it can be submitted for the Governor General's signature (Canadian Department of Justice 2010). The real powerhouse of the Canadian parliament is the House of Commons who have the exclusive power to pass legislation concerning taxes and money along with regular legislation. The legislation originating in the House of Commons must pass thru the Senate by simple majority before it can be submitted for signature of the Governor General. The bill will only become law after this process (Canadian Department of Justice 2010). One possible advantage with a true two chambered legislative branch is that there in an extra check on the power of the legislative branch, usually implying that some or all of the legislation must pass thru two layers before being signed into law by the executive branch. This may help in preventing the legislative branch from passing laws that may contribute towards a failure of the state system.

The manner in which election are held can be different for parliamentary systems. Some nations such as Norway use list voting. This is when a voter puts a finished list filled with ranked candidates from a party of their choice into an anonymous voting envelope, though the do have the ability to strike or alter the ranking of the list at their will. Each county (fylke) is awarded a set number of seats based on their factors such as population and size; smaller counties may receive extra seats to ensure that their voice is not ignored. The final tally then decides how these seats are distributed among the parties in each county. Direct votes and re-arrangement of the list ranking is at the moment a rare occurrence in Norway, thus direct votes often has little to say in the final outcome of the election (Norwegian Parliament 2010: Stortingsvalg). Canada is different in this aspect. The candidates receive direct votes; a voter can only vote for one candidate. There is no opportunity to give the vote to a party list. It is a fairly simple system where the available seats in the county are given to the candidates that are "first past the post" (Canadian Department of Justice 2010b). Canada is the only federation discussed in this paper that uses a "pure" parliamentarian type system.

2.2.2 – Presidential

The presidential system is used less than the two other systems in federal state structures; the total number of states that uses this system are however considerable. Not all of these are stable as this system is popular in many of the newer nations in Africa and South America. A considerable amount of the nations from these two continents either have or is experiencing serious stability challenges. This is one of the reasons why the Presidential system is sometimes considered to be the least stable of the three systems presented in chapter 2.2 (Newton and Van Deth 2005: 66-69).

The first presidential system was created when the United States of America were transformed from a confederation into a federation. USA is actually the first state that used both a federal structure and a Presidential system. Both of these institutions were in a sense brought into reality with the forming of the United States and have been in a constant evolution since. Federalism in itself has not changed much, but the Presidential system has changed considerably since the tenure of President Franklin D. Roosevelt. Roosevelt marked the start of a gradual and steady expansion of presidential powers, and the checks and balances in the United States has also been affected by this (Schlesinger Jr. 2005: 47-67).

The founding fathers of the United States put the notion of checks and balances into practical use, in order to prevent the rise of a single ruler like their old master nation, Great Britain had thru its king and crown. This work was not completed until the United States were transformed into a federation, where the constitution was revised and improved with regards to the balance of power between the three branches of government, and the power balance between the central government and the individual states; The Supreme Court of the United States (Judicial), Congress (Legislative) and the President (Executive). Each branch was given different powers, responsibilities and limits thru the constitution, though some were vaguer than others and this in turn created controversies. The tenure of President George W. Bush and Richard Nixon highlighted the problems the vague formulations in the constitution could create. Especially concerning how and when the President can use military force. Vagueness in a constitution is like a two edged sword. It may prevent challenges from arising because nobody can make a definitive claim to a specific power, and at the same time create

challenges as two or more branches may fight for the control of the definition of a vague part in a constitution. The latter may affect the power balance in a federation leading to severe problems in running it. It may also create holes that strong leaders may use to increase their control of the central government and eventually cause the state to fail (Avella 2000: 57-67).

The Presidential system uses almost exclusively direct voting. That is that the votes are cast for a single person rather than a party, though the United States uses an institution called the Electoral College which consists of individuals that are chosen by the voters who then cast a vote for the party candidate whom they represent. The numbers of electorates vary according to state size and population. A direct election system is usually found at all levels of democratically elected offices, this is even though the vertical division of powers allow each state to have their own election laws and regulations. A few universal aspects regarding elections are governed from the federal level, such as the limitation of how large financial contribution a registered voter can give to a single candidate (Lowi and Ginsberg 2002: 246-276).

An appointment to the Supreme Court is the only process that is not done thru a direct election. The reason for this is to ensure that the expertise of the Supreme Court Judges is held at a high standard. This does not mean that the process is simple or controlled by one branch, as the privilege of nominating a Supreme Court Judge rests with the President. The Senate has the privilege of approving the nomination with a simple majority vote or alternatively reject the nomination (Lowi and Ginsberg 2002: 191). It is deemed important to prevent a single branch of the government to control the appointments to the Supreme Courts, as the judicial branch is highly active in controlling that a law or legislation does not violate the constitution or the bill of rights.

The level of activity in the Supreme Court may vary between federal nations who employ a Presidential system. The United States is a good example at showing why checks and balances can play an important role, especially when it comes to prevent one branch of government from gaining complete control over the state system. Thus prevent a collapse of the existing state system.

2.2.3 – Semi-Presidential

The Semi-Presidential system is a mixture of both the Parliamentary and Presidential system; easily recognizable by the fact that it has both a President and a Prime Minister. The

Semi-Presidential system is one of the least used state organizational systems in the world today. The most notable federal nations that employ this state system are Russia and India. India is one of the examples of federations that have encountered stability later in chapter 2.4.

Semi Presidential systems tend to use both a President and Prime Minister to further separate the executive power. This creates an arrangement where the President handles all foreign affairs and acts as the ceremonial head of government while the Prime Minister has authority of all internal affairs of the state. Some states however have a President in a ceremonial role such as India. The President is commonly elected thru a direct election while the Prime Minister must be elected to the parliament and usually represents the largest party/coalition in the parliament. It is fully possible to achieve a situation where the President and Prime Minister represent two very different factions. This system may create some not so amusing incidents as foreign treaties negotiated by the President may affect internal affairs, potentially creating a deadlock between the two de facto executives. Likewise may internal decisions by the Prime Minister and parliament affect foreign affairs and create clashes the other way. This has happened to France in the past, especially before the fifth republic of France come into existence (Newton and Van Deth 2005: 64-65).

2.3 – Defining State building and State Failure

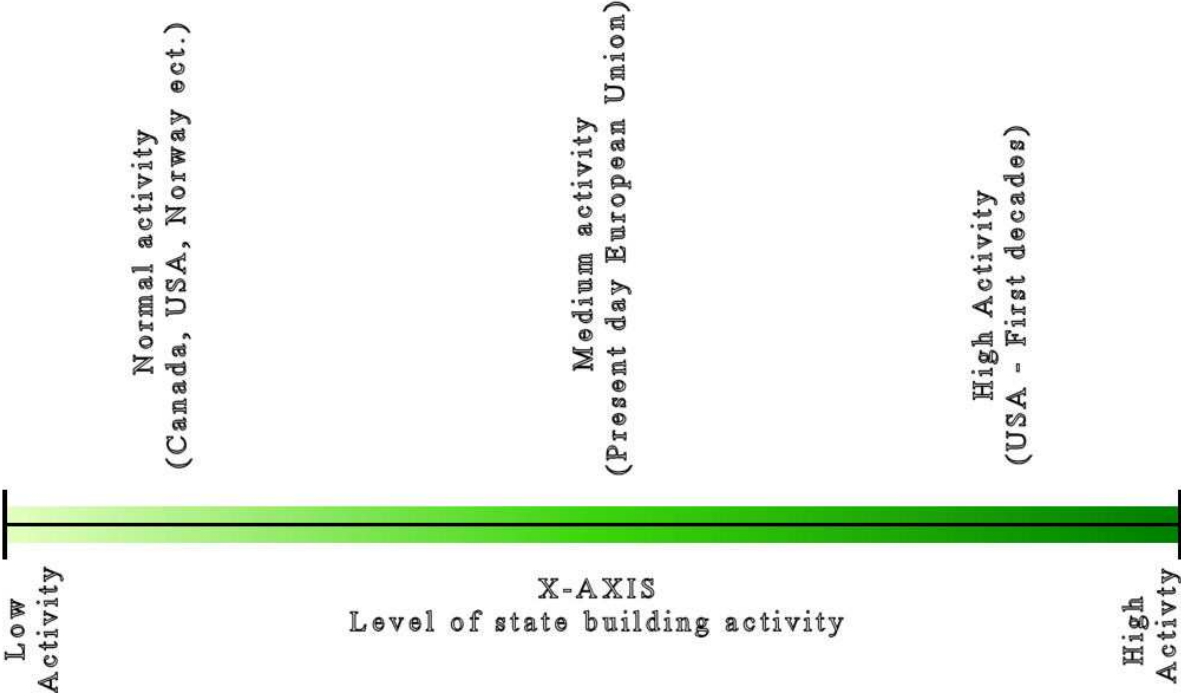
The chapter of *Defining State Building and State Failure* serves to define one of the keywords used in the research question, namely what purpose and meaning the word “*state failure*” has. We will first need to establish the meaning of its direct opposite; *State Building*, in order to better understand the difference between a functional and a failed stat. The variables that are mentioned in the literature will be explained more in detail in chapter 3.3.

Modern theory places a number of conditions for confirming the legal existence of a state: The first and perhaps oldest rule is that the state must have a monopoly on the use of violence, though this is not unconditional as the second rule will demonstrate. The second rule gives that the lives and well being of those placed in the care of the violence monopoly holders must be protected to reasonable extent. This means that a senseless abuse of the monopoly of violence by the state may put the legal existence of the state in jeopardy as despotism is nothing more than organized chaos. The third requirement is connected to the first two conditions, demanding that the actor can enforce order and justice without breaching the second requirement. It is theoretically possible that there may exist an environment where

there are no actors that have monopoly on violence, no actor that actively protects the people under their domain, and still have an environment more or less free of violence. The absence of an actor who controls the rules means that this is a stateless environment. The international arena is such an environment as there is no central actor that disciplines those who break the rules. This stateless environment is better known as anarchy (Langford 1999: 64-65).

The goal of many statesmen, researchers and politicians is to keep a nation in a condition better known as state building. This is the process where the rules, regulations and institutions of a nation is built up or gradually improved. State failure and state building may *not* occur at the same time as these are two mutually exclusive processes. Most western nations are in a state of constant state building, due to the fact that *laws* and *regulations* are constantly changing in order to handle new or changing challenges to the survival of the state system. It rare to see states try to join together in order to form a new state, such as the present attempts of building the European Union. This kind of event has been largely attributed to the desire of having a simplified and permanent *trade arrangement* among the contributors. It is also sometimes connected to the desire of *increasing their defensive military capabilities* thru collective action on a more secure level than a simple alliance would have been able to provide. State building can also be visualized as a scale with different levels of state building activity (Bednar 2009: 25-28).

Figure 2 - State Building Scale



A normal and stable nation such as Canada would be placed at the lower end of the scale as its main activity would be updating or adding *laws* or *regulations* in order to keep the nation able to handle the challenges it may face. A mid scale event would be where a nation transitions gradually in a “natural” manner from one form of state system to another. This kind of process can be confused with a very mild state failure event, but is rather a state building process. A nation can transition from a democratic confederal state or autocratic system to a democratic federal system or democratic unitary system without being categorized as a state failure. The main difference is that this process *must* be free of violence or the threat of violence. This may contribute towards maintaining the overall integrity of the nation. Peaceful transformations of autocracies usually only comes true when an autocratic leader decides to make his or her nation fully democratic. The other way around is usually accompanied by violence and thus qualifies as a state failure instead.

High end state building events are when nations are in the process of either peacefully redesigning their institutions and rules or building them up from the scratch. This process can be triggered without a war such as when nations decide to freely join together in a larger nation such as federations. But it is also possible to go into a high end state building process following a war or state failure in order to prevent it from happening again. If successful, these nations will eventually shift downwards towards the lower end of the state building scale where the main activity is maintaining the integrity of the state. If unsuccessful they are likely to fall into the realm of state failure, where a nation transitions from high levels of state building to state failure. Like mentioned earlier this chapter; there is an increased possibility of experiencing a state failure directly after a system change or a recent violent conflict (Hegre, Ellingsen, Gates and Gleditsch 2001: 39-44).

This brings us to the opposite of state building; state failure. This is the process in which states disintegrate. There are many different forms of state failures and even more possible causes to a state to failure. This topic is a core field within conflict and civil war research, with the majority of research being of quantitative nature. Visiting some of the findings of this research may prove valuable, both for establishing a firmer theoretical anchoring of this thesis, and to review what factors are usually included in democratic breakdown and conflict research. There are several independent variables that have been used in this field in order to better understand the reason for democratic breakdowns or outbreaks of civil war. The variables range from poor treatment of an *ethnic minority* that is *packed together in a localized area* to *fear* or even *greed* (Langford 1999: 62-64). The by far most

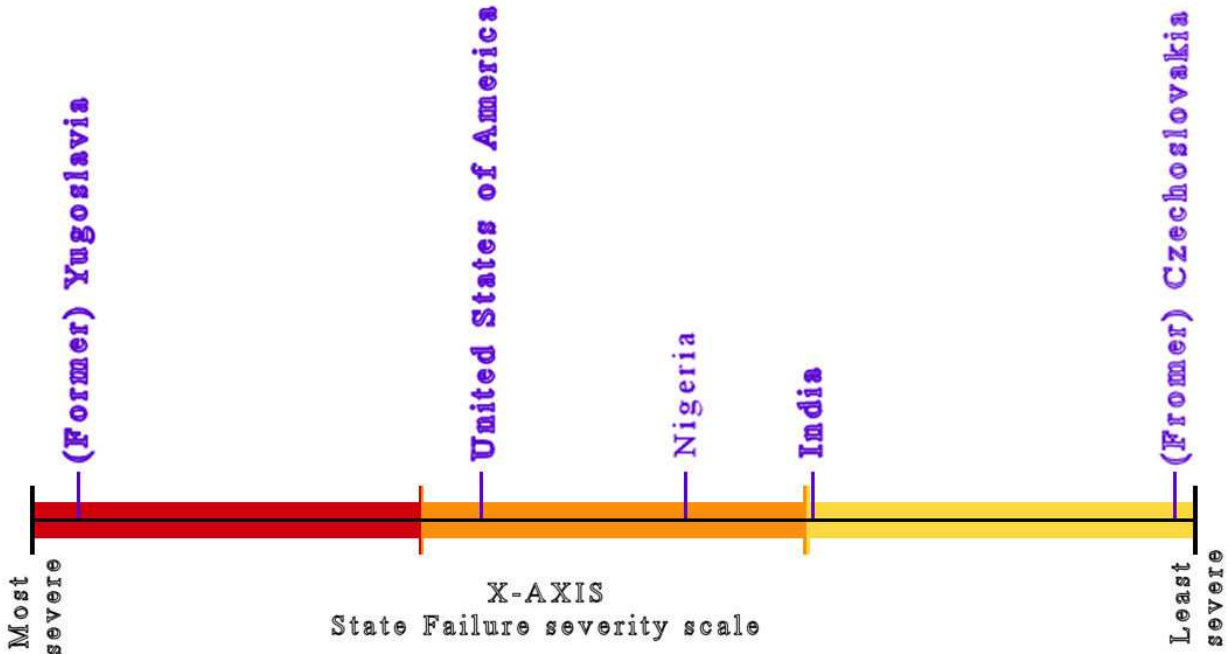
common aspect included in this kind of research is variables connected to the *economy*. Many articles have connected *bad economic conditions* to national instability (Fearon and Laitin 2003: 84). A trickier variable is *ethnicity* which is more a collection of sub-variables, *racial* differences is just one of these sub-variables. Other examples of sub-variables are *linguistic*, *religious* and *ideological* differences among a population. The existing research has produced some rather intriguing results with regards to *ethnicity*; if there are few ethnic groups; say two or three groups of at least almost equal size there is a heightened possibility of civil war, with one ethnic group leading to less risk of civil war. The interesting aspect to this research is that researchers such as Paul Collier, Halvard Buhaug and Scott Gates have uncovered that there is a reduced risk of civil war if there are *many* ethnic groups with no dominant ethnic group (Collier 2001: 134-135, 153-155) (Buhaug and Gates 2002: 420).

Some scientists have examined some more unusual variables. This research deals with the theoretic idea that *a democratic nation is more stable than a non-democratic nation* (Hegre et. al. 2001: 33). This research points out that this notion is probably correct. But with an intriguing catch. The discovery is that the *strength of the democracy* decides the effect it has on the stability in a nation. It reveals that democracy is not the best solution to raise the stability of a nation unless the institutional *strength of the democracy is strong*. This is however only half of the findings. It has also checked how an *autocracy* would perform. The result was almost close to that of the democratic variable. It concludes that a *weak autocracy* is more vulnerable to civil war while a strong is less vulnerable. A *strong democracy* is however more stable than a *strong autocracy*, but not by much (Gates et. al. 2006: 893-904). Another variable is one which several researchers have examined, namely *proximity to previous system change* (Autocracy to Democracy, gaining independence and so fourth) or (civil) *war*. What they so far have discovered by analyzing this variable is that the risk of a state failure is greater the closer the state is to its last war or system change (Hegre et. al. 2001: 39-44). This points out that they have found several leads to structural issues that may be potential threats to national stability, though they have not examined why the risk of state failure increases with proximity to a previous system change or (civil) war. Collier and Hoeffler mention that external factors such as *diasporas* which provide the *funds* that are required to wage an conflict, may lead to state failure or increase the chance of a recently recovered state to fail yet again (Collier and Hoeffler 2004: 568-575).

Existing research mentions that both the *design of the national system structure* and external variables such as *economy* has an affect on bringing about state failure. It should be noted that Fearon and Laitin have discovered that the frequency of state failures actually has

decreased in recent time, though the duration of those state failures that do occur have increased (Fearon and Laitin 2003: 77-78). This interaction between the structure of the political system and the external forces that may batter against it, is brought to light during the discussion in chapter eight in “Controlling government: Voters, Institutions, and accountability (2008)” by José Marla Maravall and Ignacio Sánchez-Cuenca, bringing together the various process threads of what may cause a democratic system in particular to fail. They also discuss *the danger of these factors occurring together* and how they have the potential of amplifying the danger of state failure. This has happened frequently in past and present conflicts. It can catapults a massive tumbling snowball of chaos and civil strife into breakneck speed, that make it difficult to stop the process chains once it is beginning to roll down the slope (Maravall and Sánchez-Cuenca 2008: 247-302).

Figure 3 - Demonstration of state failure as a scale



The scale Hegre, Ellingsen, Gates and Gleditsch constructed for formally presenting how autocracy/democracy may differ in strength can be modified to formally show how state failures may differ in strength and severity (Hegre et. al. 2001: 44). There are generally two main factors that affect where a state failure is placed on the scale in figure 3. The first is the level of violence involved; lesser violence will lead to a placement more to the left. The second aspect is weather the state failure is temporary or permanent, where a permanent state failure would cause the incident to be placed further to the right.

We can see that this scale is divided into three levels of severity: Yellow, Orange and Red. The mildest variants in the yellow sector on the right hand of the scale are where the state experiences the issues that hamper the operation of the current state system. We can more accurately consider these challenges as state instability as the state has not yet been completely disrupted. This form is signified when the state faces the challenge of multiple concurrent riots and/or protests against the current state system. Riots or protests can be quite common in democracies, some may even exhibit violence, but an isolated riot is not enough to bring a nation to a condition which tips it into the range of state failure. A state where the system ceases to function, usually temporarily can also be placed to the far right on the scale, but if, and only if, notable violence or civil war is *absent*. This example may however be considered a failed state but is mild due to the absence of violence. Another mild form of state failure is where the state splits peacefully into two or more parts, each part immediately forming a functional state system. The requirement for being considered a mild form of state failure is that it is done orderly without a notable existence of violence. This form of state failure tends to be very rare. It has occurred only once the last one hundred years when Czechoslovakia parted ways and became the Czech Republic and Slovakia.

The medium variants of state failures differ from the milder forms in that violence is more or less always present in one way or another. There are incidents where the existing political system has been replaced by another. Not necessarily thru a coup, but violence or threats of violence are likely to be present. Mid-medium variants of system failures can usually be identified by three main factors. The first is that civil war is present and it tears the nation into at least two factions. The second element is that the civil war is only temporary and one side ends up defeating the other. The third factor is that the nation “heals” and becomes united again (Jenkins 2003: 147-192).

Incidents will begin to move into the “red zone” when the last identifier from the past paragraph changes, creating a harsher situation. This lack of reunification will permanently split the nation in two parts. It is also often accompanied by there being no clear victor in the conflict. Though it is possible for the “challenger/rebel” to defeat the central government but choose not to conquer the rest of the nation as they are satisfied by declaring independence for the territory they control. To the far left end of the scale where the colour is blood red, are we likely to find the worst kind of state failure. It is considerably different from the other kinds of state failures. This kind of state failure is usually accompanied by not just one *permanent* nation splitting civil war, but several bloody civil wars. This will eventually split a former nation into multiple pieces and they may remain hostile against each other long after the end

of armed conflict. At worst it may lead to further conflict among the now independent nation states.

Table 2 summarizes the variables that existing literature have identified to have an affect on state stability.

Table 2 - Suggested variable affinity to state-failure or state building in existing literature

Variable	State Building	State Failure
Ethnicity	Positive if homogeneous	Negative if there is two or three ethnic groups, decreases in negative effect as the number of ethnic group's increases.
Economic Growth	Positive if growing	Negative if decreasing or growing among the elite
GDP Per Capita	Generally Positive if high	Negative if low or poorly distributed
Location		Usually negative if located on border to another nation or has access to coastline
Regime Type (democracy only)	Usually more robust if parliamentary	Usually less robust if presidential
Regime Strength: Democracy	Usually positive if strong democracy	Usually Negative if weak democracy
Regime Strength: Autocracy	Usually positive if strong autocracy	Usually Negative if weak autocracy
Proximity to system/regime change	Usually more stable the longer the current regime/system has lived	More prone to failure the younger the current regime/system is
Presence of external Diasporas		Increased chance of failure with an sufficient external diasporas willing to support an uprising
Education	More stable with increased level of education	Less stable if the level of education is low

2.4 – Federalism and the challenges it have faced

Federalism and partial self rule may not always be as stable as projected in the media. There have been several events during the last 250 years in which federal states have faced dire challenges. Sometimes breaking up temporarily and sometimes breaking up permanently.

This chapter aims to review several instances where federal states have encountered challenges and dealt with them in various forms, ranging from success to utter failure. The main purpose is to look for what variables some of the available literature *describes* as being important for causing and/or solving the challenges that caused partial or complete state failure. This chapter will not attempt to use the main analytical method of process tracing as this chapter only seeks to uncover the variables involved. Establishing the process chains will be discussed in chapter 5. The units will be in an order based the magnitude of state failure experienced, determined by figure 3. The first unit to be reviewed is Yugoslavia, followed by the United States of America, Nigeria and India.

2.4.1 – (Former) Yugoslavia

The first of four federations that we will visit is Yugoslavia. A stable and united state under the leadership of Josip Broz Tito until his health started to decline at the end of the 1970s. The nation would cease to exist in 1991. This sub-chapter seek to find the variables that the available literature about Yugoslavia deems as the cause(s) of its demise. It was comprised of six member states and two autonomous regions. The problems in Yugoslavia started to appear during the 1970s, though it would appear as *ethnicity* was not a major factor during the initial decline of the state. To understand the dept of the problems that Yugoslavia during this period it would be best to start by looking at how the state system was designed (Ramet 2002: 1-14).

Tito envisioned a state with *no clear overarching central authority*. Tito chose a solution where members of the eight parts of Yugoslavia participated in an executive council branch, with a rotating Prime Mister among the member states. The legislative branch was a parliament comprised proportionally of the members from the member regions. Yugoslavia had in reality only one party with completely independent regional branches. The system that Yugoslavia used can therefore be considered a hybrid system as it was not a complete one party system (Ramet 2002: 1-14). This gives that Yugoslavia was close to not being considered a democratic federal state. At best it could be considered a combination of a *weak democratic state* and as such barely fulfils the requirement of being democratic.

Despite the difficulties with the system Tito had devised, the 8 units of Yugoslavia were largely hostile towards proposed changes to the system where protection of their own power is cited to be the heart of the hostility towards reform. Each member state could defend

their interest with the *veto power* which Tito's system gave them (Ramet 2002: 1-14). One of the proposals for reform that set things in motion in Yugoslavia was the Serbian proposal in 1984. This proposal called for transferral of authority to the federal government, liberalization of the commercial sector, democratization of the electoral system and decreases the authority of the two autonomous provinces of Montenegro and Kosovo. The proposal quickly met a hard wall. It was flat out rejected by the other member states of Yugoslavia. They also showed no interest in making any sacrifice or discuss any methods which could drag Yugoslavia out of its predicaments. Interestingly, one individual that predicted Yugoslavia's decline into chaos was none other than Slobodan Milosevic (Ramet 220: 15-16).

Some Yugoslavian scholars such as Jovan Mirić suggested that all of the problems of Yugoslavia could be traced back to the manner in which the Yugoslavian *constitution* was formed. This criticism made the League of Communists of Yugoslavia (CC) set down a commission to examine these problems. This resulted in only small changes to the political system. Not sufficient to bring Yugoslavia back on its feet. The *relationship* between the Serbs and Albanians in Kosovo would start to decline at almost the same time that these changes took place, which was also spurred on by the Serbian abolition of ethnic *representation* in Kosovo. Ethnic protectionism is considered to be an important reason for CC's inability to make changes and reduce the various regions autonomy, since they each had a *dominant ethnic group within*. Scholars in Serbia also started to claim that the Serbs were *exploited* by the rest of Yugoslavia thru unfair *transferral of welfare and money*. The Serbian nationalistic movement would be energized when a strong leader took over the helm, a leader that would bring great harm to Yugoslavia: Slobodan Milosevic (Ramet 2002: 16-21).

The *economic* troubles of Yugoslavia only worsened during the 1980s and continued until Yugoslavia began to break up. Slobodan Milosevic became President of the Serbian Communist Party in 1986. Milosevic did not waste any time before he started to secure his own powerbase. He would even turn on old friends to achieve his goal. Once appointed there were *few safeguards or checks and balances* that could prevent this kind of power grab in any of the Yugoslavian member states. Milosevic gradually *increased Serbia's autocracy level* along with his increased control over the political system in Serbia. This may have moved Serbia out of synch with the rest of Yugoslavia and created a possible localised system failure that made the Yugoslavian state system cease to function effectively by 1989. It is likely that Milosevic was not the main cause of Yugoslavia's eventual total failure. Evidence points instead Tito's *constitutional* foundation which Yugoslavia was built upon as a possible culprit.

The reason for this is that it created the manoeuvring room that power monger that Milosevic needed in order to be able to expand his powers.

The *economic* conditions were also dire throughout this period with an average inflation rate of *1000 percent per year*. This created *desperation* and with it *increased crime* rates. Milosevic used every ounce of opportunity to reshape the state system to suit his taste, much in the same way that Adolf Hitler used Germany's situation in 1933 to change the system to serve him. The military could have stepped in and stopped Milosevic at several intersections but opted *not to carry out the responsibilities* they were given in the Yugoslavian *constitution* (Ramet 2002: 21-29). This gave Milosevic increased opportunity to neutralize the opposition within the party system in Kosovo. Place people loyal to him in power thru clever use of otherwise illegal public protests. Kosovo and Montenegro would by the end of 1990 be de facto be annexed by Serbia under the leadership of Milosevic.

Simultaneously Slovenia developed *a multiparty environment*. One of the reasons for this change was to curb the ambitions of the Yugoslavian army and Milosevic. This resulted in the Slovenian democratic multiparty election in 1990 and also a direction towards a *market economy*. All of this culminated in the Slovenian Assembly changing the Slovenian *constitution* to allow them to claim the right of succession from Yugoslavia. Croatia too, at the same time as Slovenia, held their first *democratic* multiparty election. Serbia responded to these moves by boycotting all trade with Slovenia, creating an *economic conflict* within the Yugoslavian Federation that grew into an open civil war. Milosevic made further internal changes to Serbia that created a divide between *non-orthodox and orthodox Christian* Serbs (Ramet 2002: 29-50). The final blow that broke the back of the Yugoslavian *economic system* came when Milosevic secured a massive loan from the National Bank of Yugoslavia, without the *constitutional required* consent of the other member states of Yugoslavia. The money was among other things used to pay down debt for Serbian enterprises prior to an election in Serbia.

The relationship between Croatia and Serbia gradually worsened and ignited in 1990 when Serbs in Croatia staged an *insurrection* at the urging of Milosevic. Similar localized events took place in Bosnia and Slovenia where the *Serbs were in majority*. This prompted Slovenia and Croatia to threaten to secede from Yugoslavia. Bosnia who had till that point been closely attached to Serbia also declared that the Bosnia would secede if Slovenia and Croatia did. The same year Milosevic had used the army to crush a protest against his leadership in Belgrade. This may have killed the last hope of averting a civil war in Yugoslavia. Tudjman of Croatia met with Milosevic in early 1991 to discuss parting Bosnia

between Serbia and Croatia and received “assurance” from Milosevic that Serbia had no interest in Croatian territory, adding increased opportunism to an already boiling pot. The final blow to Yugoslavia came when Slovenia and Croatia declared their independence on 25th June 1991 after a final attempt to reach a common solution failed. Macedonia and Bosnia followed suit later in August 1991. The civil war started when the Yugoslavian army under Serbian control attacked Slovenia as an answer to their declaration. Serbian created havoc in Croatia at the same time, committing several acts that would be plainly considered war *atrocities*. Milosevic made no attempt to stop this and the situation grew worse when he betrayed Tudjman by sending the Yugoslavian army to attack Croatia. Something he had promised not to do (Ramet 2002: 40-68). These two months mark the beginning of the bloody Yugoslavian civil war. There was see a rapidly worsening *ethnic* conflict that only strengthened the *hate* among the ethnic groups in the Balkans.

Yugoslavia ceased to exist in 1991 and is likely to remain divided due to the *hate* and *distrust* among the former member states due to the Yugoslavian civil war. All of the variables that were involved in its destruction and its inability to reform itself seem to lie before the war started. The only thing that changed during the war was that the clefts between the former republics of Yugoslavia deepened. The variables that are notably mentioned as being involved in the demise of Yugoslavia is: economics, violence, ethnics, religion, proximity to significant changes to the system, constitutionalism, opportunism, power abuse, judicial failure, legislative failure, welfare failure, fear, and lack of mutual trust. Of these are economics, ethnics and constitutionalism considered to be the most important variables.

2.4.2 – United States of America

The second example of a federation that has experienced a failure is the United States of America. USA is often seen as *the* archetype of a federation, being the first nation that selected a federal democratic state system. Their history is however not free of challenge(s), as they have faced several major challenges over the years. This sub-chapter will look at the successful constitutional negotiation of 1787 and the temporary failure the United States experienced during their civil war of 1861 to 1865.

The United States of America is presented after Yugoslavia because USA attempted to make a system similar to that of Yugoslavia work. USA faced similar problems that Yugoslavia would experience. The outcome for USA was however very different. This was

mainly due to a long conference that took place in Philadelphia in 1787. This is the event that *transformed USA from a confederal to a federal system*. The United States of America did not have a central *executive or judicial branch* before this event and lacked a united cohesive foreign and economic policy. The 13 states of USA each had a separate judicial, legislative and executive branch. The *constitutional congress* of the United States was the only united forum for the 13 member states. The pre-1787 congress had very ineffective and powerless, just like the government and parliament of Yugoslavia 200 years later.

The *ethnic and religious composition* of the United States was not as simple as we often believe. The population was made up of several kinds of Christianity, such as Protestants and Catholics. There were also other Christian groups that had immigrated to the United States because of prosecution in Europe. The number of Irish who had immigrated was also on the rise. These Irish settlers did not always see eye to eye with those of English decent, though the “English-Americans” were in clear majority (Jenkins 2003: 84-89). The most pressing issue was that the *decentralized state system* allowed the states to form individual agreements with foreign powers. This often created rifts within USA. *Economics* also played a role prior to the conference in Philadelphia. Many of those who had fought in the independence war had still not received pay. In turn these people had problems paying their debts and put pressure on the government to print money to pay them (Milkis and Nelson 2008: 7). Printing money decreases the value of the money, which in turn creates inflation in prices. Creditors will also be less willing to loan money as they will per definition suffer increased risk of losing money as the value of the paper money decrease. Less willingness to loan leads to a slump in *economic growth*, as demonstrated by the ongoing financial crisis that started in 2008. The states also started to *build trade barriers* within which caused friction in the United States. Many states started to realise that this development could only be turned by a *stronger federal government*. This led to the failed Annapolis conference in 1786; failed because several states boycotted the conference. One event that raised awareness of the troubles the United States faced was when farmers started to *riot, shutting down law enforcement and courts*. The *fear* of worsening *economic* and *popular* conditions compelled all of the states to send delegates to the Philadelphia convention in 1787 (Milkis and Nelson 2008: 8).

One of the most interesting aspects about the Philadelphia convention was that many of those who were either satisfied with the existing system or very negative towards amending the *constitution* chooses to not be present (Milkis and Nelson 2008: 9). As such they reduced the risk of the kind of gridlocks and overheated discussions that prevented Yugoslavia from

evolving. The group of 55 people who participated is in history terms better known as the “framers of the constitution”. All of the representatives had *considerable political experience* and were *well educated* even by the standards today. The constitutional convention took place just 11 years after the United States were founded in 1776. 11 years was how long it took from the time Yugoslavia first started to experience problems till full paralysis of the political system. There were several rules of conduct that were implemented during the discussions on how the federal constitution should look like. First and foremost the discussions themselves were made confidential in order to make it possible for representatives to speak his mind without having to worry about political fallout. James Madison kept a detailed journal of the events that was only released after the last delegate passed away. Madison later also said that the secrecy was *pivotal* for the success of the convention. (Milkis and Nelson 2008: 9-11). The convention itself spanned over five months, from May to September in 1787.

The most notable change in the *constitution* was the creation of the *executive branch*, the US Presidency and the clauses that defines the scope *and* limitations of the new Presidency. There were those who did not like the idea of an executive branch due to their dislike of the English monarchy. But they choose to support this change because of the limitations that were written down as a *compromise* to those who feared an “imperial” Presidency. Yet, it should be mentioned that the final *balance of powers* between the three branches of the United States closely resembles that of England (Milkis and Nelson 2008: 8-23). The exception was the creation of the *Supreme Court* of the United States that is more or less completely *independent* from the other branches. The Supreme Court was given the unprecedented power to block *any* laws deemed to be in violation of the *constitution*, both on federal and state level (Milkis and Nelson 2008: 2-4,12-13). The President was decided to be subject for re-election every four years. There was originally no limitation as to how many times a candidate could seek re-election, this was later limited to two terms. The key focus areas that were given to the President were the control over foreign policy, nominating key appointees in the *federal* government and the responsibility to be the Commander-in-Chief of the US armed forces (Milkis and Nelson 2008: 10-20).

The new *legislative branch* was the US Congress, which was reformed into two chambers: The House of Representatives, in which the seats were divided among the state based on *population and size*, and the Senate where each state had two seats *regardless of size and population*. This arrangement was in itself a *compromise* where the House of Representatives was created to *protect the interests* of the bigger states and the Senate to ensure the interests of the smaller states (Milkis and Nelson 2008: 13, 16-17). The Congress

was empowered by among others the right to make laws, decide national taxes, declare war and confirm candidates for governmental positions.

The new executive and legislative branch was granted powers far greater than the central institutions had prior to the framing of the US *constitution*. This was in order to ensure an *efficient and capable government* that could defend the United States against foreign threats. Another possible reason for the willingness to accept the transformation of the US system was the still precarious relationship between Britain and USA. There was a *fear* that they would sooner or later fight the British again (Milkis and Nelson 2008: 5-7). This might have compelled the delegates to accept *compromises* and persuaded those negative to this convention to not show up at all in order to ensure a fruitful debate.

All of these changes to the US political system were unprecedented since the federal government became vastly stronger than it had been before. This despite some of the misgivings many had towards such a system. The last creation of the convention was the *Bill of Rights* which grants US citizens several rights, such as the right of due process during trial (Milkis and Nelson 2008: 19-22). The new system would be quite successful until one issue of *economic and racial concern* surfaced, one that they were not able to agree on during the conference. This was the issue the abolition of slavery. This perhaps inevitable decision would 70 years later begin to drag the United States into their greatest challenge ever. The reason for its inevitability was that an attempt to adopt an anti-slavery attitude in 1887 could have crushed any hope of creating an agreement on a new constitutional text (Milkis and Nelson 2008: 18-19).

The first and only challenge that the United States failed to resolve was infamous US civil war. This war commenced with the succession of the Southern Confederate States in 1860. The prelude to these problems was sown a few years earlier during the presidency of James Buchanan (1857-1861). The abolition of slavery debate had persisted during the 1850's and would only become stronger during President Buchanan's leadership. His approach to the problem was that the issue of slavery rested with the decision of the Supreme Court or the States themselves and not the Presidency or Congress. The use of slaves had during the early 19th century been confined to the southern states by *law*. The view that the Supreme Court had on a case brought to it by a slave (Dred Scott vs. Sandford) opened up the rest of US to the use of slaves, promptly *radicalising* the debate (Milkis and Nelson 2008: 146-147). President Buchanan was remembered for his *inability to act*, unlike the actions of the President that succeeded him, President Abraham Lincoln.

The tide in the slavery issue would turn dramatically during the presidency of Abraham Lincoln. Not because he wanted to use his *Presidential powers* to end slavery but rather because the Southern States interpreted Lincoln's intentions regarding slavery incorrectly. Their reaction ended up more like a self-fulfilling prophecy that forced Lincoln to take a stance against slavery. This despite that he aimed towards maintaining the status quo, which became increasingly difficult because of Buchanan's Presidency. The action that finally forced his hand was when the Southern States, the Confederation seceded from the Union while the Congress was out of session. The first state to secede was South Carolina, 10 weeks before the inauguration of Lincoln. Georgia, Alabama, Mississippi, Florida, Louisiana and Texas followed suit (Milkis and Nelson 2008: 152-157). One of the cited reasons for the South's reaction to Lincoln was that they *feared* that the abolition of slavery would seriously damage their *economical competitiveness* against the North, as they would then have to pay the workers in their cotton fields. Many in the North also wanted to end the slavery because of *economic concerns*. This was because believed that free manpower gave the South an unfair and unjust advantage. The official, historical reason that the abolitionists used to condemn slavery was that it was a despicable act and that everyone should be *treated equal regardless of race, colour or religion; thus putting ethnics together with economics* (Milkis and Nelson 2008: 152-170).

Peaceful resolution would become inevitable when confederate artillery opened fire on a Union fort (Milkis and Nelson 2008: 157-159). President Lincoln had to conduct the early months of the war without the *consent of the Congress*. President Lincoln concluded later in the war that the President could order troops into battle without the consent of the Congress, changing the *power of the Presidency* forever. He also *suspended* several articles in the *Bill of Rights*, such a *habeas corpus*: the right to not be arrested without a warrant. In theory he turned the Union into a temporary military dictatorship, but he did not prosecute members of the Democratic Party unless they supported the rebellion, which Lincoln considered an act of treason (Milkis and Nelson 2008: 152-161). The manner in which Lincoln used his *presidential powers* was also brought before the Supreme Court. The Supremes came out in favour of Lincoln, citing that he did what the *Constitution compelled him to do* (Milkis and Nelson 2008: 160-161). Questions were called weather or not the *Supreme Court was independent*. There was however indications that the Supreme Court was independent from Lincoln after the war, by for example ruling that the Military Tribunals that Lincoln authorized during the war could *not* judge and sentence civilians. The Supreme Court

concluded (*Ex Parte versus Milligan*) that this was in fact *unconstitutional* and that only civilian courts can pass judgement on civilians (Milkis and Nelson 2008: 161).

The Union was quite *lenient* towards the rebel states that belonged to the defeated Confederacy after the conclusion of the war. Instead of giving them the same harsh treatment Germany received after World War 1, they were granted *economic aid without excessive demands* attached, in order to be able to rebuild had been destroyed during the war. The Confederate officials responsible for the war were stripped of all power and property. They were also pressured to change some of their *laws*. They even had to add *laws* that specifically forbid slavery and preferential treatment of whites over blacks in these states. These *laws* became mostly ineffective due to the *passiveness* of later Presidents (Milkis and Nelson 2008: 168-177). Lincoln also began to take the political system back to its normal condition before the war ended. This first step was having the Presidential election in 1864 running like normal. Lincoln even allowed opposing candidates from the Democratic Party to argue against the war. In itself this makes Lincoln *very* different from for example Milosevic. Lincoln won the re-election in 1864, but was never able to complete his first four years as President as he was assassinated in 1865 (Milkis and Nelson 2008: 160-168). It is difficult to say if Lincoln *could* have turned the United States into a dictatorship or not following the war, if he wanted to. The *democratic climate* in the United States (*High level of democracy*) may have played a role. It should be added that neither the *Courts nor the Congress* made any real moves to *curb the power* of the presidency until after the assassination of President Lincoln. This reaction formula became a problem 110 years later during the Presidency of Richard Nixon. Nixon was forced to resign once the Congress realised that he had *abused his powers*.

These two examples (units) of challenges from the United States of America, respectfully involved the following element(s): For the 1787 meeting several variables that likely affected the meeting itself and its outcome were mentioned: Fear of the British Empire, fear of popular revolts and strife and constitutional and governmental inefficiency. These variables also played an effort in causing its successful outcome in addition to factors such as patience, self-sacrifice, willingness to compromise, economics and hope. The civil war seems to be largely associated with two factors: fear and economics, and also constitutional weaknesses. The re-stabilization of USA after the civil war seems to be attributed to patience and the combination of compromising plus employment of the “sticks and carrot” (Economic aid for changes to their laws) concept to persuade the southern states to change. The three most recurring variables are economics and ethnicity and constitutional issues, such as the conflict line around what the federal government can and cannot do.

2.4.3 – Nigeria

Nigeria has since its independence from Britain in 1960 been a powdercake of strife, *religion, raw resources* and *ethnicity*. Though its situation has been mostly stable the recent years with the exception of conflicts connected to the *distribution of the oil wealth*. The goal in this chapter is to reveal the reasons for why Nigeria first only lasted six years as a federation until it was replaced by a military dictatorship that would last until the latter half of the 1990s, and also the reasons for the continuation of Nigeria's challenges.

The *religious distribution* in Nigeria is according to the theories in chapter 2.3 of the dangerous kind. They have a population distribution where 50 percent is Muslim, 40 percent is Christian and 10 percent belong to other faiths. Nigeria also has many ethnic groups numbering at 200 plus. The *religious divide* has created problems for Nigeria's national stability, while ethnic conflicts usually have been contained to a more provincial scale. Nigeria's history is riled with coups, countercoups, insurrections, rebellions, dictatorships and violence. Nigeria did not become a somewhat stable democratic state until the late 1990's (Mundt and Aborisade 2004: 691).

The political system of Nigeria is massively complex. Each province is capable of having entirely different legislative, executive *and* judicial systems. Some of the Muslim dominated provinces are known to have harsh Sharia type *laws* and *courts*. Other provinces still act out traditions from when they were kingdoms; traditions that existed long before the British conquest era in the early 20th century. The actual authority of the central federal government is actually *quite weak* as it is often unable to ascertain its authority in many of the provinces. It is also quite likely that any such attempt by the federal government will be very likely to trigger a civil war as the provincial governments closely guard their power much like the member states of Yugoslavia (Mundt and Aborisade 2004: 692-694).

Nigeria's *democratic traditions are very young*, as they had little time to build up solid democratic tradition prior to their independence in 1960. The reason for this is that Nigeria was mostly ruled by the British colonial authorities for 60 years. British authorities brought western education with them, which introduced democratic institution to Nigeria. Nigeria's federal structure was designed already in 1954, dividing Nigeria into three provinces, each with their own dominant ethnic group. The colonial rule also introduced Christianity to Nigeria, mostly the south while the north remained Muslim just like it is today (Mundt and Aborisade 2004: 692-696).

The federation was unstable from the beginning in 1960 with the first breakdown in the western territories. The *trust* in the system waned with claims of *electoral fraud* prompting the military to cease control over Nigeria in 1966 after *law and order broke completely down* in Western Nigeria in 1965. Nigeria's *economic growth* has been *meagre* since their independence, despite the nation's *richness in resources*. One possible explanation for the bad economic start is that its *economy* was focused on the export of low value agriculture products and little industrial production. When these factors were combined with *economic* predictions that constantly fell short of its goal due to inexperience it was evident that things had to go badly. Nigeria's *economy* was further hampered by *poor medical service* that was combined with a high amount of possible diseases. These situations lead to a *reduced productivity* in addition to causing peoples trust in the government's abilities to go negative. Nigeria could only maintain a *very basic welfare system* because of its poor management of the economic conditions, meaning that people were left completely on their own when something went awry (Mundt and Aborisade 2004: 696-698).

Oil has since Nigeria's independence become a major part of its exports with the exception of the production stop during the civil war from 1966 to 1970. The civil war in 1966 began when the *coastal oil rich* region of Biafra declared independence. The other regions that were dependent on the *redistribution* of oil wealth were dead set on keeping this land a part of Nigeria. The revenues began to slump when oil prices dropped during the 1980s. This caused bills to pile up, plummeting the Nigerian *economy* into a recession it has not yet recovered from. The oil has been a major source of political instability during the latest years with local villages raiding the drilling installation of foreign companies in an effort to claim their "rightful" part of the oil wealth (Mundt and Aborisade 2004: 700-710).

The current *democratic system* was introduced in 1999 with the first election held in a long time. A *presidential* election was held first with a legislative election held right after (Mundt and Aborisade 2004: 692-700). The current government has made great efforts towards reducing Nigeria's foreign debt. This is partly attributed to constant high oil prices. The current political system is Nigeria's *third* attempt at *democracy* and has lasted for eleven years. The two previous lasted only six and four years respectively. The current constitution is heavily based on the *US constitution*, such as *limiting presidential terms* to two four-year terms. Nigeria also has a two chambered legislative branch that is fashioned just like the US Congress, with three instead of two Senators in the upper chamber. The first President, the former head of the military government, peacefully stepped down when his second term expired, though both of the elections in 2003 and 2007 received massive criticism due to

alleged voting fraud. The earlier governments of Nigeria suffered from a high level of *corruption*. This might further explain Nigeria's initial lack of growth (Mundt and Aborisade 2004: 702-715). Nigeria has seen a tremendous *economic growth* in recent years, with great strides in the GDP per capita rating until 2007. Nigeria has since then returning to normal western growth rates since. This change in *economic* conditions may have helped them becoming the first African country to pay off significant parts of their foreign debts with roughly 10 billion remaining (CIA World Factbook 2009b).

Nigeria has a considerable theoretic capacity of providing higher *education* in Universities. Especially when compared against other African nations. Primary education can however differ greatly based on the location in Nigeria since some provinces are poorer than others. School attendance is *not* compulsory in Nigeria. Nigeria has also considerable amounts of offshore oil but has a very poor infrastructure, regardless of which infrastructure sector that is looked at. Even proper water supply can be a serious problem in some regions, possibly creating a *feeling* of unfair treatment (Mundt and Aborisade 2004: 702-715).

The cause of Nigeria's first challenge seems to stem from economical disputes within, which was possibly caused by poor distribution of its oil wealth along with high levels of corruption. Corruption and power misuse seem to be a recurring theme for Nigeria, and it causes trouble for Nigeria even today. The current democratic federal state of Nigeria seems to have handled the ethnicity challenges rather well, simply because it has managed to avoid any significant open conflict. Poor distribution of oil and resource wealth still remains, coupled with poor trust in the authorities.

2.4.4 – India

India is a young federation with several diverse experiences thru the challenges it has faced. Some problems are still hibernating and other ones solved thru both peaceful and violent means. The first of several challenges is related to the events leading up to the independence and founding of the Indian Federal Republic. India's first step towards independence started during the early nineteen twenties, by involving Indians as advisors to the British Viceroy to India. This is also where the journey of Mahatma Ghandi, one of India's greatest modern leaders started. Mahatma Ghandi promoted peaceful protests against the British occupation, calling for India's Independence. Some other fractions took a more violent path and Ghandi their ways. Ghandi lived just long enough to witness the liberation of

his homeland, He was assassinated in 1948. Britain was forced to let India go following the end of World War 2 due to the debt Britain had gained during the war.

One of the controversies created during India's road to independence was the decision to cut India in two; creating the Muslim dominated Pakistan to the east and *multiethnic* India to the west. This action laid the seeds for coming political problems for India as a newly independent nation. One of the major downsides with being involved in internal strife as well as international conflicts is its tendency to occupy large amounts of *economic* resources. This slowed down the *economical and social development* of India (Mitra 2004: 637). India is one of the few post colonial states of the 21st century that has been able to continually maintaining a democratic system without military coups. Its neighbour of Pakistan has on the other hand experienced several military coups since it simultaneous founding with India. This has promoted many researchers to look at India as a peculiar "democratic outlier" among the numerous instances of failed developing nations in the world.

India experienced several significant and important challenges from 1950 until today. Many of these events were linked to Pakistan and the Muslim dominated Indian province of Kashmir. This challenge could be considered as an ongoing conflict that is kept under control by Indian authorities. There have in addition to this been several border skirmishes between Pakistan and India along with internal challenges such as terrorism in Kashmir, but the status quo remains in this province for the time being. Some of this may be linked to the *large number of troops* from India's armed forces in Kashmir, plus the number of forces they can call upon should the situation suddenly escalate.

India has in a sizeable ground army in military context, although it uses antiquated equipment compared to most western states. Its navy is also sizeable, containing one former British and one former Russian light aircraft carriers in its arsenal. The aspect that sets India apart military wise is that this nation has a sizeable nuclear arsenal. It joined the nuclear club in 1998, closely followed by its rival Pakistan. This issue did create considerable problems for India on the international relations arena as there had not been any nuclear tests for a long time due to the START treaty, which India incidentally were not a part of (Mitra 2004: 636-637). The presence of nuclear weapons and the threat of M.A.D., or **Mutually Assured Destruction**, have not entirely solved the problem of armed border clashed between India and Pakistan over Kashmir, but the frequency and severity has been reduced since 1998 (Mitra 2004: 636). The relationship between India and Pakistan has become more stable during the last years due to active diplomacy between the two nations, despite events such as the terrorist attack on Mumbai which claimed several civil lives.

The political system in India is a far cry from being solid. Much of this seems to have roots in *ethnic* and *religious* differences with several significant violent episodes within India since it became a republic. India, unlike for example post-war Germany has not excluded extremist parties from participating in parliamentary elections (Mitra 2004: 637-638). India is also seeped by ancient history as well as old traditions that still have strength. Some may cause problems for India's democracy. India was and still is a *caste society* when it comes to its Hindu population, divided into at least four levels known as the *Varnas* system. These castes are Brahmin, Kshatriya, Vaisya and Sudra, ranked similarly in Indian society as they are listed here. Members of the Brahmin caste traditionally represented the priests, while the members of the Kshatriya caste were the warriors, nobility and rulers. Vaisya members were those who provided the bartering of agricultural, artwork and other commodities produced by the Sudra caste, the lowest ranked caste. There is however some that falls outside of this system: The outlaws and those who are barred from interacting with the four higher castes, known as the Backward and Scheduled castes. These castes have been formally removed from the system by law, but the law does not always bring change as these two categories continue to exist today. These people would normally be found in the large and numerous slums in India. They count for about 16 percent of India's population, but progress has been made through the work of political organizations (Mitra 2004: 644-645). India has made great strides to reduce the strength of the caste system, both in theory and in practice. India has among other reserved seats in its parliament for those belonging to the casteless, in order to ensure that they have a voice as the casteless would not have received any votes from non-casteless citizens (Corbridge and Harriss 2008: 218-222). India has interestingly had little trouble from this challenge in recent time, which may indicate that they are following a correct path.

India also has a strong mixture of different *religions*. It is more than a simple Hindu-Islam quarrel. It is considered the birthplace of Buddhism and also has sizeable Sikh population, much of it concentrated in the province of Punjab. Punjab was the location of major instability during the 1970s but was resolved after numerous deaths in the province. Punjab, like Kashmir lies on the south-western borders of India. The problem for Punjab was the growth of strong regional movements and ended up with a declaration from Punjab. This created a misunderstanding in which the federal government believed that Punjab was intending to secede from the federation. The situation escalated as the years passed due to the federal government's strong-arming and manipulation and lack of compromises in the political arena in Punjab. This eventually caused the federal government to use the army against one of the more radical Sikh movements. The federal government had ironically

helped into power. The Punjab problem turned out to be a serious challenge for the integrity of India, costing the lives of a significant amount of people. The backlash of the army involvement plunged the conflict to extreme conditions, costing the life of Indira Gandhi and forcing Rajiv Gandhi onto the field. The conflict was only temporarily solved by *concessions* from the federal government by *transferring central power* to Punjab and forming closer relations to one of the moderate Sikh political parties. The conflict however revived and continued into the 1990s, leading to *increased federal political manipulation* in this region. This conflict is still in hibernation, possibly contained with a strong military presence in this area as in Kashmir (Corbridge and Harriss 2008: 108-111).

Punjab's neighbour province of Assam was also a potential flashpoint, mostly because of the same reason which caused instability in Punjab. The phenomenon that is blamed for this was a strong federal focus on *centralism* and *central redistribution of wealth* out of resource-rich Assam. Another problem for Assam was that the local Assamese population was unhappy with the influx of *Muslims and Hindus* into their province, adding an *ethnic* dimension to this challenge. This conflict was eventually somewhat contained thru political *bartering* (Corbridge and Harriss 2008: 108-111).

These are just a few samples of the challenges that India has faced and in some cases still face. India appears like a cauldron that has the potential of boiling over, yet it has still been able to hold itself together. This may perhaps be attributed to extreme measures such as employing the army in the near past to crush any movement that was considered a threat against Indian unity (Corbridge and Harriss 2008: 108-115). India yields information which suggests that the variables of ethnicity, religion, economics and redistribution of wealth, connected with possible overuse of power and potential weaknesses in the constitution are involved in India's lack of consistent stability.

2.5 – Short result summary of Chapter 2

This very short chapter will sum up the variables that have been recurring throughout existing literature. The most common conflict line has been around *economics* and *redistribution* of wealth, appearing in all of the examples in chapter 2.4. The second variable is *constitutional* conflict lines, being connected to power use, authority of the federal government and its ability to intervene in provincial politics and interests. The third is the broad ethnicity variable that has created numerous conflict lines, especially in Yugoslavia, India and Nigeria. Other variables have had a supporting or minor role in the described events.

3.0 – Methodology

Method is an inescapable component of any analysis and trouble shooting, regardless of whether it is applied in the theoretic world or the real world. All professional fields have either one or several methods to accomplish their goals. Some methods have a cross field or even universal appliance, meaning that they can be used in one or possibly all professional fields with little or no adoption. The social science methods devised by J.S. Mill, utilizes logic algebra as its core analyzing apparatus. This method has several similar siblings in other professions, such as for example electronics which also relies on logic algebra in for example programming that can be used to do a fault seeking task or stress test a system for weaknesses.

This should outline some of the importance and adaptability that methods have for any project in our world. This chapter provide an introduction to the basic understanding of the two qualitative methods that will be used in this master thesis. These two methods serve to reinforce each other. The first, *case studies*, provide the means of collecting and organizing available information and data. The second, *process tracing*, exist to analyze the data gathered with the first method. This will hopefully provide valuable information about why Canada has succeeded in surviving the challenges that it has met in its lifetime.

Chapter 3 is organized into three parts. Introducing the method of case study first, followed by an introduction to process tracing and then a more detailed description of the variables that appeared in chapter 2.3 and 2.4.

3.1 – *The nature of a case study*

Case studies are a form of qualitative research that does not depend on numeric data but rather that which is observed, often concentrated on one or a few specimens. This chapter serve to provide a basic understanding in how case studies work and their potential value.

A case study is one of the forms of research that were employed prior to the advent of computers, which enabled the statistical computation of vast numeric data material. Case studies are a method of research that is looked upon somewhat negatively by those who champions statistical quantitative methods, despite the fact that much pioneering work with political science is achieved by using case studies. Case studies have continued to maintain a strong position in political research, still producing scientific works that receives praise (Gerring 2004: 341).

The most common definition of a case study is where one or a few phenomenon(s) are examined in dept. This is then used to expose the form of the phenomenon on a broader scale, for example why one event occurs in one nation and then applies the knowledge to determine why it either appears or does not appear in other nations. A case study is itself not a method of examining a case or creating an illustration of the case but rather a way of defining cases (Gerring 2004: 341-342). Case studies are therefore usually combined with a method or methods that are able to analyze the observational data a case study produces. One common misunderstanding concerning case study of one subject, is that there is only one observation in the study. This often turns out not to be true. The reason for this is that a case, such as a nation, can be observed over *period* of time, meaning that each year counts as one observation. It is also often overlooked that a case study presupposes a *relatively* phenomenon. To increase the level of complexity, it is possible to perform this study by looking at likely relevant dimensions, better known as variables This gives that each year of observation can produce as many observations as there are variables (Gerring 2004: 342). The terms of a case study are defined thru the research design chosen. Gerring 2004 describes that a nation can for example be a number of things depending on how it is defined, such as: a case, a unit, a population or a case study. A case study of a nation may yield several cases based on what is examined, such as democratic or political breakdowns in a nation (Gerring 2004: 342).

Case studies look for the presence of covariance that indicates the presence of the phenomenon, or just as importantly, the lack of covariance that would reject the presumption of the phenomenon (Gerring 2004: 343). Failing to do so would raise the risk of contaminating the case study with the every dangerous bias that all professional researches want to avoid (King, Keohane and Verba 1994: 27-28, 63-65). To further underline the detail and complexity of a case study, it can be divided into a *formal* and *informal* part. The formal part is the main case which is being studied, weather that is a country or a specific phenomenon. This is then usually accompanied by an informal part which is added to the analysis. The informal part can provide a better comparative study of a particular event in the main case. The informal units can be presented in the theoretic, empiric or the analytic chapter. It is also possible present informal units in several locations. This master thesis has placed the informal units in the theoretic chapter, rather than appear along with the main case in the empiric chapter. The informal parts are rarely examined in the kind of depth that the main case is, usually being limited to a specific event or events. An case study will have a formal part that is dominant over the informal parts, while a cross-unit study has more equality in the

detail among the formal and informal parts (Gerring 2004: 344). This in itself will increase the number of observation, sometimes adding considerable amount of observations.

One common primary objective of a case study is to gain an understanding of that which is special about the main unit and what is common regarding it. Case studies are particularly popular to use when there is little previous known information about the chosen research question. The reason for this is that there is often too little information available to perform a quantitative study of the given research question. A case study is often used as a “pathfinder” for research into a specific research field, establishing a theoretic and empiric beachhead which can be used by further research. If the study aims for a higher level of causal validity breadth and boundedness, it requires an increased amount of cross-unit cases. If a study seek to highlight the appearance of a political phenomenon in the world it will need data from units around the globe, if a study confines itself to for example units from Europe, it will make it difficult to determine if this phenomenon appears in a similar manner in the rest of the world (Gerring 2004: 345-346).

A case study will often concentrate on explaining the causal mechanisms rather than the causal effects, which a quantitative study usually seeks. That is to seek to unearth how a certain event unfolds from the beginning to the end. Supporting informal parts can be important in determining the causal relations. These can enable the researcher to see if similar patterns appear or fail to appear, in similar or opposite events. The additional units with either seemingly similar or opposite events aim to “triangulate” the probable causal process in the case, and hopefully at the same time say something about how this casual process will occur in the rest of the nation or the world in general (Gerring 2004: 348-353).

Without going any further into detail about the nature of a case study, it is apparent that this method of collecting and organising empirical data is more complex and has a higher number of observations than generally thought. It is also given that a *case study* in itself is only half of the work. It must also be accompanied by a method that can *process and analyze* the collected and organized data. The data itself can be reorganized so that it can be analyzed by either a *quantitative* or *qualitative* method. A quantitative tool is normally limited to case studies with equal formal and informal parts, as statistical methods do not respond well to a dataset with a dominant formal part. This thesis will as such use a qualitative method called *process tracing* in order to analyze the data.

3.2 – Understanding Process Tracing

Process tracing is in simple terms a method to discover and analyze the decision making process in a social system, may that be political, social or economic. We will here try to gain an elementary understanding of how this method analyzes information and how it can provide answers.

Process tracing seek to grant an understanding of the elements that affect the process while in development and thus its final outcome. It also as seek to understand how things would have turned out different should the variables affecting the process have been any different thru a comparative study of several units (King, Keohane and Verba 2007: 226). Most important for process tracing is its ability to make it possible for a researcher to map the key component(s) that affect a decision made by people such as a politician, CEO of a company, bureaucrat or others. This may create opportunities to do other, more extensive analyses of the question at hand thru quantities methods as they have a poor ability to discover new variables on their own due to the lack sufficient numerical data (George and Bennet 2005: 214).

The ability of qualitative methods to discover previously unmapped variables is generally what set them apart from quantitative methods which tend to excel at providing a measurement of uncertainty and the strength of which a variable affects the research question (George and Bennet 2005: 5-20). Process tracing can be used to discover all of the “steps” and levels involved in a decision making process, even down to the individual level, while quantitative methods have problems with reaching down to such detail due to its tendency to rely on simplification in order to be able to function. Henceforth it is likely that an analysis based on Process tracing will be more complicated as it seeks out more detail than the average quantitative method would be likely to yield, due to its reliance on a few, top tier variables (George and Bennett 2005: 206-207) .

Process tracing rely primarily on historical records to build up a profile of the system that is being analyzed. Process tracing is as such considered to be more a descriptive method as it seek to describe the processes in a given system (George and Bennet 2005: 206). In this manner it is possible to understand what happens between a possible “event trigger” and the event itself, weather they are truly related or not. Process tracing is created specifically to unearth these “grey” zones around an issue. Even though one “event trigger” is identified, it is fully possible that the actual “trigger” is hidden in the process chain. It is also possible that the identified “trigger” is not the first trigger either. Process tracing exists specifically to gain

knowledge about where the “real” cause of the process is located (George and Bennett 2005: 207). Thru this you can hopefully gain an understanding for where you should place a safeguard to block similar events in the future, or enhance the possibility of them to reoccur should the process prove to be of the positive kind. Process tracing creates as such ample amounts of casual inference.

Process tracing itself can be expanded into several forms. One is *detailed narrative* which goes thru the process point by point and is rarely bound by theory as it simply seek to explain the various processes from top to bottom of an incident. A second form seeks to create an extended general explanation of the case. This variant allows a researcher to investigate issues that lack data to create a more in-depth tracing of the processes. It makes it easier for the researcher to generalize or increase the level of abstraction of the process tracing, as is traditional for many methods within social and political science. A third form slips more into the analytical field, complimented by hypotheses but usually does not attempt to employ theoretical variables such as economics, religion and so fourth (George and Bennett 2005: 210-211). The final variant is a full analysis of the question at hand. It can be used to focus the attention on key aspects of the time period concerning the research question. This variant often adds theoretic variables to reach a conclusion and allows the researcher to work without setting specific hypothesis (George and Bennett 2005: 211). This paper will rely more on the third and fourth category, along with some aspects from the first form as it will pay more attention to certain variables determined in chapter 2 and described in detail later in this chapter.

Utilizing process tracing in areas such as international relations and comparative politics, requires the researcher to make necessary adaptations to the process tracing method as the process chain is seldom linear. It is a method that can truly put a researcher’s abilities to the test as the researcher needs to be open minded, adaptive and reflective. It is not a method where you can simply put a dataset into a program and receive a numeric answer to your question. It is rather more like driving a car along a road, trying to spot possible points of interests. It is often necessary to make several runs, back and fourth, to catch enough details in order to build a proper overview of the process chain you wish to expose. Such process chains is bound to be a complicated as you encounter two or more hidden variables for each mechanism you uncover, as you work your way down thru the system. Some mechanisms may even connect to the same variable, indicating that the observed variable may affect both of these mechanisms. These two mechanisms may even be on different areas in the process pyramid of the phenomenon that we attempt to analyze with process tracing. Henceforth there

are three environments which process tracing can be used: linear, convergent (independent variables arranged in causal chains) and the interacting systems (causal chains of variables that are not necessarily independent of each other) (George and Bennet 2005: 212). It is fairly evident that when you analyze an entire government structure, as in this master thesis have, that you must be prepared for a final process chain where the variables interact with each other, adding to the level of complexity. A key strength of process tracing is that it may uncover more than one path leading to similar outcome(s). Process Tracing encourages the researcher to be aware of the possibility of multiple convergences towards a similar outcome (George and Bennet 2005: 215).

Describing a definitive set of rules that need to be followed using process tracing is a somewhat difficult task as the method of discovery may differ from researcher to researcher. Process Tracing is as such best demonstrated thru its practical use. This is one of the reasons why informal and formal descriptions are important for any process tracing projects, every step taken needs to be carefully described and documented so that other researchers can reproduce the data and test their validity. Vulnerability for falsification is a key component for any serious research project and an ambiguous execution of a research project may seriously hurt its validity and overall value (King, Keohane and Verba 1994: 19, 100-105).

One problem that may be encountered while using this method is described by George and Bennett as *confirmation bias*. That is where the researcher diverts most of their attention towards the processes that interests them the most, thus increasing the possibility that they fail to detect other alternative routes and/or outcomes (George and Bennett 2005: 217). This is a common error that can be made using any method of analysis in social science, statistical as well as non-statistical methods by having setting their sights too narrowly. Bias, in any form, intentionally or unintentionally is a researcher's worst foe; avoiding it requires more or less eternal vigilance. Some, such as Lawrence Mohr has worked on ways to avoid confirmation bias in process tracing:

... When X causes Y it may operate so as to leave a "signature", or traces of itself that a diagnostic. In other words, one can tell when it was X that caused Y because of certain other things that happened and are observed unequivocally point to X. At the same time, one knows the signature of other possible causes of Y and one may observe that those traces did not occur. By using this technique, one can make a strong inference that X either did or did not cause Y in a certain case. For the present purpose, moreover, one notes in passing the affinity of this approach for the study of a single case. The kind of example of the modus

operandi approach that is frequently given reminds one of the works of a detective or a diagnostician (George and Bennet 2005: 217).

Process tracing seek to test and evaluate the possible effect a variable may have on a process, like described earlier it can trace back and fourth, usually the first pass is backwards from the final event in order to asses the basic process pyramid. The second pass then tries to weed out variables that end up having no value and detecting previously undetected variables of importance (George and Bennet 2005: 218). These “passes” can be in the form of multiple sources of information that highlight the event in question. The accuracy of process tracing will increase as the number of descriptions of the event(s) increase. This also helps in decreasing the possibility of historic bias from the information source as an event can then be examined from multiple angles. Process tracing can successfully uncover the process pyramid of an event using just one source but the chance of bias will increase considerably when examining issues such as conflict. The reason for this is that the author of the data source can be biased towards one of the parties of the conflict. Methodologists such as King, Keohane and Verba strongly recommend that multiple sources of information are used in order to avoid the risk of this kind of unintentionally bias by the researcher (King, Keohane and Verba 2007: 27-28).

There is one factor that sets process tracing apart from other qualitative methods in that rather than just uncovering the independent variables, it also seeks to provide some measurement of the casual importance of the given independent variable(s). Providing researchers and policy makers the information they need in order to achieve or avoid a certain outcome (George and Bennett 2005: 218-219).

George and Bennett point out two limitations with process tracing; the first is that it requires an uninterrupted process-chain in order to be able to prove the necessary basis for a strong causal inference. Should some information prove to be unavailable, thus rendering a complete process chain impossible, it will only be possible to form a temporary conclusion to the given research question. The second limit that they point out is connected to the possibility of more than one hypothesized causal trigger. It may require some effort to determine weather the identified likely triggers are complementary or a false positive to the cases (George and Bennett 2005: 222).

3.3 – Identified variables of interest in federations: Redux

Chapter 2.3 and 2.4 uncovered several factors or rather variables that the existing literature, considers to be involved in state failures and other challenges that federation have faced. This chapter will take a close look at some of the most important of these variables and attempt to provide a description of the meaning behind these variables. This will then be used in chapter 5 to determine how these variables occurred in Canada.

Most scientific projects have a specific object/incident/reaction/issue they want to study, forming what is known as the *dependent* variable. This master thesis seek to understand why Canada so far has not experienced any breakdown since it became a federation, this gives that the dependent variable is the “state stability”. We examined how this variable can be transformed into a two tailed scale in chapter 2.2 and 2.3, with *state failure* and *state building* in each end. Existing theory describe these two events as mutually exclusive, meaning that they cannot occur at the same time. A nation can however shift from being in a state building mode to experiencing state failure fairly quickly and the other way around. The dependent variable in itself is metric, meaning that each tail of the scale has multiple forms of severity or strength.

What I want to examine is how certain challenges in Canada affected its *state stability*, which will then be compared to likely similar or opposite events in other nations. As such we are looking to explain the causal processes that may have protected Canada from challenges that destabilized other nations. Studying how these challenges form a process chain may give clues as to how they protected the stability of Canada, alone or possibly together. These chains can be composed of various attributes such as structural, ideological and physical attributes. As these elements may cause the dependent variable to change, they are known as *independent variables*. There are some variables that stand out among the crowd of variables, which chapter two has exposed by the help of existing research into the theory and history concerning civil war and conflict. Considering a variable completely independent while using a method like *process tracing* might be somewhat off, as this method tends to reveal how various variables tend to interact and change each other, otherwise known as covariance.

The most observed variable in chapter 2 is economics. This is a variable commonly found in any research dealing with civil war and conflict research. The word “economy” actually covers a very wide area with multiple sub-elements. The state of a national economy can alone be gauged in several ways, the most commonly used gauge is the Gross Domestic Product (GDP) of the nation, which is the total value of the productivity of the nation (Begg,

Fischer and Dornbusch 2005: 339-347). Other variables that can give insight into the state of the economy are the unemployment rate, usually given in percent. There is also the GDP Per Capita (GDP PPP), essentially GDP divided on the total population of the nation, which can give us an insight into the average wealth per person. For Norway, one of the richest nations in the world the GDP PPP is \$59,300, while the Asian tiger of China has only a GDP PPP of \$6,000 (CIA World Factbook 2009: China and Norway). The GDP PPP does however not reflect how the wealth is distributed among the citizens, which is measured in another manner (Begg, Fischer and Dornbusch 2005: 339-347). These are the most common gauges for the economy, though other variables can surface during the analysis due to the way process tracing operates. Variables in this paper can be divided into two main categories:

Environmental and structural. Economy is an example of an environmental variable, in that it largely affects the state structure in the nation rather than being a part of the structure itself. It can affect the mood of the general population, and in times of crises it may cause great difficulties if handled improperly. Bad economic conditions and its affect on development have been linked to pose a significant challenge towards national stability. It is one of the variables that are commonly thought to be a major contributor towards upheavals and even state failures (Hegre et.al 2001: 30-40).

Another group of variables can be found in the area of redistribution of wealth, often thru welfare institutions. Welfare covers a vast area of institutions in a nation and since it is an institutionalized phenomenon, we can place this largely in the second main category of variables: structural variable(s) that is directly involved in the operation of the state structure. Welfare can cover areas such a health (hospitals), unemployment insurance, social security for those who are unable to work due to job related injuries and other issues. Welfare can also cover other areas, as the extensiveness of the welfare structure can vary from nation to nation. The difference between the nations is one reason why it is difficult to accurately describe how and what welfare actually is. Possible universal indicators may be the health budget and its effectiveness (Almond et. al. (Eds.) 2004: 136-137). Another variable that is either within or close to the welfare aspect is education. Education and the capabilities of the nation to school their younger citizen have been a common variable for conflict research as the theory goes that a well educated citizen is less likely to resort to extreme measures, and that it may improve economic growth in a nation, thus contribute towards increased stability in that manner.

Ethnicity and values is another common variable in conflict research. Some theories suggest that ethnicity can create sparks among different ethnic groups that can cause state

failures, permanent as well as temporary. Ethnicity is like economics a “parent” variable composed of several sub-variables. Specific examples of these sub-variables are language, ideology, race and religion (Hegre et. al. 2001: 33-37). Religion is a variable that can have sub-entities within one religion, such as the two major groups of Christianity, Protestants and Catholics. The conflict in Northern Ireland had a divide between these two groups, but one conflict alone that exhibit this conflict line does not mean that it is likely to occur elsewhere. The ethnic conflict between the Albanians and Serbians in Yugoslavia can illustrate what an ethnic conflict is. Ethnicity is almost solely an environmental variable as it normally affects the state structure from the outside. It may however be interesting to see if there are structural variables that can absorb negative affects from ethnicity while allowing the positive affects to flourish.

Constitutionalism is a variable that is related to the legal system but tends to supersede it as it also governs how the executive and legislative variables are supposed to function. A nation is however not required to have a constitution, like the United Kingdom. Most modern, especially democratic states whether they are unitary or federal have a constitution or basic law that define how the basics of the system is supposed to work. This variable is included due to the importance a constitution can have in determining the separation and divisions of powers, in addition to rights, limitations and duties that citizens and elected officials have. *Separation of powers* and *division of powers* can also become two variables of their own, not necessarily linked to the constitution. These two aspects are often mentioned frequently in federal type constitutions. The constitution variable is a clear, structural variable as it has the ability to be a blueprint for the framework of a nation. Constitutions can also define how the other structural entities should act. Constitutions may on their own have little structural integrity, but combined with other structural variables it is possible that they may work towards creating a stable platform for a nation to prosper on.

A less used variable that I choose to include in this thesis is the legal variable. This variable primarily covers functionality of the legal systems in a nation, how they judge and what rules they obey. The legal system does not only cover the courts but also the police which are supposed to uphold the law in conjunction with the courts. The police normally do not have the power to judge an individual, they have only the power apprehend the suspected perpetrator of crime and bring him or her to the court. It is usually up to the judge or judges to decide if the citizen has broken any law. Likewise it is not possible for the court to apprehend a person for a crime, as it must leave that task to the police. In that sense it is possible to say that there is a separation of legal powers between the police and the court(s). This gives the

legal master variable the two sub-variables of police and courts. Each of these two variables can be linked to another variable, the trust which people have in either the courts or the police (Mitra 2004: 663). The judicial sector is a rather clear structural variable as it is designed to handle environmental variables such as crime and disputes, challenges that may be lethal to state stability if not met correctly. The legal system can improve popular trust in the state; just as it can damage it with poor laws and judgements.

One of the reasons why judiciary and constitutional variables are rarely seen in research, especially quantitative, is that it is not easy to gauge these variables with numbers. They usually need a more detailed description due to their complexity and the fact that one nation may have a different way of organizing its legal system and constitution compared to other nations. One structural variable that tends to be largely overlooked is the military of a nation, as it is directly linked to the overall element of common security of a federal state. This variable has been an important element for the creation of several federal states, such as the United States of America. A badly handled military system can have the potential of becoming a threat to the state system as demonstrated by Yugoslavia.

Other interesting variables that have surfaced in conflict research are elements such as the distance from regime or system change. There are indications that a state that has a close proximity to a state system change or a recent conflict is more prone to experience a system failure. A state which has had a political system for some time, such as the Swiss Confederation would according to existing theory be less likely to face a system failure. (Hegre et. al. 2001: 38-39). Another aspect that has been discovered the last decade is the possible connection between the stability of a nation and the strength of the regime; regardless of whether it is democratic or autocratic. Research points out a possibility that a weak democracy or autocracy is by far more prone to system failures. A strong democracy or strong autocracy is pointed out as a likely and strong source for a nation to be able to tackle challenges that may threaten the stability of the political system (Hegre et. al. 2001: 42-44).

I have in this chapter mentioned just a few of the top tier variables that may play a role in determining the stability of a federal state. These variables are probably just the tip of the iceberg of variables which may have affected Canada's ability to handle the challenges that it has faced during its time as a federation.

The stability of Canada is unlikely attributed to a single factor like regime stability as there are other variables that can affect regime stability on the horizontal plane, meaning that regime stability is not necessarily the top of the variable pyramid. Regime stability is just one of the factors that define the stability of the system that makes up a

federation. Other such “middle tier” variables may be *central influence over the member states, national unity* and *military unity*. All of these variables can affect each other and the “top tier” variable. The dependent variable of “*system stability*” can in a sense be considered a top tier variable. The middle tier variables are likely to be important factors, usually structural but they may just as well environmental variables that the system seldom can survive without. We can consider system stability an index variable comprised by several middle tier variables, some which have already been mentioned. This relationship can be formalized thru a pyramid structure with system stability on the top, followed by the middle tier variables in the middle and the lower tier variable. The lower tier variables can be visualized as environmental type-variables that affect the system upwards, which in the end creates a chain of processes that may interact or even counteract each other.

This project aims to understand how the covariance between these variables and how they have affected the stability of Canada. Hopefully it will yield answers about Canada’s success as a federation. The difficulty of this project will rise along with the number of variables and informal units that are examined in order to reveal why Canada as a federation has so far stood the test of time.

4.0 – Empiric Framework

The main case of Canada will in be presented in dept in this empiric chapter. This chapter will concentrate on Canada alone. It will include a thorough historic walkthrough in order to capture notable events in its history with an emphasis on national, political and institutional challenges that Canada has experienced since the early days of colonization of the New World. This chapter will have a different approach than the other chapters in this thesis. The history of Canada will be presented chronologically as it happened rather than being presented by the variable the piece of history is connected to. Variables discussed in chapter 3.3 will be in *italic* to make identification of them easier in this chapter.

4.1 – Canada



Table 3 - Quick Fact Overview of Canada today (2008):

Region	(North) America
Total Size	9 984 670 square km
Population	33 487 208
GDP	\$1.511 Trillion
GDP Per Capita	\$39 100
Unemployment	6.2%
Inflation Rate	2.4%
Education funding	5.2% of GDP
Ethnicity	British Isles origin 28% French origin 23% other European 15% Amerindian 2%, Other (mostly Asian, African, Arab) 6%, mixed background 26%
Religion(s) (2001 consensus)	Roman Catholic 42.6% Protestant 23.3% United Church 9.5% Anglican 6.8% Baptist 2.4% Lutheran 2% other Christian 4.4% Muslim 1.9% other and unspecified 11.8% none 16%

(CIA World Factbook 2009a)

4.1.2 – General Political, Economic and Values Background

Canada is the core case in this master thesis, neighbour to the first democratic federation in the world, the United States of America. Canada is the world's second largest nation in terms of square kilometres behind Russia. Only the United States and Switzerland became democratic federations before Canada, making it the third oldest democratic federation.

First we will be to look at Canada's history in order to determine where Canada encountered challenge(s). This will later be compared to other specific challenges experienced in other federations to look for similarities in their process patterns. If a similarity is found then it might be possible to discover why Canada has not failed in the same situation. In this aspect it seems wise to not just look at Canada's history after it became a federation but also its pre-federation history, since important clues may be found there which have sowed the seeds for resolutions or causes for the challenges that Canada has faced. The pre-federation

era may additionally yield important information about the relationship between Quebec and the rest of “British” Canada.

Canada was originally a colony of the British Empire until it was given self rule in 1867. The first of the European powers to reach Canada was a British explorer named John Cabot in 1497. One of the earlier lures of wealth in Canada was its furs and Cod rich waters, two highly sought after commodities in the old world of Europe. This brought the first immigrants to the Canadian territories. Farmers were also significant among the first arrivals due to the fact that portions of Canada had an environment similar to Norway and Sweden, and a few areas were compatible with that of Britain and France (Ray 2007: 3-6).

One of the territories which today are a part of the Canadian Federation was originally a part of France but due to French war losses in Europe in the early 18th century, France was forced to turn over their possession of New France and colonies such as Quebec over to the British Empire. Quebec was founded by the Frenchman Samuel de Champlain in 1608 and was central in the early endeavours of colonizing Canada. Quebec, then a tiny colony was first captured by the British in 1629 but returned to the French due to diplomatic arrangements in 1632. Quebec began to grow substantially in the 1630s due to royal support from France. The king appointed Charles Huault de Montmagny as *Governor General* of New France after the death of Champlain. This title is still in use in Canada today. Quebec would eventually be outgrown by its nearby British rival colonies with roughly 3000 French colonists versus 100.000 British colonists (Moore 2007: 103-105). The influx of European made weapons such as muskets was a deciding factor in shattering the *power balance* between the two major *native actors* in the area during the war between the Huron Confederacy and the Iroquoian Confederacy between 1645 and 1655. Eventually the victors, the Iroquoian Confederacy attacked New France itself and weaken the French powerbase in Canada. This promoted the King of France to place the colonies in New France under *Royal authority and control*, eventually bringing new growth to the French colonies during the latter years of the 17th century and ending the war with the Iroquoian Confederacy. The population of New France had by 1681 reached 10.000, much owed to the *involvement of the Crown*.

The first British-Canadian colonies started to appear around 1610 at Conception Bay and Newfoundland but did not begin in earnest until the founding of the Hudson Bay *Trading Company* in 1670. It took control of today’s northern Ontario and northern Quebec, extending northwards to the Northern Territories and eventually it established the settlement of Ottawa, today’s capitol of the Canadian Federation. It was later joined by the rival North West *Trading Company* (Ray 2007: 68-89).

The *encroachment* of European power on the natives increased in strength as the years passed, changing their everyday lives considerably and creating new feuds *between the various tribes* situated in Canada as a whole. The English and French also brought their own wars to the new World, creating a series of border skirmishes that started around 1682. This was followed by an open war between the two colonial powers in 1689, the English being allied to the Iroquois. The French found themselves surrounded by the British Empire to the north and more importantly to the west, as the English could bring in reinforcements from nearby New York. The French had to bring reinforcements all the way from mainland Europe. This did not mean that New France was defenceless, far from it as they had a force of 1400 soldiers at their disposal. This isolated war eventually came to an end in 1697, with the *power balance* between the French and the British being the same as when the war started. The Iroquois were however *devastated thru disease* and the toll of war. This was the beginning of the end for the native's importance in Canadian power balance (Moore 2007:130-134).

New France faced many challenges in the 18th century, starting off with the *consequences of oversupply of furs*. A great Anglo-French war would also erupt in 1702, lasting for a decade until 1713, though most of the battles were fought at sea in the New World, not on land. This war did however ruin the *economy* of the French, forcing them to yield Newfoundland and Acadia and grant the British full control of Hudson Bay as war reparations (Moore 2007: 136-138). Acadia, dominated by a French population lived in peace under British rule as that were not forced to fight against *other Frenchmen*. The French were however not broke having retained control of the colonies situated in New France. They laid down an aggressive expansionistic policy, colonising Louisiana which would later be sold to the United States. New France also established the inland colonies of Detroit and Louisbourg, which was then secured by a series of forts that stretched from Quebec to Detroit, and from Detroit down to Louisiana (Moore 2007: 136-142).

The Canadian *political environment* took its first steps towards change when yet another war broke out between the European powers in 1744. The battlegrounds in the New World were centred at Louisbourg, Acadia and Nova Scotia, though most of these were minor events even in the military terms of those days. The initial moves were made by New France but New England in retribution attacked and seized Louisbourg. This settlement was returned to France at the end of the war in 1749. England expanded its interests in Canada by founding Halifax and Lunenburg in today's Nova Scotia after this war (Moore 2007: 166-167).

Relations gradually worsened between New France and New England as border skirmishes reignited between the two rivals during the 1750s. *Frenchmen* located in Acadia

were *forcefully removed and exiled* to the thirteen colonies (Eventually the first states of the United States of America) when war seemed inevitable. War was declared in 1756, signalling the beginning of the Seven Years War between the French and the British. This war sparked several major battles in North America due to massive troop build-ups prior to a formal declaration of war. The war soon became critical for New France as it was unable to produce enough food and suffered several critical strategic losses, including the permanent loss of Louisbourg. Quebec was also devastated and later forced to surrender following a decisive battle at the outskirts of the city. New France itself surrendered following the siege of Montreal in 1760 (Moore 2007: 176-180) (Wynn 2007: 181-183). The British however *did not deport the remaining French*. The British instead *guaranteed* them *several rights*, including *free trade and religious freedom*. These two aspects were later included in the *modern Canadian constitution*. The war ended in 1763 with France yielding all of its claims for Canada (Wynn 2007 182-183). Only Louisiana remained under French control in North America and was sold to the United States of America less than half a century later.

The territories that became integral parts of Canada experienced a promising *economic and population growth* in the period from the 1760s. The late 18th century and the early 19th century would be largely dominated by British efforts at exploring the wilderness of North America as they had almost exclusive access to this land. Explorers voyaged, not only for the dream of fame, but also to find *valuable resources to profit* from. There was however one incident that severely damaged British imperial plans for North America. These territories were soon pulled into a conflict that had a tremendous impact on the order of business that also sowed the seeds of our modern world. This conflict was the US War of Independence, where the thirteen colonies of New England declared their independence from the British Empire in 1776 (Wynn 2007: 194-196). Canada remained a British colony during the War of Independence, and soon enough proved to be a torn to the fledgling US armed forces, despite early US military successes in Canada. The peace treaty made in 1783 drew up the *borders* that define the territory that Canada covers today.

The once numerical superior *natives* were by now a shadow of their former selves, largely because of diseases that the Europeans brought with them for (Ray 2007: 93). The odds started in earnest to shift in the *disfavour* of the *natives* following the war of 1812 between a young United States of America and the bulwark British Empire, as colony officials realised that they could manage *without support* from the *natives*. This change caused further *encroachment* upon territories belonging to the *natives*. Many *natives* had for

generations absorbed the culture that the Europeans had brought with them, and essentially became one with the European way of living due to its dominance (Wynn 2007: 192-193).

Trade was during the 19th century important for the *survival* and *prosperity* of both Canada and Britain. Britain depended on *furs, timber* and other *resources*, while Canada needed Britain's *wealth* and *luxury goods* in order to continue and further expand their *development* of the colony. Canada was in theory administered by the *British parliament*, but most matters were left up to the *Governor-General* of Canada due to the slow and far fetching lines of communication. The same applied for the other colonies of the British Empire. The word of a *Governor* or *Lieutenant-General* was near the word of a king during this period, a far cry from the modern states which seek to *prevent* a single person from *acquiring* all of the *powers* in a *state system*. They were however not without *constraints* as the first seeds of *democracy* started to affect Britain and its colonies. *Local assemblies* existed and the *Governor* or *Lieutenant-Generals* were careful not to take action contrary to the wishes of the British Parliament or do anything that could *jeopardize their position or reputation* (Wynn 2007: 199-201).

As the *Governor* and *Lieutenant-Generals* varied in aspirations and *competence* so did the result of their actions. Some, like the *Governor* of the *French dominated areas* did not confer with the *local elected assembly*, thus created the seeds of future challenges. These appeared when the *locally elected assemblies* in Canada were granted the right to *administer their own local revenues* in 1831, which was largely controlled by the *Governor* before. *Cooperation* was extremely poor between some of the elected assemblies and the appointed councils, *paralysing* the colonies. This culminated in a series of *rebellions* in upper and lower Canada due to the *governments* decision to disregard *calls for reform* (Wynn 2007: 201-203). The conflict in Upper Canada was derived from the fact that the government reserved one seventh of the land for the *Church of England*, while many new arrivals to Canada were *evangelical* Christians. They were discontent with the preferential treatment the Church of England received. Things were however different in Lower Canada. There the conflict was rooted in *language and traditions*, where the *French language* was pushed aside by *Lieutenant-General* James H. Craig who was tasked to territory. This eventually led to an *ethnic polarization* from 1809 that continued onwards. The reason for this polarization was that Craig imprisoned leading members of the *Parti Canadien*, a *French-Canadian political party*. Craig also dissolved the local assembly and attempted to *curb publication* from French-Canadian newspapers. It should be mentioned that these action were taken while the first Napoleonic war raged in Europe. The second issue that caused this polarization was *English*

immigration to Canada, which *reduced the numerical advantage of the French-Canadians*, who were concerned about the safety of their *culture*. This *fear* increased in 1822 with the discussion of uniting the various provinces of Canada. The Hudson Bay Company and North West Company were merged that year. The French-Canadian press started to increase their *nationalistic* writing by referring to their origins and their *religion*, using *ethnicity* to polarize the environment around them (Wynn 2007: 203). A French nationalist, Papineau, stepped up his criticism of the British rule after winning control over the local assembly in 1834. To make matters worse *economic slowdown* struck the colonies and was strengthened further by *poor crop harvests*. In 1837 the world experienced its first *global economic crisis* which toppled numerous American and English banks. The *economic crashes of 1929 and 2008* were of similar proportions, except this was something entirely new in 1837. Britain *ignored* a call in 1837 to turn the *control of local expenditures* over to the *local assembly*. This Sparked *French-Canadian* organized public protests that developed into fighting between the Quebec *nationalists* and the British armed forces. The British repeated the pattern where they arrested the leaders of the *riots* and other likely *threats to security*. Open battles were fought but not on the same scale as when the United States of America declared their independence, which ensured a swift British victory in this *uprising*. Upper Canada only saw two *significant armed uprisings* where both were quickly and violently put down, ending the *uprisings* altogether (Wynn 2007: 203-204).

These *uprisings* did however *affect* British decision making which in 1838 set in motion the evaluation of how a future Canada should be. The conclusion that they reached with regards to Lower Canada was that the conflict were of *ethnic* origin and that future conflict would be best avoided by *assimilating* the *French-Canadians* into the British way of life. This would be achieved by uniting Upper and Lower Canada which made the *French-Canadians a minority* rather than a *majority*, preventing them from using the *local assembly* as pile driver against the appointed officials of the British government. The conclusion on how to prevent further *uprisings* in Upper Canada was that the preferential treatment of the upper class and Church of England should be ended. These changes were however not implemented right away as the opposition against this plan was too great at that time (Wynn 2007: 203-207).

From 1840 Canada entered a new period with new challenges and great achievements. The first challenge Canada faced was related to the slow lines of communications and transport. The solution to this problem started to appear in 1836 with the *construction* of multiple *railways* in Canada, culminating in the first *Canadian Transcontinental Railway*

which took 10 years to be completed between 1875 and 1885, *improving communication and increasing commerce* (Waite 2007: 282-284). The changes the railways brought with regards to *economic balance* and relations also caused many provinces in Canada to *warm up* to the idea of a *Canadian union* (Waite 2007: 283-290). The *political environment* was in some places rather conservative, but the power shifted in 1838 to the reformers. Old grudges would be reopened with passing of a bill that called for compensation to those who had their property damaged during the 1837 rebellions, creating a new *uprising* by those who opposed the idea of “rewarding” people for rebelling. The capitol of the Provinces of Canada following this *uprising* was moved from Montreal to Toronto and finally to Quebec City (Waite 2007: 290-295). Lower Canada, later the province of Quebec continued to maintain *their laws, customs, religion and culture*. Upper Canada, today Ontario, maintained their British way of life and governing which was why the Province of Canada would eventually be separated again into what they are today. Some parts of the political system in Canada has come a long way since the 18th century, where *voting* was done in public and *violence or the threat of violence* was a common way to alter the opinion of people. *Ethnicity* continued to cause social instability and *French-Canadians* were often one of the involved parties (Waite 2007: 296-302). *Education* was also on the rise in Canada during the latter half of the 19th century and advancements in health increased the chances of survival for people, leading to *greater prosperity*. The invention and implementation of the *telegraph* in the 19th century further reduced the size of the world. This allowed Canada to efficiently communicate with large continental cities in both Canada and the United States, eventually communicating with Britain instantly from 1866 (Waite 2007: 303-312).

The event that transformed Canada into what it is today occurred in 1863. *Economic* conditions can be directly connected to the change in the attitude which the various provinces had towards a Canadian confederation, going from ice cold to embracing the idea of a federation. The process from being divided to becoming united in a confederation was not an easy task, and required considerable “*horse-trading*” in order to bring everyone onboard. The federation was originally only thought to be comprised by the most eastern provinces, but a man named George Brown brought up the idea in 1864 of including every province in British North America into a union. Brown also laid out plans for how the Province of Canada would be divided into Ontario and Quebec. The idea was met with surprising support from *every important political faction* in Canada, even among the *French-Canadian conservatives*. The very thought of creating a nation greater than the then United States of America in both size and *economics*, was also a factor that swayed many minds to embrace the idea of “greater”

Canada. *Collective security* became an important factor due to the Civil War (1860-1865) in the United States and threats that they made towards their northern neighbours. The US civil war also affected the *construction* of the new Canadian state as they viewed *greater centralization of federal powers* as a countermeasure against civil wars. The document for the proposed Canadian Federation was completed in the latter days of 1864. The idea was met with feverish optimism when they penned the initial documents in Charlottetown in September and later in Quebec in October, 1864. There were however some *popular* hurdles that they had to overcome which prevented the Federation from being born in 1865. The British parliament finally passed the *British North America* act in 1867 by royal proclamation, approving the formation of the Canadian Federation and also granted them *partial independence* at the same time. This proclamation additionally served as a *constitution* for Canada until a separate one was adapted later in the 21st century. Canada was at first composed of the provinces of Quebec, Ontario, New Brunswick and Nova Scotia (Waite 2007: 312-322).

Canada selected a *federal political constitutional model* that is similar, yet different from its neighbour. The first difference with Canada is that the executive branch of the government, although in name only is subject to the King or Queen of Britain who is the formal head of the Canadian Federation. This royal connection is largely ceremonial and the monarch holds minimal influence on the day to day operations of Canada. The crown is represented by the *Governor General*, appointed by the King or Queen after *consultation with the Prime Minister* of Canada. The Governor General is mainly a ceremonial position with little authority and usually has a term of five years which may be extended (Governor General of Canada 2010). The final step of all *bills* requires the approval of either the Governor General or the monarch, much the same way in which the President of the United States has to sign all bills from the Congress before they become *law*, although the President of the United States actively exercises his right to veto bills from the Congress unlike the Governor General of Canada. The Governor General has the theoretical ability to *dissolve* the House of Commons and call for an early election, though the Governor General must have the consent of the Prime Minister of Canada to exercise this power (Canadian Department of Justice 2010).

The *legislative branch* of Canada is modelled after the British parliament, having a *two chambered arrangement*. The head of the legislative branch is the Prime Minister, who must be someone who has been elected to the Parliament. The upper house, the Senate differs from the British in that Canada lacks a noble hereditary class. The Senate has a role that is

fairly similar to the US Senate, focusing on a permanent number of seats per region rather than being based on the *population/size* of the region. The Senate is made up of four *divisions*, Ontario (First), Quebec (Second), The Maritime Provinces (Third) and The Western Provinces of Manitoba (Fourth). Each of these divisions has 24 members. Some of these divisions have “sub-divisions” with the senators distributed among them. An example of this is The Maritime Provinces which is sub divided into Nova Scotia (10 Senators), New Brunswick (10 Senators) and Prince Edward Island (4 Senators). Hence making the Canadian Senate system similar, yet different from the US where each state has two seats in the Senate. There is however one big difference between the US Senate and the Canadian Senate: All Senators in Canada are appointed by the Governor General after the Prime Minister’s recommendation, meaning that the Canadian Senators are *not democratically elected*. Another difference is that Canadian Senators may hold their seat from they are appointed until they are 75 years old or miss two Senate sessions in a row. There are also requirements that a candidate needs to fulfil: First he or she has to be 30 years or older, posses real estates at a minimal value of 4,000 Canadian Dollars, posses at least 4,000 dollars of net assets, reside in the province they are appointed from and be a naturalized Canadian citizen . The Senate may propose any bills unless dealing with public money and taxes and may propose amendments to non-money bills. No bill can become law unless it passes the Senate and receives the approval of the crown (Canadian Department of Justice 2010).

The lower house of the Canadian Parliament, the House of Commons share more similarities with regards to its organization to the US House of Representatives than the lower house of the British Parliament. The seats are divided between 12 regions and the number of seats assigned to a region is based on the *size of the population*, with a total number of seats at 295. Representatives are not allowed to reside in both the Senate and the House of Commons, similar to how a US elected representatives may only hold one office in the US government. The House of Commons is headed by the Speaker of the House, having a similar role to that of the Speaker of the House in the lower chamber of the US Congress. Ordinary bills require a simple majority to pass thru the House, the Speaker may however only vote in order to break an otherwise even vote. The term time for one session is five years, after which an election must be held unless the *Governor General dissolves* the parliament early (Canadian Department of Justice 2010).

Each province of Canada has its *own legislature* similar to the United States and Germany, except that the formal head of the province is a *de-facto non-democratic Lieutenant-Governor* ceremonially appointed by the King or Queen in a manner similar to the

Governor General. Each province may have its *own laws and regulations* similar to the United States, given that they *do not conflict with Federal law*. The federal government may not *encroach* on the *rights of the provinces*, unless the provinces choose unanimously to award one or several powers to the federal state. The provincial *legislatures* can also *control taxation, natural resources and education* in their territory. The provincial legislature may however not take over powers already assigned to the Parliament of Canada. If *laws* concerning old age, disability and pensions conflict, it is the *provincial law* that *supersedes* the *federal law*, which is the opposite of United States where *Federal law supersedes all state laws*. However, if laws concerning agriculture and immigration clash, it is the *federal law that is supreme* (Canadian Department of Justice 2010).

Canada has like every modern western country, gradually developed an independent judicial system, which became the Supreme Court of Canada in the latter half of the 21st century. The Supreme Court of Canada has powers similar to that of their American counterpart with a *strong judicial review* in order to ensure that no *unconstitutional laws* becomes legal law and to guarantee that none may gain power that they should not have (Almond et. al. (Eds.) 2004: 109). Supreme judiciaries are appointed by the Governor General by the *recommendation* of the cabinet of the Prime Minister. A difference between Canada and the United States is that the Parliament does not have the ability to *block an appointment* in the same manner possible in the United States. Each province in Canada has their own Courts, though all Judges from top to bottom are appointed by the *Federal government* and not the *local legislature*. There are some *special rules* such as only individuals from the Quebec bar may be appointed as Judges in Quebec, as written in the *constitution* of Canada. A judge may however be removed from his or her position if *both Houses of Parliament vote to do so*. The final formal step is that the parliament asks the Governor General to remove the person in question. It should be noted that this has never happened in Canada. The Supreme Court consists of nine judges who may sit until they reach the age of 75, *three of the Supremes must be appointed from the Quebec bar association* (Canadian Department of Justice 2010).

Canada is one of the first nations that included an article in the *constitution* that *strictly curbs the authority and influence of religion in the decision making process of the State*, yet at the same time not limiting *religious freedom* (Canadian Department of Justice 2010). The Canadian *Constitution* goes further than the first amendment in the US constitution, which only guarantees that no religion may be favoured in lawmaking (Lowi and Ginsberg 2002: A16-A17).

The framing of the *constitution* and the subsequent implementation gave the federal government an ability to *block any legislation* from the provinces, regardless of the circumstances. The province of Manitoba was created in 1870, following *pressure* from one of the remaining *native groups* in that area who wished to protect their *land and culture*. British Columbia started examining the possibility of joining Canada, being persuaded to do so in 1871 thanks to the federal governments pledge to *build a railway* from Montreal at the Atlantic coast to Vancouver at the Pacific coast. It should be noted that British Columbia only asked for a wagon road in return for them joining Canada. Prince Edward Island joined in 1873 due to assurance that they would also *receive a railroad and a permanent ferry service* (Wynn 2007: 326-335).

The construction of the transcontinental railway caused *political problems* for those who suggested it, such as John A. Macdonald who was the sitting Prime Minister of Canada as Ontario *taxpayers* were the ones that *paid* for the railway. Something they were not very pleased about. Macdonald was narrowly re-elected, and *high government expenditures* were placed as a likely reason for his loss of support. Later revelations showed that he had *used and received bribery* in the re-election campaign. Macdonald then resigned from his office in shame (Wynn 2007: 335-336). During the remaining decades of the 19th century Canada saw an impressive *industrial growth* due to tariffs protecting them from their US competitors, with the *standard of living rising as the economy expanded* (Wynn 2007: 342-345). This increased output also triggered one of the famous *economic equilibriums* which are central in modern economic theory: As output rises, prices will fall (Begg et. al. 2005: 12). These industrial times were by no means easy due to harsh working conditions which brought about the first labour unions, creating strikes and protests as the large business owners tried to throw them out of the “good” company. The unions in the rest of the world developed in a similar manner, creating the first non-governmental interest organization in Canada and the rest of the world. This also changed the way *politics* and *elections* were conducted (Wynn 2007: 346-347). The now famous red mounted police of Canada saw its birth in 1873 in order to *maintain law and order*, plus preventing a war between the *federal government and the native Indians* by stopping settlers from *violating* native lands. There was however one small armed rebellion in 1885, which was blamed on *poor political and bureaucratic performance*. Incidentally, the leader of the rebellion, a man named Louis Riel, was also responsible for the actions that led to the creation of the Manitoban province a decade earlier. Riel was however defeated by a reorganized police and military force dispatched by train from the federal authorities and convicted of treason (Wynn 2007: 349-358).

Religious divides was the only source of conflict for the remainder years of the 19th century in Canada, making for example Manitoba a source of conflict again. This time a dispute between *Catholics and Protestants* arose concerning the way *education* was conducted, but did not dissolve into violence. Some Canadian volunteers also fought in the South African Boer war. The situation in Canada did however not deteriorate into any significant internal armed conflict after the 1885 rebellion (Wynn 2007: 375).

The 20th century was opened with the *creation of the Saskatchewan and Alberta* provinces in 1905, due to the *increase of population* in those areas, creating new challenges that demanded the establishment of these two provinces. The industrial age was at its golden era; *even changing sentiments* in Quebec as acquisition of *wealth* become more important than *nationalistic* ideas for many French-Canadians. The first challenge for Canada arose in 1914 with World War 1 raging in Europe. Steadily more nations were pulled into the conflict. Agricultural products were the major export commodity for Canada during the first quarter of the 21st century with wheat in particular as farming methods were improved. This in turn produced *higher and more predictable outputs*. Canada became an important manufacturer of goods necessary for Britain's survival in this war. It also contributed soldiers to the ground warfare in France. *Economically*, the war was a gift to the Canadians as their *economy* once again was spun up due to the needs of Britain. The downside was that the demand for goods was unnatural high, hitting Canada negatively after the end of the First World War (Cook 2007: 378-385).

It was not only the *economy* that grew fast during this period, even the *population* increased from 5,3 million people in 1901 to nearly 8,8 million in 1921, though it is not unreasonable to assume that the war in Europe brought an abnormal influx of immigrants from Europe (Cook 2007: 385). The new immigrants came from everywhere in the old world (Europe), a few, such as a faction among the *Ukrainian Doukhobors*, the Sons of Freedom, caused a lot of *distrust* from the established Canadians due to the problems they caused but it never became a significant violent affair. The *education* system was considered a pivotal element in assimilating the new arrivals into the Canadian way of life and *English* quickly became the mainstay *language* in all areas except Quebec. The reason for this focus on assimilation was to avoid future *ethnic* conflict (Cook 2007: 390-392).

The first *conflict* that Canada was involved in, the First World War, in which it *contributed money, resources* and soldiers to the war effort, opened up old wounds between *English-Canadians and French-Canadians* (Cook 2007: 412-414). There was one change that significantly altered the *political environment* in Canada during the first quarter of the 21st

century, along with the rest of the democratic world, *Universal suffrage*, or rather women being able to *vote* and be *voted* into public office. Possibly related to the scarcity of male manpower during the war and the importance women played in manning the factories and fields of Canada. Manitoba was first in 1917 with the other provinces following suit within the end 1918, with the exception of *catholic* Quebec. Universal suffrage in *federal election* became federal law in 1918. Quebec did however not change its provincial *election laws* until 1940 (Cook 2007: 400-402). The war years and after were not problem free as *cultural* issues began to resurface, mostly related to the *preferential* treatment which the French-Canadians felt the English *language* was given, particular in Ontario. The Canadian courts ruled that there was no problem for Ontario to make *English the only taught language* in the schools. The issue of conscription during the war also created a greater divide between Quebec and the rest of Canada as the parties split along *ethnic* lines, with English-Canadians from both the Liberal and Conservative party supporting Conscription, and their French-Canadian colleagues opposing it. Isolated riots in Quebec prompted the government to deploy troops to control the crowd, causing Quebec to *consider* the idea of secession for the first time in 1918 (Cook 2007: 416-425).

Canada, during the inter-war years, suffered from two *economic* bubbles. The first one was created by the unnatural high demand for goods during the war and right after, bursting in 1922. This caused a drop in consumer demand which in turn lead to an *increase* in *unemployment* and an additional *drop in prices*. The *economy* did not begin to *grow* until 1925, just four years before the beginning of the *Great Depression*. Canada had to struggle with *social unrest* such as labour strikes, often ended by the militia during these three hard years. Canada received its third political party, the Progressive Party in these years which meant majority rule was no longer guaranteed, creating a *less predictable political environment* (Cook 2007: 428-435). The threat of French *nationalism* in Quebec waned during the 1920s due to *governmental efforts to amend the British North America Act*, giving the French-Canadians *assurance* that their *culture* and *language* would be as important as the English *language* and *culture*, and by keeping Canada out of international conflicts (Cook 2007: 444-450)

The real challenge surfaced with the emergence of the infamous stock market crash of 1929. Canada was among the first countries in the world to experience the after effects due to its proximity to the United States, and be hard hit due to their *trade* relations with the USA. Canada, like many other nations did not have any *social safety net* such as we can find in most of the western nations today. To make matters even worse, droughts, winds and locusts

plagued Canadian agriculture during these years, making difficult circumstances even tougher. The *poverty, despair* and *hopelessness* became a source of *civil unrest* in Canada. Several of these *riots* erupted into *violence* as the government decided to use the royal Canadian mounted police in at least two major incidents. This *desperation* made new political ideas possible that would have been political suicide before, much like President F. D. Roosevelt's New Deal program. *Social safety nets* were gradually built up in Canada along with *regulations* for the business and banking sectors. Mostly thanks to individuals such as William Aberhart of Alberta. The changes came thru law on a *federal level*, despite encountering obstruction from the Supreme Court which was overcome by *amending the constitution*, as the necessity for it to be done rose with the outbreak of the Second World War in Europe. The implementation of these changes altered the way business was done in Canada. The *Great Depression* did not end in Canada until 1940 with the beginning of World War 2, which blew wind into the sails of the Canadian *industry*. One of the first *nationalistic* Quebec parties, the *Union Nationale* was founded during this period, maintaining an *autonomy* path for Quebec. It would later be replaced by *Parti Québécoise* which would openly attempt to gain *independence* for Quebec. (Cook 2007: 448-460).

Canada entered World War 2 seven days after Britain entered the war. They would however not invoke conscription this time in order to ensure *political unity* across all the political parties, as the political situation in Canada was far from certain. *Fearing re-election problems*, many political leaders in Canada did not advocate unrestricted support for the war effort. The question of conscription slowly arose again during World War 2, just as in World War 1, with a *cultural divide* between the Anglo-Canadians who supported the idea of conscription and the French-Canadian who opposed conscription. Despite Quebec's opposition to conscription, it was introduced in 1944 following the failure of the volunteer program. The main reason for this change was that the opposition had been *weakened* due to *political manoeuvring* by the Canadian government (Cook 2007: 465-472) (Morton 2007: 473-475).

One of the greatest changes to Canadian politics and society in general during the 1940s, was the introduction of its first *unemployment-insurance and social security programs*, implemented during and following World War 2. Canada gained a fully fledged *welfare system* at the end of the 1940s. The Canadian *economy* had fully recovered by the end of World War 2. The Canadian leaders were acutely aware of the problems they faced after World War 1 and made the necessary preparation to avoid a repeat of this. Canada's uneasy relationship with the United States also changed in the latter years of the 1940s, with the two

nations becoming *increasingly economically dependent* on each other. Newfoundland became a part of Canada in 1949, creating the Canada we see today (Morton 2007: 473-480). The *prosperity* that they achieved also affected issues such as *education* and *health*, bringing them all up to a level never seen before. Great strides were also made to end *racism* in Canada. One example is the previously shunned *Asians* that were offered full citizenship in 1949. Canada created a Federal Supreme Court in 1949, setting the stage for the transformation of the British North America act into the *Canadian Constitution* of today (Morton 2007: 480-490).

One interesting issue that has surfaced many times in Canadian parliamentary history is that the prime minister has dissolved the parliament and called for new election several times, as John Diefenbaker did in 1958. There is surprisingly little that prevents the prime minister from dissolving the parliament. The only thing that can hold him/her back is the danger of losing seats in the parliament or that the Governor-General refuse to dissolve the parliament (Morton 2007: 498-499). Diefenbaker led Canada into an economic correction during the 1950s, which struck Quebec the hardest. The economic downturn was ended by the combined effect of Keynesian economic policies and the welfare system, returning to normal in the early 1960s (Morton 2007: 498-505). Canada also gained a new personalized flag in 1965, the one that is used today. The previous flag was similar in appearance to the one in use by Australia.

During the 1960s Quebec once again mark itself as a hotspot for *anti-federalism*, making various demands in the name of *protecting their culture and language*. It is worth to mention that President De Gaulle of France did his very best to support the Quebec *nationalists* and fire up under their enthusiasm (Morton 2007: 508-515). Other changes also came in the wake of Quebec's reawakening, such as combining all of the Canadian defence forces under one common command and cutting down on Canadian involvement around the world. An example is that they reduced their military contribution to NATO under the leadership of Prime Minister Trudeau. He was also instrumental in creating the *Official Language Act*, making French and English *equal languages* in the federal government (Morton 2007: 522-525). This legislation was also included in the *Canadian Constitution* there declaring that all pieces of legislation must be presented in *both French and English, both in the federal and the provincial governments and institutions*. This in a bid to curb rising Quebec *nationalism*, which it failed to accomplish as later demonstrated with *two referendums* in Quebec that aimed for its *independence* from Canada.

The 1973 fuel crisis also sparked a debate concerning *handling and control over local raw resources* such as oil. Discoveries of offshore oil also affected political tensions within

Canada, making provinces such as Newfoundland, British Columbia and Nova Scotia more *negative* towards *federal policies* as they *battled for control* over the newfound offshore oilfields *against the federal government*. It should be added that *none of these provinces wanted to secede from the federation*. They just wanted the federal government to *pay more respect to the wishes of the provinces*. The *growth* of the energy sector also changed traditional *economic balance* where Ontario and Quebec were the key GDP producers. The oil boom of the 1970s would move this out of Ontario and Quebec and into other provinces such as Alberta. In 1968, Parti Québécois entered the fray and attracted numerous Quebec nationalist to their ranks, marking the beginning of a challenging time for the Canadian Federation (Morton 2007: 526-538). Parti Québécois was further strengthened as *economic downturns* in Quebec set in and by 1973 polarized Quebec into two camps.

Parti Québécois was different from previous Canadian-French nationalist groups in that they actively pushed for Quebec's *complete independence* from Canada. In 1977 Parti Québécois introduced bill 101, a bill that allowed *only French language* to be used in the government and commercial enterprises in Quebec, with harsh fines given to those who did not follow the bill. This did not go unnoticed by the other Anglo-Canadian dominated provinces of Canada. May 20th 1980, was the date of Quebec's first attempted move towards *independence* from Canada thru a referendum. The *economic conditions* at this time were appalling, with high interest rates due to governmental overspending on both federal and provincial level. Rising *unemployment* along with the Iranian oil crisis that made energy prices shoot thru the roof caused the *economic* situation to grow worse. The NAY side was however very strong during this referendum and defeated the YES side with 60 percent against 40 percent. The Prime Minister at this time, Trudeau, also promised Quebec a new *Constitutional* deal in order to *sway* more people to the NAY side. The road to a new *constitution* was however filled with difficulties but was eventually signed into *law* by the British Parliament with Queen Elizabeth's royal assent. One of the new changes was that further *alteration* to the *constitution* would not need to go thru the British parliament, giving Canada *complete autonomy* with the sole exception of *maintaining* the monarch of Britain as the official head of state. The new *constitution* also introduced a charter for "*Rights and Freedom*" for Canadians, later used against Quebec's Bill 101 (Morton 2007: 538-544).

The first half of the 1980s was mired with *economic* troubles for Canada. Interest rates rose to over 20 percent, *unemployment* also rose as firms crumbled, not only because of high interest rates on loans but also because *commodity prices* around the world were declining. This environment caused the *popularity* of the Liberal party to fall considerably, coasting the

Tories to win 211 seats out of 281 in the lower house of the Canadian parliament. Old political *roadblocks* prevented the Tories from getting thru many of their policies along, and many of the policies that did pass thru turned out to have *negative outcomes*. The Tory government also gave Quebec further *privileges* thru the Lake Meech accord. The bad sides of the deal made by the Tory government did however not reveal themselves in the 1989 parliament election, giving the Tories a renewed *majority* control after a particular nasty election campaign. The Tory government from this point began sweeping changes on *Canadian taxes, pension arrangements, privatization of- and funding reduction to public services* such as postal and rail services (Morton 2007: 544-560).

This all started to backfire on their *popularity* as a new wave of *economic* depression struck Canada and the world in the latter half of 1988, depriving Ontario of many *high paying* industry jobs. The *preferential treatment* Quebec had been given the last 20 years along with the consequences of Bill 101 also started to appear, as whole provinces or significant parts of provinces such as Ontario declared that *English* was the only permitted *language* in their region. Support for the Lake Meech accord also crumbled as political control over the various provinces of Canada shifted to the Liberal Party, prompting yet another lengthy negotiation to save the Lake Meech agreement. The negotiations failed after more than a week long series of deliberations. The most surprising event was that Quebec did not explode with protests following the collapse of the agreement; instead commentators predicted that Quebec would now move for independence from Canada. The *preferential treatment* given to Quebec also caused severe *dissatisfaction* among the *natives*, leading to almost violent clashes when natives *blocked important transport routes in Quebec*. The more or less overlooked New Democratic Party of Canada in 1991 won a surprising *majority* in the *provincial election* of Ontario. This was followed by electoral victories in Saskatchewan and British Columbia. The introduction of *plebiscite as a requirement to ratify any constitutional changes* in British Columbia and Alberta also made a new *constitutional* deal with Quebec more challenging. A heated political environment eventually forced both sides back to the table in order to form an agreement in August 1992. The agreement fell apart when Canadians were asked to give their opinion in a national referendum. The Tory Prime Minister, Brian Mulroney, resigned in February 1993, prompting a new election that ended in a catastrophic loss for the Tories (Morton 2007: 560-571).

Canada had been plagued by severe *budget deficits* since the end of World War 2, which the new Liberal government under Jean Chrétien took very seriously, *cutting expenses* where expenses could be cut. This caused the Liberal Party to fall on *popularity* polls but

strangely enough without losing their *majority* in the parliament. Quebec also launched another referendum for independence, one which would be far closer to a YEA than before. Only 2 percent separated the YEA side from the NAY side this time. Quebec, like in 1980 experienced *economic* problems, and the leader of Parti Québécois blamed “*ethnics and economics*” for the narrow defeat of the referendum. *Economics* improved in Canada around 1993, with *budget deficits* being replaced by a *surplus* in 1997. The positive *economic* trend continued up until *history repeated* itself once again: Banks losing touch with reality and reason, lending money to people who could not repay them if *economic* prospects turned even a little sour, though this crisis has not struck Canada as hard as its neighbour, USA. Jean Chrétien was later replaced by Paul Martin as the leader of the Liberal Party in 2002, and was defeated in the 2006 election by the Conservatives under the leadership of Stephen Harper, who still leads Canada (Morton 2007: 571-590).

Quebec is the only province which has posed a significant threat to federal stability throughout the history of Canada, especially the last 50 years, having arranged a succession vote twice since the 1980's and *ignored federal law on multiple occasions*. Due to this it is fairly evident that it would be interesting to look more closely at Quebec when analyzing the federal stability and sources of instability in Canada. The Quebec question still remains unresolved and may reignite in the future.

One issue should be noted about Canadian voters for the last one hundred years; if the leadership of the nation, party or coalition; mess things up, perform poorly, then they have usually been voted out of office and there has been turbulent periods where the government have gone from Liberal to Tory and back again at an astonishing pace. The last 60 years have been anything but political coherent (Morton 2007: 500-525).

Many of the challenges that Canada has faced are quite visible and can be summed up with a time axis which includes events both prior to and after the founding of the federation in 1867 and factors that were notably present.

4.1.2 – Summary of notable events in Canadian History

Based on chapter 4.1, there are several events in Canadian history that may or may not have had an effect on the challenges Canada has faced and their eventual outcomes. This short chapter serves to provide a quick overview of these events by utilizing a simple table to present the information. Table 4 contains a short description of the event, when it happened and which variables were present. This marks the end of chapter 4 which will be followed by the process tracing analysis of the collected information.

Table 4 - Notable challenges that Canada has faced throughout its lifetime

Incident	Year / Period	Variables present and other key details
First colony in the Canadian territories founded by the French	1608	
European wars between France and Britain spreads to the Canadian territories	1629	Ethnicity: Diversion between French and British is made apparent in Canada.
British Hudson Bay colony founded	1670	Economics: Colony established in order to gain a foothold on Canadian resources. Territorial: Adds another dimension to the already complicated relationship between the French, Huron’s and Iroquoian’s in the northern territories of North America.
Renewed conflict between France and Britain in Canada	1682	Ethnicity: French vs. British. Territorial: France is forced to yield Newfoundland and Acadia to Britain in 1713.
France expands their territory	1714	Population: Increased influx of Frenchmen to Quebec. Territorial: France establishes new colonies and expands their territory.
New war between France and Britain	1744	Ethnicity: In fear of rebellion, Britain forcibly removes all ethnic Frenchmen from Acadia to other places. Territorial: Quebec is captured and France is forced to yield all their possessions in North America except Louisiana at the end of the war.

US War of Independence	1776	<p>Ethnicity: Increase of British colonials that consider themselves “Americans” rather than “British”.</p> <p>Economics: Colony citizens in the thirteen colonies are disgruntled by taxes levied on them by the British King. This factor is not present in the Canadian territories.</p> <p>Territorial: The thirteen colonies gain independence thru war; Canadian provinces remain loyal to Britain and become British North America.</p>
The idea of a united Canada surfaces	1822	<p>Economics: Trade with America becomes more challenging and it is suggested that a united Canada may better face this challenge, but not sufficient to blossom at this time. Hudson Bay and North West company merged in order to strengthen governmental control over Canada.</p> <p>Ethnicity: French Québécois nationalistic sentiment on the rise.</p>
Increased Autonomy	1831	<p>Territorial: Increased autonomy granted to Canada due to long communication lines to Britain, in order to maintain a quick and efficient local government in Canada.</p>
Nationalism on the move in Quebec	1834	<p>Ethnic: French-Canadian nationalists gain control over the local Quebec assembly for the first time.</p>
Construction of Railways begin	1836	<p>Economic: Railways makes it simpler to transport goods and improves economic growth in British North America. Railways are also expensive to create, which means that investments from the state are usually necessary in order to make them a reality.</p> <p>Territorial: The territories of British North America become tighter knit together, improving communication lines among others.</p> <p>Politics: Governance becomes faster and easier in the places which have railways as it generally takes less time to deliver a message from A to B.</p>
First great economic crisis strikes Canada	1837	<p>Economics: Industrial price collapse along with crop failures create a desperate environment in Canada, where people perish due to famine. This in itself also sparks riots as people cry for action from the government. Government manages to maintain order with a comprehensive central rule and is able to effectively disperse riots with police and military units.</p> <p>Politics: Local assemblies demand greater control over their budgets, but the British parliament refuses initially to cave in, leading to protests and riots which were brought under control by governmental intervention.</p>
British Parliament re-evaluates their approach in Canada	1838	<p>Political: Local assemblies are given increased “home rule”, including more control over financial issues. Political situation improves in Canada following this change.</p>
Introduction of the Telegraph	1860	<p>Political: Central rule becomes stronger and faster as the instant communication becomes a reality with the telegraph.</p>

Birth of the Canadian Federation	1867	<p>Political: George Brown's proposed Canadian Union in 1864 becomes a reality with the passing of the British North America Act in the British Parliament. Canada has now both a central legislature as well as the already existing central executive branch.</p> <p>Economic: Not all provinces join in the beginning due to territorial, political and economic concerns.</p> <p>Territorial: Province of Canada is divided into today's Ontario and Quebec provinces. In addition, New Brunswick and Nova Scotia join the new Canadian Federation.</p>
Province of Manitoba is created	1870	<p>Ethnic: Indian's that are unhappy with their treatment by the central authority's riot in today's Manitoba, seizing a fort. Issue resolved by creating the Province of Manitoba, thus granting partial self rule to Manitoba.</p> <p>Territorial: Manitoba is a Canadian "exterior" province with a southern border to USA.</p>
British Columbia joins the federation	1871	<p>Economic: British Columbia joins enthusiastically after being promised a transcontinental railway, linking the western coast of to the eastern coast of Canada.</p>
Prince Edward Island joins the federation	1873	<p>Economic: Princes Edward island joins after being promised a railway and ferry service.</p>
Armed Rebellion	1885	<p>Political: Poor political performance and corruption cited as causes for this rebellion though it was small enough for the Royal Mounted Police to put an end to this challenge.</p>
Saskatchewan and Alberta created	1905	<p>Ethnic: Saskatchewan created to appease among others, the native Indian population in this area.</p> <p>Territorial: Saskatchewan and Alberta has a southern border to USA.</p> <p>Economic and Political: Alberta created due to economic concerns among the local population in the new province. Increased political efficiency was another issue that was important.</p>
World War 1	1914 to 1918	<p>Ethnic: French-Canadians is negative towards participating in WW1, the situation became even tenser with the introduction of the draft.</p> <p>Economic: Canada experienced an economic boom during WW1.</p>
Economic troubles and the Great Depression	1921 to 1940	<p>Economic: Canada is struck by economic troubles following overproduction due to WW1, leading to riots in this period. Being on the road to recovery, Canada was struck early by the Great Depression, leading to famine, desperation and the riots that followed in its wake.</p> <p>Political: Canada chooses a path similar to that of US President Roosevelt with a strong central government, though with far less effect. Canada did not recover until WW2.</p> <p>Ethnic: English becomes the dominant in Canada, except Quebec who clings to their French ancestry.</p>

World War 2	1939 to 1945	<p>Economic: Like in WW1, Canada experiences an economic boom, but central awareness of the troubles 20 years in the past avoids the same pitfalls that Canada experienced following the end of WW1.</p> <p>Ethnic: French-Canadian opposition to the war was as strong as during WW1. The central government avoids the draft, but in the end angers the British-Canadians that are appalled by the French-Canadians non involvement path.</p> <p>Constitution: The constitution is changed to allow the introduction of social safety nets.</p>
Newfoundland joins the Federation	1949	
Economic Downturn strikes Canada	1958	<p>Economic: Downturn strikes Canada, but social safety nets keeps the downturn short and its severity low. Riots do not appear as they did during the 20's and 30's.</p>
Official Language Act	1968	<p>Ethnic: French and English become the official languages of Canada, done with the hope of curbing growing nationalism in Quebec. If any effect, it leads to increased nationalism in Quebec.</p>
Dispute over control of Natural Resources	1973	<p>Economic: Alberta fights to have primary control over the resources in their province with the central government on the other side.</p> <p>Judicial: Supreme Court of Canada solves the issue by declaring that natural resources belong primarily to the province that they are in.</p>
Bill 101 in Quebec	1977	<p>Ethnic: Parti Québécois introduces Bill 101 to Quebec, banning any other language than French from public use, creating outrage among the British-Canadians.</p>
Referendum on independence in Quebec	1980	<p>Ethnic: French nationalist in Quebec force thru a referendum aiming towards declaring independence from Canada, but the referendum was soundly defeated.</p> <p>Territorial: Quebec has a significant coastline, but has no direct border to any other nation.</p> <p>Economic: Economic dependence on the rest of Canada blamed as one of the reasons for the referendum's defeat.</p>
British North America Act becomes the Canadian Constitution	1980	<p>Political: British North America Act is amended and becomes the Canadian Constitution, granting Canada full autonomy from the United Kingdom, but retains Queen Elisabeth as their figurative head of state.</p>
Economic Troubles	1980 to 1997	<p>Economic: Canada struck by severe economic problems, mainly due to several years of national budget deficits. Leads to watering down of the social safety nets in order to bring the budget back into the plus.</p>
Second Referendum in Quebec.	1995	<p>Ethnic: French nationalist in Quebec force thru a referendum aiming towards declaring independence from Canada. The referendum was narrowly defeated.</p> <p>Economic: Economic dependence on the rest of Canada blamed yet again as the main reason for the defeat of the referendum.</p>

5.0 – Analysis

The processing of the collected information can be done mainly in three ways. The first is to take a particular challenge that stands out in Canadian history. *Process tracing* is then used to establish a basic overview of which variables that were present and then analyzes where and how they presented themselves in the process chain. This “signature” can be used to look for similar events in the informal units from chapter 2.4 and look for similar patterns. The process pattern in question is likely to lead to the given outcome if the patterns and outcomes are similar, thus it can be an indicator that the given pattern will lead to the given outcome.

The other method is to look for the differences in two or more process chains and then attempt to discover the differences that caused different outcomes, for example challenges that went poorly in another nation while Canada persevered. The likeliness of the given outcomes will increase along with the number of similar observation in the available units. That can serve as a strength indicator of the given process pattern.

The third approach is to find out why challenges experienced in other nations never occurred in Canada. This can be discovered in the following way: The chosen incident(s) in the informal unit(s) may hopefully provide an overview of the selected process chain. The processes can then be compare against Canada and possibly determine what conditions were different between Canada and the given informal unit(s), hopefully yielding information about why the given challenge never occurred in Canada.

This analysis may have three likely outcomes given that other possibilities do not surface during the analysis. The first is that one or more variable(s) stand out in the given unit. The second is that one or more variable(s) stand out in all or a significant amount of units. The third is that no conclusion can be determined. The second outcome will have a much greater strength than the first as it indicates that this is a more universal outcome regardless of surrounding circumstances, such as for example geographic localization

The final chapter is divided into two parts. Phase one will analyze each of the possible challenges and determine the basic structure of the process chain. Phase 2 will bring the loose ends together and form the conclusion on why Canada has survived as a federation, while other federal nations have failed, partly or completely.

5.1 – Phase One: Analysing Challenges to federal national stability

A good start in the analysis could be to examine an easily identifiable challenge that Canada been exposed to. It should be remarked that this challenge is not completely solved and may reignite in the future. The challenge in question is Quebec and its attempted moves towards independence from Canada in 1980 and 1995. The French-Canadian nationalist party of Québécois made initial attempts between 1970 and 1973 to make the national assembly of Quebec to declare independence from Canada. They were however soundly defeated every time. Things did however change when they attempted the same using a national referendum first in 1980 that they lost by a margin of 10 percent. The second attempt in the 1995 referendum ended with a narrow rejection (50.6 percent said NO 49.4 percent said YES) of the proposed move towards independence. It is very likely that one or more variables changed between 1980 and 1995. One important variable that changed was the ethnic composition in Quebec, with many British-Canadians leaving Quebec due to the effects of Bill 101. English-Canadians mostly belonged to the NO group in both of the referendums (Morton 2007: 537-575). It is thus logical that a drop in the English-Canadian population would lead to an increase in the percentage of the YES faction. This alone should provide a basic understanding of the change in between the two referendums. There is however one big question in the air: Why did so many French-Canadians vote NO? Why did they not group together on the basis of ethnicity as they did in Slovenia in 1991?

The first variable we can look at is *the* factor that Quebec nationalists blamed for the defeat of the referendum, *economics*. The economic conditions in Slovenia and Croatia are already known to us thru chapter 2.4.1. They had been in a poor condition for more than a decade. Additionally, the secession of the southern states of USA has been linked to the economic consequences the southern cotton plantations would face if slavery was abolished. The consequences were linked to the fear reduced competitiveness against the northern states if the plantation owners were forced to pay their workers. Quebec had also faced poor economic conditions between 1975 and 1995, though Canada as a federation fared somewhat better. Quebec may thus have been dependent on financial transfers from the federal government in order to maintain their welfare programs. Programs that performed adequately and may therefore have strengthened the trust the Québécois population had in the federal arrangement. Nigeria's continuing troubles are also linked to economics with redistribution of the oil income as a source of great troubles. The oil rich south-eastern parts of Nigeria that

attempted to break away in 1975 is still an unstable region. The reason for this is that they believe they do not receive their rightful part of the oil revenues. It is likely that this impression of Nigeria is well founded since the people in this area are also economically neglected. It should be noted that belief can distort facts and worsen a situation. When the federal government in India thought that Punjab was about to break away, they responded with force. The Indian government did this despite the lack of hard evidence that they were about to break away. The only “indication” they had was a deceleration put forth that asked the federal government to change their treatment of the province of Punjab. The difference between Quebec in Canada and the other units seems to be that Quebec was not neglected economically. Quebec instead received considerable support from the federal government of Canada during this period, likely leading to an increased confidence in the federal union. India, Nigeria, the United States and Yugoslavia seem to indicate that if the federal government fail to uphold or ignores the economic concerns of the member states, then this lack of support will become a negative process chain which will erode popular support for the federal government.

We can continue the discussion on the effects of economy by looking at how the various economic crashes have affected Canada, especially if we were to connect economic crashes with the absence or presence of welfare regimes. The Great Depression triggered at least one riot in Canada, indicating how economic conditions can affect key emotions in people, such as fear, trust, distrust, despair and hope (Brown 2007: 451). The same kind of processes was observed in the United States, at a time when welfare systems were in its infancy or did not exist at all. One thing that I noticed about Canada is that the economic crisis that struck the world in 1836 and 1929 created several riots and rebellions in Canada. These riots were not linked to a particular ethnic group and were often violent of nature. However, there is not a trace of the same kind of riots, not even remotely similar if we look at the economic downturn in 1988 and the crash of 2008. What can explain this change in Canada between 1929 and 1988/2008? A good place to start is that Canada became a fully fledged welfare state during the 1940s. This welfare system can provide unemployment-insurance and a wide variety of other social services. These kinds of services were largely unavailable during the harsh years of the 1930s. Welfare benefits may prove to be a valuable tool in preventing a full social collapse when a nation faces economic challenges such as the stock market crash in 1929 and banking crisis of 2008. Yugoslavia lacked an operational welfare system when it faced the 1988 banking crisis, plunging Yugoslavia further into economic chaos. The United States also survived the 1988 banking crisis relatively well

compared to 1929, but did not fare as well during the still active 2008 banking crisis. One possible reason for this is that the US welfare system has been scaled down the last 10 years. It may then be likely that the presence of a well funded welfare system will act as a crucial support mechanism in federal states during an economic crisis. The system can allow the nation to maintain social stability until the economy turns positive again. It may also limit how far the economy can deteriorate by maintaining people's purchasing power through unemployment-insurance and other welfare programs throughout the harshest times.

One other aspect can look at is the legal institution of the nation. This institution is vastly different when Canada is compared to former Yugoslavia. The first difference is that the army intervened in Yugoslavia and only in support of Serbian nationalists in Croatia and Slovenia. Normal civil law had broken completely down in some areas of Slovenia and Croatia. This leaves the impression that the legal system did not even have the ability to uphold any form of legal fairness. The Supreme Court of Yugoslavia did little to stop the Serbian militias, thus possibly shattering any popular and political confidence in the legal system. The legal system in Quebec was and still is fully operational. French-Canadians in Quebec still have trust in the legal system. The Supreme Court of Canada is however not perfect given that it was unable to stop Bill 101, though it managed to change a few aspects of it. The other provinces did not attempt to provoke Quebec too much during the referendums, nor did they ever threaten to employ armed forces against Quebec should the referendum pass. Serbia on the other hand promised to throw the Yugoslavian armed forces against Slovenia and Croatia should they declare independence. It is likely that this aggressive stance by Serbia pushed more Slovenians and Croatians into the faction(s) in favour of Independence. Aggressive overuse of force had also poor results in both India and Nigeria. One of the possible reasons for why the federal government of Canada did not use the threat of force against Quebec is that the Supreme Court would have reacted and made mobilization difficult. It would seem like this kind of legal protective processes does not exist in Nigeria, India or former Yugoslavia. This could mean that functional legal system can stop negative process chains from occurring, thus prevent violent escalations of challenges. The presence of good educational institutions can enhance the legal system. The reason for this is that a well educated population along with capable judges and police units can make a failure in the legal system less likely. There is however one other process chain that can have a major effect on the legal institutions. This structural institution will be discussed later this chapter.

External security threats are more or less absent in all but one of the units, India. The literature gives it little importance apart from that it might have stimulated the hard response

from the Indian federal government to prevent a possible defection to Pakistan. Even though the cold war went on in 1980s, there is no indication that this cold conflict was an active or passive process in Quebec's move towards independence. The only place where foreign threat was mentioned in political language is from Serbia prior to the 1991 break-up of Yugoslavia. The US Civil War did not mention foreign threats at all. All of the various examples do however have a coastline or border(s) to another nation. It is difficult to determine how this would have a direct affect the decision making in the breakaway regions. The only thing that can be determined is that declaring independence would have been difficult without a border to another nation, as the parent nation would in all likeliness have blocked any supplies to the rebel region.

A different set of processes that should be discussed when examining Quebec is the Canadian constitution and the manner in which the federal government behaved. The ethnic, linguistic and religious divide that the nationalistic Québécois constantly use to promote their view is not a new occurrence in Canada. The same pattern was also repeated throughout the entire 19th century. Whether this is sparked by fear or by nationalism is difficult to determine, given how the Canadian constitution is written and how the Canadian federal government has gone to great lengths in order to show Quebec that their intent is not to destroy the French-Canadian traditions and culture of Quebec. The constitution has several articles that deal directly with Quebec. One special element deals with the legal system where Quebec is guaranteed that judges in Quebec can only be appointed from the Quebec bar association. Canada yields possible evidence that too soft behaviour with respect to redistribution of power can cause instability in a nation. The riots in 1837 along with Quebec may serve as an indicator of what may happen if constitution and government is too forgiving. Being too kind when it comes to granting partial independence may just as well provide fuel to the fire instead putting it out. This makes the balancing game between being too kind and too harsh an unpredictable guessing game. Yugoslavia seems to leave the same kind of impression where Tito may have granted too much self control to the provinces, instead of trying to find a balance between self rule and central rule. This may have affected Yugoslavia's failure in creating a national identity. Tito's system may have lead Yugoslavia to a situation where the Yugoslavian units nurtured their own identity above anything else, thus causing them to drift apart with an unavoidable state failure as a result. The United States of America may also provide an example of the problems that can arise when the federal government is first too forgiving and then becomes more demanding. This example is their failure to resolve the slavery question during the framing of the constitution in 1787, creating a ticking time bomb

that were triggered by one particular chain of events: The first was that they were unable to solve this question in Philadelphia 1787. The second was the weak and undecisive presidency of Buchanan. The third and final was the strong and decisive presidency of Lincoln. Three processes that alone would be harmless, but proved to be lethal when combined in the right order. It should be added that ending the slavery would have been unproblematic had it not been for the humongous impact it had on southern economy as mentioned earlier in chapter 2.4. Leading them to secede rather than cave as Lincoln were on the other end of the scale (hard) compared to Buchanan (soft) when it came to compromising. Quebec differs in one significant aspect from both the United States and Yugoslavia. Quebec will be significantly weakened economically if they break ties with Canada. It is possible to say the soft approach to the Quebec challenge by the Canadian government may have invoked a negative chain of events that spurred Quebec on instead of making it relax. The processes in Canada have so far not produced the same kind of outcome that the United States and Yugoslavia suffered from. Should they however turn heels and follow a harder line against Quebec, it might be possible that Quebec would be pushed towards independence. If, and only if, the processes that caused the fall of Yugoslavia and United States are correctly interpreted. This gives that sudden course changes in governmental policies towards a region with high levels of local nationalism may cause these regions to break away rather than yield, especially if the policies are suddenly hardened. If the economic conditions are perceived to become better by breaking away it is possible that such a region will be even more sensitive to sudden, harsher central policy changes. Perceived weaker economic conditions may prove to be important in discouraging a move towards independence.

A hidden momentum that has revealed itself in this analysis is that too much regionalism, which is where much of the political responsibility and power is vested in a member state/province, is possibly an unhealthy configuration for a federation. Likewise can centralism, where much of the political power and control is in the hands of the federal authorities, be a poisonous cocktail for a federal political system. A crucial point seems to lie in the balancing game between regionalism and centralism. By looking at all of the informal units, especially Yugoslavia we can see indications of possible processes in which regionalism is suddenly shifted towards centralism. All of these yield indications that this kind of change is quite likely to produce massive unrest and disgruntlement. Thus is capable of causing the challenge of civil war that often follows in the footsteps of massive civil unrest. There is little indication in Canadian history that the federal government has made such sudden shifts towards centralism and may thus explain why Canada has not experienced the

challenge of a fully blown civil war. Canada seem to instead have decentralised minor parts of its power slowly over time, usually when faced with minor uprisings such as in Manitoba, solving these challenges. The challenges that Quebec poses may possibly be a result of too much regionalism in Canada. The process described in this paragraph is different from the one in the previous paragraph as this process affects the system as a whole, rather than a single issue. It does however lend credibility to that sudden and unexpected policy changes should be avoided. Sudden changes to the power structure in Canada and the United States are made difficult thru the active use of checks and balances entrenched in their constitutions, which is then actively protected by the legal system. Former Yugoslavia had severe weaknesses when it came to protecting the system against changes and Nigeria also to some degree has this kind of weakness.

This gives that one of the greatest continuous challenges a federation may face is to find the correct balance between regionalism and centralism. This challenge may be further enhanced with increased number of ethnic and religious groups as each group may have their own preferences and respond differently to a given balance between regionalism and centralism. Canada and USA seems to have found a decent balance between these two factors as they have been relatively peaceful the last 100+ years. Canada however can have reached a point where too much regionalism may have caused Quebec to attempt to break, despite being given patient and preferential treatment. The processes chains discussed in the last three paragraphs seem to have a common starting point. The source is the very building block of a federation; the constitution. It is in the constitution that the balancing game and limitations are initially decided, though there might be some room for political manoeuvring without changing the constitution itself. It also seems to be important to build in safeguards that make it difficult to change the constitution on the fly. A complicated amendment process may however create problems for adapting necessary changes that could be vital for the federation to adapt to new challenges.

The next phase in the process seems to be enforcing the status quo which often falls on the Supreme Court of a federation. The courts are not only tasked with providing defence for the provinces against encroachment from the federal government, but also ensure that the member states do not exceed their authority. Thus hopefully reduce the possibility of the challenge of unrest from arising due to regionalism or centralism. Economy in itself does not seem to be a critical factor for achieving a functional balancing game between regionalism and centralism. It is however important in that a well funded court system tends to be more competent and resistant towards being corrupted thru bribery or other forms of pressure.

The resistance against other forms of pressure such as political encroachment seems to be further increased if the constitution ensures that the Supreme Court is separated from the influence of the other governmental branches. This can be achieved thru proper implementation of separation of powers as seen in Canada, India and USA. If the court gives off the appearance of just being a tool for the federal government, it is likely that the popular trust in the Courts will fall. Thus make it far more difficult for the Supreme Court to settle an argument between the federal government and a member state/province as demonstrated by the Yugoslavian Supreme Court, which gave the impression of doing the bidding of Serbia. A trusted court is more likely to be able to solve challenges as demonstrated several times in Canada, USA and India. The Supreme Court is on average the most trusted branch of the government in all of these nations. The Supreme Court of Canada has for example decided that natural resources reside under the authority of the provinces in which they are located. Similar Supreme Court decisions have occurred in the United States. This may help demonstrate the courts independence from the federal executive and legislative branches.

There is however a factor that can affect the efficiency of the Courts and the federal system as whole. This brings us to the discussion of (economic) corruption and the closely related topic of incorrect use of power. Interestingly, the constitution also seems to be the starting point for these process chains. Corruption in itself can have an adverse affect on the efficiency of the federal state as the officeholders no longer do what they optimally should be doing. There are several levels of corruption, from high ranking elected officials to police officers on the street. This may erode the popular trust in the institution that submits itself to bribery of any kind. Also, it is likely to hinder economic development and then especially in the modern world. Nigeria and even India has suffered greatly because investors did not consider these two nations a safe enough (Mundt and Aborisade 2004: 696-701, 707-708). Corruption can also drag down other governmental institutions as the legal and welfare institution may suffer from insufficient funding. This means that a given nation will receive less of the soothing effect that good economic growth often bring, leaving the federation more vulnerable to the “stacking effect” of other challenges that are likely to appear when the economy is slow and badly managed. Such challenges can be high crime, popular unrest due to unemployment and people who see an opportunity to abuse their powers (read: responsibilities), potentially exposing a federation to the challenge of democratic erosion, which can lead to a dictatorship. This happened in Nigeria and before that in Germany when Adolf Hitler trashed the democratic system in Weimar Germany (Fulbrook 2009: 38-55). Even India has suffered from the misuse of power for personal reasons, as the poorly paid

police have been unable to prevent such misuse due to the level of corruption. Leaving the police to be one of the least trusted governmental institutions in India, though the Supreme Court of India is the most trusted governmental institution.

By looking at negative effect corruption and/or power-abuse has had on several of the informal units, we might ask ourselves: has corruption and power-abuse been absent from the Canadian political structure? The answer to that question is *no*. The worst of it occurred in the first 30 years after the formation of the Canadian Federation. Corruption was common even on a top level, especially when it came to railroad building contracts. Canada did however not suffer from leaders that forced their will upon the member provinces and thus did not suffer from the kind of problems India and Yugoslavia suffered from. Corruption did however eventually diminish in Canada as time passed. It is possible that the closely knit and vulnerable world economy of today is more sensitive to these issues than it was during the late 20th century and may in such a way explain why Canada has not been affected by corruption in the same manner as other states have. Evidence suggest that a well funded and paid legal system is essential in preventing corruption as it is by far more willing to tackle those who are corrupt and those who corrupt the system. This points out that a good economy is an important defence against corruption. The process starts with the constitution and then affects the federal law, which is maintained and protected by the police and courts. A well funded legal system tends to be more loyal towards their duties, which then protects the political and economical efficiency and growth. This will then loop back again and help maintain the integrity of the system. The challenge is to hold the system within these positive parameters, which some federations such as India, Yugoslavia and Nigeria have not been that successful at. Canada does give the impression that they have always had a well funded and *educated* court system along with an efficient police for whatever period of time it have been thru, though corruption was initially not unknown in high governmental circuits. The courts and police seem to have gone thru the initial 30 years rather well and performed just like they should in the world today. This could be one of the reasons why Canada has avoided the challenge that is connected to the lack of governmental trust, just as large portions of USA have been able to avoid the problem of corruption with a high focus on a well paid and educated legal system.

There is another topic that was further revealed during the discussion of finding the correct balance with regards to division of powers; namely its close relatives of separation of powers and checks and balances. This is another federal process is commonly rooted in the constitution of a given federal state. This is the constitutional part which seeks to prevent a

person or a group of people from exercising any power without encountering potential resistance to their actions. Serbia's Slobodan Milosevic serve as an excellent example of what could happen when power become unrestricted and absolute. Basically scaring the member republics so much that they declared independence one after another, which thrust the challenge of civil war upon Yugoslavia. India may also show some traces of misuse of power as some members of the Gandhi family, that served as prime minister of India in the recent past had a tendency to resort to military power in order to solve a problem without being properly restricted. This may then have made the challenges that India faced in Punjab and Assam, far more complicated and dangerous, which could be considered as a regional civil war that was defeated at least temporarily by the federal government. Nigeria also provides several examples of what may happen if power is not properly countered and checked. This lack would lead to the military coup in 1966, just six years after their independence from Britain, leaving legacies that are still brooding in the background and may become serious challenges towards federal integrity in Nigeria.

Canada seems to have created a decent system of checks and balances in their constitution with a system that is able to enforce it when compared to the informal federal units from chapter 2.4. By looking at other nations such as Weimar Germany prior to Hitler and Yugoslavia, there might be a potential weakness in the Canadian constitution with regards to dissolution of the parliament. It is commonly thought that it is unwise to place this kind of power in the hands of too few people. Canada places this power into the hands of just two people. The prime minister of Canada may at any time request that the Governor General dissolves the parliament, which the Governor General may refuse if he or she decides that a refusal is the correct decision. The Governor General is however theoretically unable to dissolve the parliament without the consent of the Prime Minister as it would be labelled unconstitutional (Canadian Department of Justice 2010). The only thing that may further curb the use of this power is the fear of weakening their own position in the parliament, but if combined with other methods such as cheating, it may become a serious challenge for Canada. Evidence of this possibility can be found in the former Weimar Federation (1919-1933), which had a similar dissolution power vested in the hands of the Chancellor. This post would in 1933 fall into the hands of Adolf Hitler. The power to dissolve the Reichstag was checked only by the President whom had to approve the dissolution request. This position was filled by President Paul Von Hindenburg who was known to have little love for the democratic system of Germany. All that was needed to throw the Weimar democracy into chaos was one person that wanted the power and one that either did not care or was unable to care due to

poor health (Fulbrook 2009: 39). Post war Germany maintained the ability to dissolve the German parliament, but made it much more difficult to use this power by increasing the number of people involved. The most significant change is that this power cannot be activated by the President before a vote of no confidence against the government pass thru the Bundestag, the lower chamber of the federal German parliament. The President is however by no means forced to dissolve the parliament should this occur, effectively checking the power of the Bundestag (Dalton 2004: 271-275). The United States have avoided this problem altogether by not including a power to dissolve congress and call for a new election. This works quite well for a two party political system that ensures that there is always a majority party. Doing the same for Canada's multiparty system might have caused gridlocks and a dangerous inefficient government. Though there are unitary nations such as Norway that have been able to operate without dissolution powers on top of a highly divided multiparty system (Nordby 2004: 106-115). It is possible that Canada has solved, or rather avoided this challenge by always having a Governor General that is highly aware of his or her responsibilities, along with a Prime Ministers who has not gone out of their way to expand and secure their own position. This may have maintained the balance of the system which in turn has kept Canada safe from coups. But it is a matter of fact is that there is a possibility that Canada can be exposed to the same challenge which the German Weimar Republic failed to overcome.

Canada may also face a challenge with respect to its election system; although it has so far narrowly avoided this problem. The reason for this is that if a party has a solid lock on the seats from Quebec, Ontario and New Brunswick, it will ensure that they have a majority in the House of Commons. This makes it fully possible for the parties to ignore the smaller provinces. The way the Senate is organized contributes to this weakness as the Senators are not democratically elected and secondly, they can hold their seat until the age of 75. Their ability to reject legislation from the House of Commons is nowhere near that of their local counterpart, the Senate of the US Congress (Canadian Department of Justice 2010) (Lowi and Ginsberg 2002: A6-A15). The Canadian Senate also lacks the same allocation rules that the US Senate has where each State has two seats in the Senate regardless of size and population. USA did this solely to protect the interest of the smaller states whereas the House of Representatives (lower house) is modelled to ensure the interests of the more populous states. The reason why this may become a serious challenge for Canada is the danger of a province feeling that their interest does not count. This may in the worst case scenario lead to calls for succession, as demonstrated in Yugoslavia, India and Nigeria. The kind of balanced system

that the USA has will also make it more difficult to enact unbalanced legislation as the government must cater both the interests of the bigger provinces and the smaller provinces. Something Canada does not have in place today. It is worthwhile to mention that only one of the bigger provinces, Quebec has ever talked of secession in a serious manner the last 100 years, making this possible problem more suggestive than a proven and ominous challenge to the stability of the Canadian Federation.

A more serious challenge that process tracing detects when reviewing the history and power structure of Canada and more importantly Quebec, is the authority of the Supreme Court. Quebec has since 1977 enforced legislation that made French the only official language of that province and that is clearly in violation of the Canadian constitution (Canadian Department of Justice 2010). This was made clear by a ruling from the Supreme Court and the Canadian Parliament, where the Supreme Court ordered the reinstatement of the dual language policy (Respecting English and French equally). Little has however changed in Quebec, indicating that the federal authorities of Canada and the Supreme Court may have problems with enforcing something as basic as the constitution. If this becomes the case of laws passed by the Canadian parliament, it may indicate a considerable weakness in Canada's ability to enforce the laws of the land. This can in turn create the possibility of increased friction between ethnic groups; especially the Anglo-French divide in Canada, as demonstrated by India, Nigeria and former Yugoslavia. The reason for the importance of the Supreme Court's ability to settle disputes like this and restore constitutional balance is that it may lead to reprisals from the other provinces. New Brunswick and Ontario answered Bill 101 by making English the only taught language in their province (Morton 2007: 540-560). Such reprisals may trigger an avalanche as it did during the last days of the Yugoslavian Federation, as well as creating stability problems in Nigeria who has two religions that coexists in a highly sensitive system, along with several major ethnic groups.

The various threads will be spun together in the next chapter. Hopefully providing an answer as to why Canada has so far survived the challenges it has faced, and what makes a federation more likely to survive challenges.

5.2 – Phase Two: Bringing the loose ends together

What we have done so far is to create an overview of the processes that may explain why Canada so far has defeated all the challenges that itself has encountered, and avoided those that other federations have encountered. This final chapter will bind the loose ends from the previous chapter and try to determine Canada's ability to survive challenges.

If we turn our attention to economics, one of the most common theoretic assumptions in chapter two, it seems like that economy is not a "supreme" variable based on the available evidence. Yes, economics might be important for the stability of a federation as it *affects* just about every institutions and structure found in a federation, but a good economy cannot sustain, construct or improve a federation alone. For this it has become apparent by observing the starting point in the process chains that a good set of basic rules is at the heart of a successful federation.

Let us try to imagine the state structure as a high rise building. We can look at the economy as one of the supporting pillars of the state structure, as a state structure would not be able to properly support itself without a positive economy as became apparent in the previous chapter. But economy alone is unable to support the structure over a long time, as it would be a very vulnerable to other factors such as an economic crisis or political earthquakes, which could easily rip such a poorly composed building to shreds. What you also need is to create a foundation which the building can rest securely on. A foundation which will aid in protecting the federal structure from the worst challenges it can face, such as power abuse, corruption, encroachment by the federal state on the member states and civil strife. The one thing that stood out in the previous chapter is that a federation needs a good constitution. Yugoslavia serves as an example of what may occur if a constitution has several missing key pieces. The constitution is the very ground on which the federal structure is build upon. The weight which this foundation will be able to carry is proportional to how well the constitution is constructed to handle the challenges, especially the unique challenges that may appear within the territory of a federation. The constitution of Canada has weathered and even altogether avoided many challenges. This can be an indication that the main reason behind Canada's success as a federal state lies in the constitution, as many important process chains can be traced back to it.

The constitution should serve as the law above all laws. This can provide a good starting point for an institution that form yet another important supporting pillar for a federal

state. This institution often protects and strengthens the economy when it is able to function properly. Having a flexible and fully functional court system is just as important as having a good economy and the constitution is dependent upon it in order to work properly. A constitution without a court that actively provides judicial overview over laws being made can have the possibility at creating insecurity among the general population. The member states may also be worried about the federal government stepping on their turf, as demonstrated by Yugoslavia and also India to some degree, creating dangerous localised distrust in the federation. The court system can in a federal structure function as the rebar, the steel reinforcement inside *all* of the vertical support pillars in a federation. It can also serve as reinforcement for the very foundation the building stands on, in addition to bolstering the strength of any horizontal support beams that are crucial for the integrity of the state structure. The Supreme Court of Canada exercise judicial review of both federal and provincial legislation. It has settled numerous disputes between the federal state and the provinces, though it has been unable to some degree to enforce its authority in Quebec with respect to Bill 101, which possibly may have contributed towards the increase in support for the independence of Quebec in 1995. The rest of the legal system in Canada does perform as it should, thus likely thwarts any serious attempt of corruption and ensures that the government does not step on the rights of its citizens. Likewise it does a gallant effort in keeping its citizens safe from crime and wrongdoings. This in itself may contribute towards the sense of safety among the citizens of Canada, which then reinforces their trust in the system. The ending point of this process chains reveals the likely second key component for any federation beside a good constitution, Canada included.

It is one of the less thought of variables, a variable that has been hiding in the shadows of many process chains in the previous chapter. It has revealed itself in the analysis to be something as fickle as *popular trust*. This is the very variable any federal process should attempt to keep positive, as the stability of the state remains good as long as this final stopping point for the various process chains is positive. Trust in the government, trust in the future of the federation, trust in the honesty of their fellow provinces, trust in fairness and the equality that the constitutions seek towards. The various pillars (federal institutions) are in themselves not the key component that keep a federation, or for that say any nation together. *Popular trust* is the important component kept within each of the pillars that make up a federation, the “component” which all of the processes in a federation should seeks to keep positive and stable. Popular trust is also found to be important, if not critical, in global economic theory as the Great Depression of the 1930s proves. Popular trust has the ability to

become solid and keep federal institutions trustworthy, reliable and rock stable. It is likewise a double-edged sword which may become fluid and reduce the structural integrity. Most dangerous of all, it can become an acid that has the potential of eating away the outer skin and reinforcement of all the federal support pillars, all at once. We have all witnessed how negative trust became acid for the economic system in 2008. It is possible to say that popular trust turned partially acid during the US civil war between 1860 and 1865 and the Indian provinces of Assam and Punjab during the 1970s and 80s. It became incredible acid in Yugoslavia, eating away everything that maintained the federal structure of Yugoslavia. It is also possible to observe this same acid effect during the collapse of the German Democratic Republic in 1990 which in less than one year erased it from existence, merging its territory into the Federal Republic of Germany, which had high trust among its population. Canada has so far managed to keep the popular trust of the population positive, though we can see in Quebec the consequences when the trust and belief in the federation wanes. Tackling reduced popular trust seem to be one major challenge that Canada time after time have been able to solve, though Quebec remains a possible recurring challenge for Canada.

It is understandable why a quantitative analysis may have a problem detecting this variable due to its unpredictable and undeterminable nature. Popular trust is something that can be incredible hard to gauge accurately. Not only because there is so much that apparently affects it but also because a questionnaire or other quantitative data gathering methods might be unable to gather accurate answers when dealing with popular trust as a variable. The reason for this inaccuracy can be multiple. Ranging from the subject(s) being unwilling to tell what they truly mean to that the subject(s) does not comprehend the question or that the subject(s) simply are unaware that they are suppressing their true opinions. It is possible to catch some of this fleeting and hard to find truth by paying attention to a few things. One can be found in a saying that goes like: *“Mind what people do, not only what they say, for deeds will betray a lie”*. What this saying tell us is that if you observe a subject professing one view and doing the opposite, it is highly possible that information from this subject may be prove to be untrustworthy. It should be noted that subjects who are highly aware of what they do, may conceal their true intentions not only with words but also in the deeds, making it even more difficult to get an accurate understanding of their positions.

You might ask yourself right now, why is it so important to highlight this issue? The answer to that is that any quantitative analysis, or rather any analysis that uses inaccurate data is highly likely to produce an inaccurate answer. An inaccurate answer can in turn have a dire consequence for the future as we are then for example unable to detect an erosion of popular

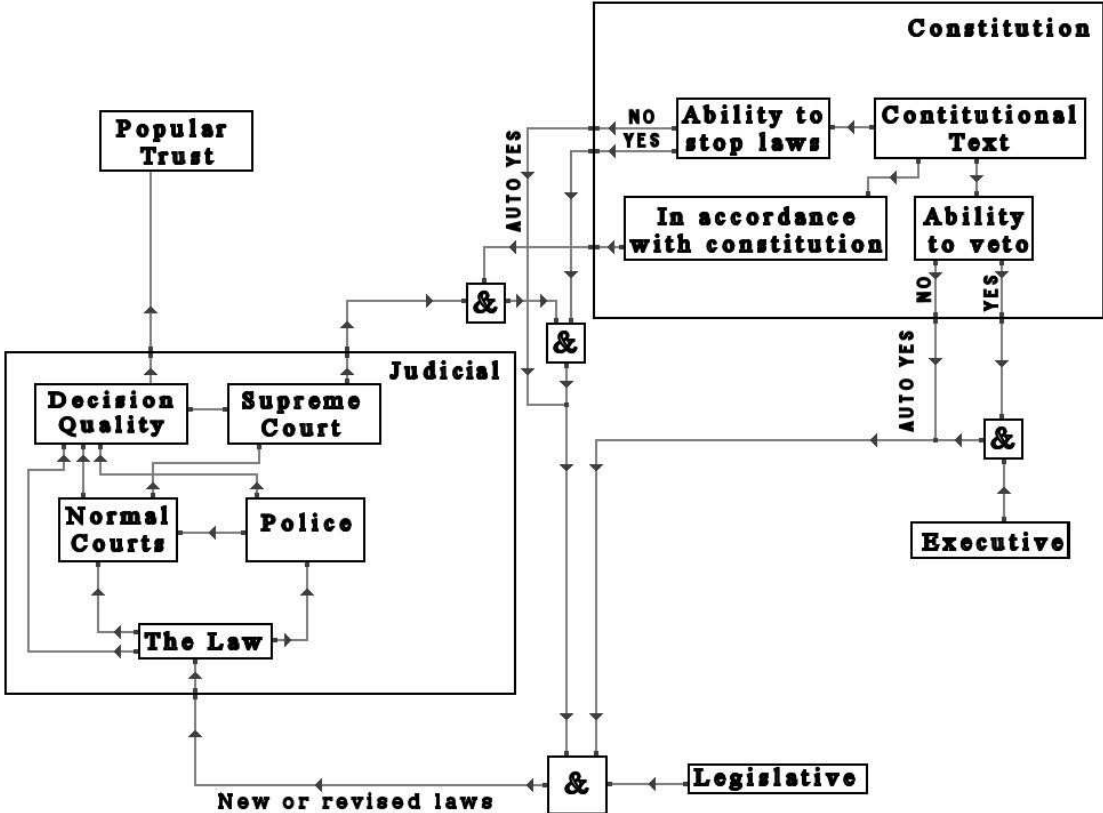
trust, and thus we do not know that the system is facing a challenge. Without a warning indicator it is evident that no search for the source of the problem will be undertaken, and an otherwise avoidable destabilization of a state system can become inevitable and at worst, catastrophic for the state itself.

By looking at the various process chains, there is an indication that there is a mutual interdependence, a covariance between the various variables. What Canada may have been able to do is that they found a way to protect the various pillars from dragging the rest of the building down should one or a few of these pillars fail. It may seem like it is critical to design the entire federal structure in such a way that it is able to withstand a localised collapse until the failed part can be either fixed or replaced, without compromising their interaction under normal operating conditions. The constitution and legal sector seem to be a critical starting point for these failsafe processes. If trust in the legal system fails, either in the popular or functional aspects, it can pose a serious threat to national stability as the action, logical limitations and load control this pillar imposes on the other pillars will cease to function. Such function can be to curb economic criminality that is dangerous for the economic sector, and make sure that no person can grab all the power and authority in the system as Adolf Hitler did in the Weimar Republic. The system will be highly vulnerable to negative process chains without the load control that the judicial sectors exhibit under optimal conditions.

It will probably not be just the quality of the key operators within the judicial pillar, the judges that is critical. The reason for this is that decisions made by the judges are normally governed by the law, and the law is formed by the legislative branch in a federation. This again demonstrates how these variables criss-cross into each other. This gives that if the legislative branch issues laws that should not be issued or fail to issue laws that should be issued, it may lead to an eventual weakening of the judicial branch. The legislative branch is normally given exclusive rights to make laws in the units discussed in this paper, and all of the modern variations of these states have a mechanism that enables at least one institution to block proposed laws. The Supreme Courts in all of the units spoken of in this thesis are only given the opportunity to block all laws that conflict with the constitution. One thing that I have observed in many of the analytic units is that the two actors in the judicial sector, the courts and police tend to remain silent in the creation of new laws unless asked for an opinion. They have little official/public opportunity or ability to propose new laws or changes to existing laws, even though they are the actors that are most likely to observe problems with badly written law or outright lack of law in an area which affect national security and/or the well being and rights of the citizens.

Federations may however have a mechanism that enables them to be more resilient towards a failure in the judicial sector than the average unitary state. This resiliency is normally written into the *constitution* of the federation. Articles 58, 69-90, 92 and 96-101 of the Canadian constitution describe how this mechanism is supposed to work for them (Canadian Department of Justice 2010). This mechanism is the division of powers, the key component that separates a federation from a unitary state. This mechanism allows several extra levels of courts and individual laws in the system. This gives each member state an independent judicial system in addition to individual lawmaking and executive branches. Division of powers makes it more difficult for a complete system collapse in Canada as the provincial courts system can keep on working without the federal court, or the federal court can continue to work even though the court in a province struggles. Figure 4 should provide a rough overview of how the judicial system may be arranged. Most of the checks and balances that prevent one person or one single body from making laws in a federation are stipulated in the constitution or basic law. This process tracing schematic does however not include the forces that may affect the decisions of the executive and the legislative elements, in order to not make the figure unnecessary complicated.

Figure 4 - Process schematic of Judicial and Constitutional sectors traced to trust



The squares with the “&” letter identifies mechanisms which requires a positive (Yes or 1) in order to output a positive signal. Suggested laws first have to pass thru the legislative body, followed by an approval by the executive and finally be cleared by the Supreme Court that it is not unconstitutional. This is the setup found in the modern Canadian and US systems. Then, and only then can a new law be empowered or an old law revised. Figure 4 does not display the process involved in amending the constitution, but is ideally far more complicated than normal lawmaking process. Most modern federation such as the United States of America, India, Canada and Germany have very complicated rules when it comes to amending the constitution, making it extremely hard for a single person with the same motivations such as Hitler had, to pervert any of the federal institutions. The changes made to the German basic law following World War 2 makes it far less likely that the Federal German Republic will collapse in the same manner which the Weimar Republic fell apart. Canada may potentially face this challenge as they have some of the same weaknesses that the Weimar Republic suffered from. The weakness in question is that the ability to dissolve the parliament rests in the hand of just two people, just as it were in the Weimar Republic.

One issue that the current Canadian legal system does not fully address is the quality checking of the laws that governs the decisions passes in the judicial system. There are no processes, apart from elections and the constitution that can affect the quality of the laws. Poorly written laws and/or the fairness of the laws will likely affect the overall efficiency of the judicial sector as a whole, which may pass judgements that are not fair according to the crime committed, thus triggering distrust towards the legal system among the general populace. The other possible problem which modern judicial systems may encounter is the lack of necessary laws. This may be caused by legislators that are unable or unwilling to pass necessary laws for reasons such as re-elections, ideology or even selfishness. The division of powers usually only found in federal system can act as a countermeasure with the potential of curbing and limiting the latter weakness discussed. The reason for this is that there are two bodies which create laws that the courts must pay attention to, which then reduces the possibility of insufficient laws. This multi-level system is in full effect in Canada and may thus help explain why Canada has been able to maintain its structural and legal integrity during its lifetime. It is also likely that this federal arrangement will be helpful in maintaining the Canadian Federation in the future.

Another positive institution that seem to have revealed itself is a 21st century governmental institution that has proven that it can be crucial in maintaining popular trust in

poor economic times, and at the same time reduce the duration and severity of economic downturns. Canada introduced this institution during the 1940s and has since not experienced an economic crisis such as the 1929 crash, nor experienced riots of the kind that the Great Depression caused. This institution is the welfare system which can maintain a basic purchasing power for the nation during an economic crisis, in addition to preventing people from having to live in dire economic situation. Poor economic conditions are known to be likely starting points for riots and violent uprisings. This system may perhaps be costly, but it has the ability to act as a buffer and keep several key structures within a nation from collapsing for a short time during an economic crisis, long enough for the economic system to regain its strength.

This creates the possibility that federations are not themselves a countermeasure towards national instability, but it is rather uniqueness in which their constitutions are constructed that can increase their survivability. Those federations who find the proper balance in the composition of their constitutions can be awarded with a seemingly impressive ability to handle challenges that they may face, and even avoid Challenges as Canada seems to indicate. My conclusion based on the evidence and the process pattern found in the analytic units together with the main case of Canada: Is that the unique manner in which powers are divided and separated in federations is the starting point for why Canada has not collapsed. The multiple vertical and horizontal processes that the Canadian constitution contains, can provide extra support should one part of the system fail until the failed component can recover and therefore avoid a total collapse. The constitution is exceptionally important in securing and explaining the separation and division of powers in a federation. There would be little that could prevent a person from changing the system from within without these constitutional safeguards. The constitution is also important in guaranteeing eventual protection of minorities from governmental oppression. This can prevent ethnic strife or provide a neutral and trustworthy mediator such as a Federal Supreme Court if a disagreement should occur, allowing peaceful solutions to a problem instead of violent uprisings.

With regards to ethnicity: There are existing research that suggest that this is not important factors when it comes to conflict, but by simply looking with your own eyes at the conflict, and the tensions in Quebec, Canada, former Yugoslavia and even India, they *do* seem to have a potential of creating disaster. Ethnicity does however seem to not have much of an effect until they are connected in a negative way with *popular trust*, the factor that many processes chains in a federation have as an ending point. *Popular trust* seems to have the potential of amplifying otherwise harmless ethnic factors such as language, religion and

cultural differences. Popular trust can show itself in several forms such as fear, hope, anger, hate, love and compassion, all depending on whether the process patterns that lead to it are of negative or positive origin. The constitution would appear to be a *critical* starting point which has the power to protect federal state system from setting off “negative” process chains. Canada seems to have built a good constitution and institutions to protect it, but still has some way to go as the situation in Quebec remains dormant and unsolved.

The perhaps greatest explanation for Canada’s success is that they seem to either have mastered or had the luck of avoiding the crisis of facing multiple challenges at the same time. The problem for the other federations discussed in this thesis, seems to be that they have not faced just one challenge, but instead faced multiple challenges at the same time. Multiple challenges that *together* had the power to overwhelm the federal system and make it fail. Evidence points out that good economic conditions is important, but not always the deciding factor as Canada were able to survive several economic depressions during its 60 first years without being near to collapse. The source of Canada’s success seem to stem from its constitution and the way it creates a system of redundancies that enhances the positive processes that affect the system, which loops back and provide additional enhancement and strength to the system. The top factor for Canada seem to be the popular trust the Canadian citizens have in their federation, a trust which the constitution and the Federal Canadian structure is build upon to support and protect. There are many indicators that a Federation cannot exist without the trust of its citizens, and thus my conclusion is that the nature of the Canadian constitution and the overall positive popular trust among its citizens are the key components behind Canada’s success.

7.0 – Literature List

Books:

- Almond, Gabriel A., G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.) (2004): *Comparative Politics Today*. New York, Pearson Longman.
- Bednar, Jenna (2009): *A robust federation: Principles of design*. New York, Cambridge University Press.
- Begg, David, Stanley Fischer and Rudiger Dornbusch (2005): *Economics*. Berkshire, McGraw-Hill Education.
- Burgess, Michael (2006): *Comparative Federalism: Theory and practice*. New York, Routledge.
- Burgess, Michael and Alain-G. Gagnon (Eds.) (1993): *Comparative federalism and federation*. Hertfordshire, Harvester Wheatsheaf.
- Cook, Ramsey (2007): “The Triumph and Trials of Materialism (1840-1945)” in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 377-472. Toronto, Key Porter Books Limited.
- Corbridge, Stuart and John Harriss (2008): *Reinventing India*. Cambridge, Polity Press.
- Dalton, Russel J. (2004): “Politics in Germany” in Gabriel A. Almond, G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.): *Comparative Politics Today*. Page 260-314. New York, Pearson Longman.
- Dunne, Tim (2001): “Liberalism” in John Baylis and Steve Smith (Eds.): *The Globalization of World Politic*. Page 162-181. New York, Oxford University Press Inc.
- Fulbrook, Mary (2009): *A History of Germany 1918-2008: The Divided Nation*. West Sussex, Jack Wiley & Sons Ltd.
- George, Alexander L. and Andrew Bennet (2005): *Case Studies and Theory Development in the Social Sciences*. Cambridge, Belfer Center for Science and International Affairs.
- Jenkins, Philip (2003): *A History of the United States*. New York, Palgrave Macmillan.
- King, Gary, Robert Keohane and Sidney Verba (1994): *Designing Social Inquiry*. New Jersey, Princeton University Press.
- Lowi, Theodore and Benjamin Ginsberg (2002): *American Government*. New York, W.W. Norton & Company, Inc.

- Maravall, José Marla and Ignacio Sánchez-Cuenca (2008): *Controlling Governments: Voters, Institutions, and accountability*. New York, Cambridge University Press.
- Milkis, Sidney M. and Michael Nelson (2008): *The American Presidency: Origins and Development, 1776-2007*. Washington, DC, CQ Press.
- Mitra, Subrata K. (2004): "Politics in India" in Gabriel A. Almond, G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.): *Comparative Politics Today*. Page 634-688. New York, Pearson Longman.
- Moore, Christopher (2007): "Colonization and Conflict: New France and its rivals (1600-1760)" in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 95-180. Toronto, Key Porter Books Limited.
- Morton, Desmond (2007): "Strains of Affluence (1945-2000)" in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 473-592. Toronto, Key Porter Books Limited.
- Mundt, Robert J. and Oladimeji Aborisade (2004): "Politics in Nigeria" in Gabriel A. Almond, G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.): *Comparative Politics Today*. Page 690-741. New York, Pearson Longman.
- Newton, Kenneth and Van Deth (2005): *Foundations of Comparative Politics*. Cambridge, Cambridge University Press.
- Nordby, Trond (2004): *I politikkens sentrum*. Oslo, Universitetsforlaget.
- Ramet, Sabrina (2002): *Balkan Babel*. Oxford, Westview Press.
- Ranney, Austin (2004): "Politics in the United States" in Gabriel A. Almond, G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.): *Comparative Politics Today*. Page 742-785. New York, Pearson Longman.
- Ray, Arthur (2007): "When Two Worlds Meet" in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 1-94. Toronto, Key Porter Books Limited.
- Rose, Richard (2004): "Politics in England" in Gabriel A. Almond, G Bingham, Powell Jr., Kaare Strøm and Russel J. Dalton (Eds.): *Comparative Politics Today*. Page 156-205. New York, Pearson Longman.
- Waite, Peter (2007): "Between Three Oceans: Challenges of a Continental Destiny (1840-1900)" in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 277-376. Toronto, Key Porter Books Limited.
- Wynn, Graeme (2007): "On the Margins of the Empire (1760- 1840)" in Craig Brown (Ed.): *The Illustrated History of Canada*. Page 181-276. Toronto, Key Porter Books Limited.

Articles:

- Avella, Joseph R. (2000): *The President, Congress, and the Decision Making to Employ Military Force*. From “*In the Presidency Then and Now*”, Edited by P.G. Henderson. Landham, Md.: Rowman & Littlefield publishers. Page 47-68.
- Buhaug, Halvard and Scott Gates (2002): *The geography of civil war*. From *Journal of Peace Research* Vol. 39, No. 4, 2002, page 417-433.
- Collier, Paul (2001): *Ethnic diversity: An economic analysis*. From *Economic Policy*, April 2001, page 128-166.
- Collier, Paul and Anke Hoeffler (2004): *Greed and grievance in civil war*. From *Oxford Economic Papers* 56, 2004, page 563-595.
- Fearon, James D. and David D. Laitin (2003): *Ethnicity, Insurgency, and civil war*. From *American Political Science Review*, Vol. 97, No. 1, February 2003, page 75-90.
- Gates, Scott, Håvard Hegre, Mark P. Jones and Håvard Strand (2006): *Institutional Inconsistency and Political Instability: Polity Duration, 1800–2000*. From *American Journal of Political Science*, Vol. 50, No. 4, October 2006, page 893-908.
- Gerring, John (2004): *What is a case study and what is it good for*. From *American Political Science Review*, Vol. 98, No. 2, May 2004, page 341-354.
- Hegre, Håvard, Tanja Ellingsen, Scott Gates and Nils Petter Gleditsch (2001): *Toward a Democratic Civil Peace? Democracy, Political Change, and Civil War, 1816–1992*. From *American Political Science Review*, Vol. 95, No. 1, March 2001, page 33-48.
- Langford, Tonya (1999): *Rating Things Fall Apart: State Failure and the Politics of Intervention*. From *Political International Studies Review*, Vol. 1, No. 1, Spring 1999, page 59-79.
- Rudalevige, Andrew (2006): *The Contemporary Presidency: The Decline and Resurgence and Decline (and Resurgence?) of Congress: Charting a New Imperial Presidency*. From *Presidential Studies Quarterly*: Vol. 36, No. 3, September 2006. Page 506-524.
- Schlesinger Jr., Arthur M. (2005): *War and the American Presidency*. From W.W. Norton Ch. 3: *The Imperial Presidency Redux*, page 45-67.

News articles and internet sources:

- Canadian Department of Justice (2010): *Constitutional Documents*.
<http://laws.justice.gc.ca/eng/Const/ConstDoc.html> [25.01.10].
- Canadian Department of Justice (2010b): *Canada Elections Act*.
<http://laws.justice.gc.ca/en/E-2.01/> [25.01.10].
- CIA World Factbook (2009a): *Canada*.
<https://www.cia.gov/library/publications/the-world-factbook/geos/ca.html> [15.09.09].

CIA World Factbook (2009b): *Nigeria*.

<https://www.cia.gov/library/publications/the-world-factbook/geos/ni.html> [15.09.09].

Governor General of Canada (2010): *Role and Responsibilities*.

<http://www.gg.ca/document.aspx?id=3> [25.01.10].

Norwegian Parliament (2010): *Stortingsvalg*.

<http://www.stortinget.no/stortinget-og-demokratiet/valg-og-konstituering/stortingsvalg/>
[10.01.10].

Statistisk Sentralbyrå (2001): *Stortingsvalget 2001*.

<http://www.ssb.no/emner/00/01/10/stortingsvalg/arkiv/tab-2001-11-02-09.html> [20.12.09].