Consociationalism and Intergovernmental Relations – Linking Internal and External Power-Sharing in the Swiss Federal Polity

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Abstract

For several decades, comparative politics has treated the Swiss political system as the prime example of a power-sharing polity in which consociationalism and cooperative intergovernmental relations co-exist in a mutually reinforcing manner. Surprisingly enough, so far the linkages between these two types of power-sharing have been neither adequately theorized nor empirically analyzed. In order to substantiate how intra-governmental power-sharing facilitates intergovernmental cooperation, this paper proposes a rational choice approach specifying different mechanisms driving actors’ choices in favour of or against strong intergovernmental arrangements (IGAs). Just to mention two of the mechanisms at work: given multi-party executives in the cantons, over time, party compositions hardly change and ideological differences between cantonal executives are moderate. Hence, a fairly stable horizontal interest profile characterized by little ideological divergence facilitates the setting-up of strongly institutionalized IGAs. These mechanisms are examined empirically, first, by systematically assessing the organization of Swiss intergovernmental relations and second, by identifying the motives of Swiss intergovernmental actors to establish the given structures on the basis of in-depths interviews. While the results indicate that intra-cantonal power-sharing facilitates inter-governmental institutionalization, they also reveal what culturalist approaches on Swiss federalism presupposing actors’ inclination towards cooperation commonly overlook, namely Swiss actors’ strategic moves to guard own powers and defend institutional self-interests affecting organizational developments in the intergovernmental arena.

Keywords: consociationalism, power-sharing, Swiss federalism, intergovernmental relations, substate governments

I. Switzerland – The Prototype of a Consensual Polity?

Comparative research on consociational and consensus democracy has extensively analysed polities whose basic logic of functioning is most fundamentally

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1 This article is drawn from a larger comparative project on intergovernmental structures and dynamics in federal systems based at the European University Institute, Florence. Other aspects of the project have been analyzed in Bolleyer (2006) and Bolleyer (forthcoming).

2 I am grateful to Lori Thorlakson who recommended to devote an entire manuscript to...
characterized by power-sharing and -dispersion. This logic is thought to apply to executive-legislative relations, corporatist structures and intergovernmental relations (IGR) alike. Correspondingly, Armingeon points out with regard to Swiss IGR that “(...) cooperative behaviour [in the federal arena] is stabilized by the surrounding fora of decision-making. Conflictual strategies in the federalist arena would be in sharp contrast to the style of decision-making in the remaining arenas” (2000a: 124). This claim is convincing yet not sufficiently specific: Most fundamentally, it leaves implicit which mechanisms drive a positive spill-over of internal power-sharing processes in the single government units – often labelled as ‘consociationalism’ - to the processes characterizing the intergovernmental arena. In fact, that different forms of power-sharing should reinforce each other is not self-evident, neither theoretically nor empirically (Czada 2000, 2003).

There is a huge body of literature that theorizes and elaborates on power-sharing systems which are assumed to follow an overall ‘power-sharing logic’ (e.g. Lijphart 1968, 1969, 1999; Daalder 1971, 1996; Lehmbruch 1991, 1993; Steiner 1974). With an analytically different focus, other works within this realm perceive polities as configurations of distinct yet mutually interlocking arenas. These arenas can be dominated by different decision-making styles. Therefore such approaches elaborate on the possible modes of coupling between these arenas and specify the latters’ likely consequences for the working of the political system analyzed (e.g. Armingeon 2000b, 2002; Czada 2000, 2003; Benz, Scharpf and Zintl 1992; Benz 2000, 2003; Lehmbruch 1978, 1991, 2003; Scharpf 1985, 1988, 1994). Facing an immense conceptual and empirical literature on power-sharing democracies on the one hand, and decision-making styles on the other, it comes as a surprise that the specific impact of consociational practices on the dynamics and the organization of the Swiss federal arena has remained widely under-explored. This paper attempts to address this aspect both theoretically and empirically.

Most clearly, the willingness to cooperate becomes manifest in \textit{organizationally strong intergovernmental bodies}, their degree of institutionalization, and in strong organizational linkages between these bodies –their inter-organizational integration. Organizational features are good indicators for the willingness to cooperate because the set-up of strong intergovernmental arrangements (IGAs) is voluntary and cost-intense at the same time. Since actors are aware that institutions constrain and regularize behavior in the future, they will only set up strong IGAs if these arrangements allow them to pursue their respective goals more effectively in the short and in the long run (Héritier 1996; Scharpf 1997).
Therefore, when analysing IGR empirically, this paper concentrates on the way IGAs such as the Conference of Cantonal Executives (KdK) or the Conferences of Cantonal Directors (DKs) are structured.

In order to substantiate the argument that intragovernmental power-sharing facilitates intergovernmental cooperation a theoretically derived micro-foundation needs to specify the linkages between the patterns of power-sharing in the two arenas. Moreover, these linkages need to be examined empirically in greater depths; not only by assessing the organizational features of IGR but by ‘moving down’ to the actors themselves – which is done on the basis of in-depth interviews. The latter allow understanding which aspects motivated intergovernmental actors to invest into the structures in place.

II. A Rationalist Account of Intergovernmental Organization

Theory and Measurements

II.1 General Argument

To account for the organizational make-ups of IGR in federal systems, the approach proposed starts out from the claim that majoritarian decision-making in the sub-states of a federal polity – as opposed to power-sharing – weakens the degree to which IGAs are institutionalized. This claim draws on Lehmbruch’s work on German federalism. In Germany, the tight coupling of arenas in which majoritarian processes interact with an interlocking system of horizontal and vertical cooperation causes considerable tensions. Partisan competition limits politicians’ capacity to strike bargains in the federal arena (Lehmbruch 1978). For federal systems, characterized by comparatively few constitutional incentives in favor of intergovernmental cooperation (in the form of concurrent legislation in particular), one can turn the argument around and develop the following line of reasoning: if federal systems do not already provide strong constitutional predisposition...
tions to develop dense IGR, it should follow that majoritarian processes within single arenas set incentives against the establishment of a full-fledged system of IGR.

Hence, the paper starts out from the general expectation that, given predominantly majoritarian decision-making dynamics in the sub-states and the centre, the degree of institutionalization and integration of IGAs will be weak. In contrast, given predominantly multiple power-sharing in the single government units the degree of institutionalization and integration of IGAs will be strong.

II.2 Jumping to the Micro-level: The Incentives of Intra-governmental Power-sharing

The general argument refers to macro-dynamics. Yet how exactly are the ‘systemic’ tensions between majoritarianism within the single governmental units and strong intergovernmentalism and, vice versa, the reinforcement of intergovernmental power-sharing by intra-governmental power-sharing rooted in the micro-level? Which mechanisms drive actors’ choices and how can they be measured? This section points to five dynamics rooted in intra-governmental power-sharing making it rational for politicians in the intergovernmental arena to set-up strong IGAs. Moreover, measures are presented to capture these dynamics.

(1) The first mechanism refers to the (in)stability of the interest configuration among the constitutive arenas. Given mostly one-party majority cabinets in the constitutive states, complete government turnover - fully changing the partisan make-up of the respective government - is more likely. As a consequence, the interest configuration among the sub-states is likely to change more frequently which raises the costs for actors to maintain strong IGAs. Ad hoc coordination, in contrast, allows politicians to adapt to these changing configurations. They participate in a profitable agreement when interest convergence is given with a certain group of partners, and if not, they resort to unilaterism. A strongly institutionalized arrangement would limit this flexibility. As soon as coalitions come into play, alternation is less probable as a potential force of change because complete turnover becomes less likely. Given mostly oversized coalitions, the interest configuration should be quite stable over time. Under these circumstances, ad hoc coordination is not profitable. In order to measure the internally generated ‘competitive pressure’, the average rate of complete alternations is used as an indicator (Strøm 1990). Since it is crucial to capture electoral pressure, I only consider those governments that have been formed after an election. Hence, the alternation rate will be assessed in relation to the absolute number of elections.

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4 A complete turn-over replaces representatives of all government parties, a partial one only some of them.

5 Although executive and legislative elections are also separate in the Swiss cantons, I will only consider the executive composition since divided government configurations are rather unusual (Vatter 2002).
(2) A second aspect that characterizes the interest configuration among sub-state governments is its ideological congruence (Downs 1998; Thorlakson [forthcoming]). If party systems are similar across the sub-states, congruence is most likely when oversized governments are formed. In this case, the same parties tend to participate in coalitions within different sub-states; hence, sub-state coalitions are likely to overlap in composition. Given mainly one-party sub-state governments, the share of overlapping governments should decrease. The conflict potential between governments should be lower, given parties of similar ideological profile in office. An estimate of the conflict potential are the percentages of non-overlapping governments, counted as the percentage of one-party governments and of coalitions composed of different sets of parties. The lower this percentage, the lower the conflict potential on the horizontal level tends to be.

(3) Given a high likelihood of frequent government-turnover (again measured by the alternation rate) the immediate threat of electoral loss motivates sub-state politicians to shift blame onto the other governments. The competitive pressure is thus strongest in two-party systems, where a loss of votes more easily leads to a loss of office than in multi-party configurations. In such a context, mutual distrust is fostered because each actor knows of the other’s pressure to focus on the short-term goal of electoral victory at the cost of the long-term goal of fruitful intergovernmental exchange. In contrast, if coalitions need to be formed, a party might lose votes but nevertheless be able to participate in government. As a result, vote losses do not necessarily mean that a party cannot achieve coalition participation and therefore competitive pressure likely to undermine intergovernmental cooperation is much lower.

(4) Furthermore, the number of parties in the constitutive governments has an impact on the transaction costs that can be saved by IGAs (Opeskin 2001: 133; Scharpf 1997: 70). One-party executives make ad hoc coordination profitable because fewer actors have to agree. Within multi-party governments intergovernmental arrangements which facilitate interaction and lower transaction costs tend to be more valuable since the constellation of actors is more complex. To measure transaction-cost savings the number of decision-makers is assessed as the number of government parties in each sub-unit.

(5) Finally, when engaging in intergovernmental interaction, autonomy losses are higher for parties which govern alone than for parties which govern in a

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6 Congruence is assumed if parties in different governments belong to the same party family even if the party system is decentralized.

7 The relative size of parties which participate in different sub-state coalitions also makes a difference. However, even if only a small coalition partner ‘links’ one sub-state with the other, a moderating effect can be expected.
coalition. If power-sharing is a part of daily decision-making in one’s home arena, the relative autonomy losses are comparatively minor. The relative autonomy loss of a sub-state can be measured by the average number of one-party cabinets.

Changing from the single IGA as unit of analysis to the system level of IGR and to integration as dependent variable, we need to hypothesize under which conditions different intergovernmental bodies are mutually supportive and under which they tend to compete. With power-concentrating executives on the inside leading to high autonomy losses through intergovernmental interaction, the bodies responsible for sub-state exchanges are likely to be directed towards autonomy protection and, with this, against central encroachment. Hence, strong vertical integration is unlikely. More generally, the tendency towards blame-shifting between the constitutive governments should weaken integrative efforts. Vice versa, given that power-sharing executives lead to a high institutional development of the single IGAs whose functions transcend mere information exchange, mutual coordination of responsibilities becomes more pressing to avoid inter-organizational conflict.

Based on these hypotheses, power-sharing in the single governments is expected to facilitate the institutionalization of IGAs as well as their mutual integration.

III. Assessing Intergovernmental Structures

How to Measure Institutionalization and Integration

Conceptually speaking, institutionalization becomes visible in a twofold process. On the one hand, it shows in a process of *internal organizational development*. This development is directed towards a more complex functional distribution of tasks to different offices or even sub-units. On the other hand, it shows in a process of *external differentiation (boundedness)*: the institution develops boundaries towards other institutions in terms of own functions as well as material resources (Judge 2003: 500f.; Dennison 2005; Simmons 2004). In order to capture these two dimensions empirically, three sets of indicators are chosen to assess different levels of IGA’s institutionalization: Institutionalization is considered as *weak* if regularity of meetings is assured by direct interdepartmental exchanges without a separate intergovernmental body in place. A *medium* institutionalization demands the ‘boundedness’ of an arrangement. ‘Boundedness’ is visible through the assignment of specific competencies (e.g. in the form of statutes),

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8 If there is only one horizontal IGA in place which is highly institutionalized, horizontal integration is necessarily high.
resources contributed by the represented units and a secretariat with own staff. This operationalization is chosen, since given these organizational features, intergovernmental transactions are less likely to exclusively express a momentary interest convergence of a group of individual actors anymore. In the reverse, the higher the degree of institutionalization is the more likely an organization is capable to affect the behavior of the actors involved independently of their individual interests.

Accordingly, the most crucial sign of strong institutionalization is a formal decision-making rule which deviates from unanimity. The capacity to bind the sub-states to positions or agreements they did not agree to most strikingly indicates that the IGA represents more than the sum of its parts. Another feature is the internal differentiation into offices or organs that have own formally assigned tasks. A high degree of organizational development is also likely to affect the kind of agreements struck within the IGA. With increasing formalization and differentiation, the capacity of the body increases to produce proposals of high specificity. And the more expertise is invested, the more useful is a legal foundation to increase the likelihood of their transfer in sub-state legislation. Hence, the specificity and the legal status of the agreements provide additional indicators (Poirier 2002: 430ff.; Simeon 2001: 148; Simmons 2004). This points to the more general tendency that strong institutionalisation is likely to be related to the multi-functionality of IGAs. Instead of only facilitating information exchange between the members, it is likely to support collective position formation as well as substantive policy-coordination.

While institutionalization refers to single IGAs, integration refers to the linkages between them and gives indications of systemic patterns. To systematize the linkages between IGAs I refer to the following indicators: A weak integration presupposes that there are detectable and voluntary contacts between the core IGAs. The opposite situation would be one of distrust, in which IGAs actively avoid to be associated with other arrangements. A third possibility is that relations are neutral and characterized by disinterest. As soon as IGAs meet regularly, a medium integration is assumed because to set up regular meetings indicates an active interest of the involved IGAs in establishing a channel of communication among them. Integration is considered as strong when the relationship between different bodies and the respective responsibilities are specified by statutes. Hence, there are no bodies which compete for fulfilling the same function. Such statutes stabilize interorganizational relations because they reduce conflicts by clarifying each body’s sphere of authority.

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9 If more than half of the criteria (majority rule, internal differentiation, high specificity and legal status of agreements) are fulfilled, an IGA is classified as strongly institutionalized.

10 Note that these ‘statutes’ do not imply any formal status of these documents but only the fact that inter-organizational relations have been specified on a written basis.
Before assessing intra-cantonal dynamics and IGAs’ organizational make-up, the next section elaborates on the methodological basis upon which the Swiss system can be chosen as a case study to demonstrate the usefulness of the approach.

**IV. Case Selection**

Beyond the fact that Switzerland has been often treated as a prime example of a consensual polity giving the question of how power-sharing structures are linked particular weight, there are also methodological reasons to choose Switzerland as a test case. Most importantly, Switzerland allows for isolating the impact of intra-governmental dynamics on the organizational features of IGAs because its constitution favors inter-cantonal cooperation only to a limited degree.

Although the Swiss polity is often referred to as a representative of cooperative federalism (e.g. Linder and Vatter 1991; Wälti 1996), this label is conceptually problematic when trying to account for patterns and structures of IGR. Most fundamentally, it refers to *constitutional framework and informal structures and processes* as classificatory criteria, while the examination of IGR demands a distinction between the two. IGAs are structures established *within* the framework of the given constitutive rules. They can result from constitutional incentives but this need not be the case. Accordingly, a definition of cooperative federalism, which refers to the process level ex ante, circumvents the question why particular processes and structural patterns have been established in the first place.

A strict distinction between a particular ‘incentive structure’ as independent from the resulting IGAs also helps to avoid the following type of reasoning: Some accounts of territorial politics in socially heterogeneous contexts are explicitly based on the axiom that IGR are necessarily conflicting and involve struggles for the distribution of power (Lecours 2004; Moreno 1999). Evidently, this premise works for Spain and Canada because it accounts for rather weak IGAs in these countries. Yet it does not do so for Switzerland which is also socially heterogeneous. Explanatory factor and intergovernmental patterns are not sufficiently separated because the axiom does not allow for intergovernmental patterns to vary from competitive to cooperative. To avoid such drawbacks, this approach looks at structural incentives, not at behavioural dispositions.

Accordingly, I use the amount of concurrent legislation and the fiscal strength of the cantons as the criteria to classify the Swiss case. Generally speaking, the more powers are assigned to closed ‘watertight compartments’, the weaker the incentives for cross-boundary interaction and the more intergovernmental structures can be considered as a voluntary choice of the actors involved. In
the opposite, the more the constitution provides for wide areas of concurrent powers, the stronger formal incentives for intergovernmental collaboration are (Simeon 2001: 148). Putting Switzerland into comparative perspective and looking at the areas of concurrent legislation, as a core feature of a cooperative-federalist polity, one gets the following result: Switzerland ends up with 17.8% of concurrent legislation based on the range of policy areas classified, while Canada has only 2.5% and the US 13.6%. In striking contrast, Germany, the prototype for ‘cooperative federalism’, has 62% concurrent legislation (Watts 1999: 126ff.). Contrasting Switzerland with Germany, Canada and the U.S., Switzerland is located by far closer to the classical dual federalist cases than to Germany as the prototype of cooperative federalism. Also the considerable financial power assessed by the cantons’ revenue share\(^1\) supports this classification. This aspect is crucial for the sub-states’ capacity to act independently in their own spheres of competence. In 1995, the revenue share in Switzerland was the second highest among the OECD countries. While Canada with 52.21% ranked highest, Switzerland followed with 46.72%. A similar picture emerges concerning the share of sub-national expenditure in total expenditures (Braun 2000: 39, 52f.). Due to these features, the Swiss case allows to considerably isolate the impact of intra-governmental dynamics on IGAs’ organizational features.

Starting from here, the next section assesses the intra-governmental dynamics in the cantons and the resulting incentive profile with regard to IGAs’ organizational development.

V. Intra-cantonal Dynamics and their Impact on IGAs

In comparative research, the predominance of oversized coalitions in the cantons and the center has been traced back to the facultative referendum which created a situation in which executive actors have a strong interest in maintaining oversized government coalitions. On the federal and the cantonal level, a voluntarily implemented proportionality rule characterizes intra-governmental relations. Scholars have convincingly argued that the threat of opposition parties to block government policy through a facultative referendum has been a major motivation to form oversized, in the ideal case all-inclusive government coalitions (Fagagnini 1978; Lehmbruch 1993; Neidhart 1970, 2001).\(^2\) As Vatter’s

\(^1\) Calculated as the sum of revenues of the local and regional level as percentage of the total revenues (Braun 2000: 53).

\(^2\) Unlike parliamentary coalition governments, cantonal executives are directly elected. Executive actors do not risk bringing down the government by destructive behaviour as do parties in ‘normal’ coalitions. Given these institutional circumstances, why should cantonal executives behave like parliamentary coalition governments? Clearly, the proportional
comparative study of cantonal democracies has shown, cantonal executives widely correspond to this picture across the sub-units (Vatter 2002). This homogeneity provides a good starting point to examine the link between intra-cantonal processes and the nature of inter-cantonal arrangements embracing them since the dynamics in the single units point in the same direction: Table 1 sums up the measures used to characterize the generated incentives which unambiguously favour strong IGAs:

<table>
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<tr>
<th>Measures of Sub-State Dynamics*</th>
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<tr>
<td>Percentage of One-Party Governments</td>
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<td>Switzerland</td>
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Notes:
* Results are based on data provided by the Swiss Office for Statistics covering the period 1983-2000.
** Average number of parties in cantonal governments.

Since 1983 only 3% of the Swiss executives have been one-party governments. The competitive pressure and the tendency towards blame-shifting are therefore low. Moreover, competitive pressure is marginal, because between 1983 and 2000, no complete alternation occurred (Vatter 2002: 69). In contrast, the number of partial alternations in Switzerland is with 29% considerable. However, one needs to be careful when interpreting this figure. The Swiss party system is considerably fragmented on the sub-state level – on average 4-5 effective parties per canton (Ladner 2001: 127; Vatter 2003). Logically, partial alternations are more likely, the more complex the respective executive constellations are. In fact, the impact of partial alternations on the overall interest configuration are limited as Vatter’s analysis of changes in the partisan compositions of cantonal executives (1945-1995) shows: most partial alternations are minor since they change less than half of the executives’ composition (2002: 69). Taking the composition of governments would be ineffective if certain parties still dominated others in internal decision-making. In this case, minor government parties would frequently resort to referenda despite being part of government to compensate for their weak internal position. As in parliamentary coalitions, the stronger government parties are reluctant to impose decisions on weaker government partners in order to protect the government’s decision-making monopoly. That is, they want to keep an avoidable veto player out of the decision-making arrangement, namely the people, who are unpredictable and with whom negotiation is not possible. In this context, cooperation is not motivated by the threat of internal dissolution and the resulting loss of veto power as parliamentary coalitions face it but by its opposite – its potential externalization.

13 Only one time 4 executive mandates changed after one election. The same is true regarding changes of 3 mandates.
complete and the partial alternation rate together, the stability of the horizontal interest configuration is quite high. Moreover, the dominant consociational executive model bridges the constitutional divide between executives and neutralizes party conflict since similar sets of parties tend to be in office. The percentage of non-overlapping governments is with 3.5% very low, differently put, the congruence between cantonal governments is considerable. Hence, continuously low conflict potential should facilitate the establishment of strong IGAs. The average number of decision-makers tells a similar story. With on average 3.3 parties per cantonal executive, IGAs are valuable instruments in the Swiss context to facilitate inter-cantonal and federal-cantonal transactions, while autonomy losses are marginal.

All in all, we can expect IGR to be strongly institutionalized and integrated which will be examined in detail in the following section. Although this article is devoted to an analysis of the Swiss polity as the paradigmatic case for the debate around ‘power-sharing democracies’, to introduce a comparative perspective, in several instances I will refer to the ‘counter-case’ Canada which – as a federal system composed of one-party majority governments – shows exactly the opposite intra-governmental incentive structures (see Bolleyer 2006 for a detailed analysis).

VI. The Strength of Swiss Intergovernmental Arrangements

In order to assess the structure of Swiss IGR, mainly document analysis is applied, referring to IGA publications supplemented by secondary literature and interview material. Although already useful in the structural analysis, the interviews have been even more important to capture the perspective of intergovernmental actors on these structures and with it their motives to invest in them. Thirty-five semi-structured interviews of an average duration of one hour have been conducted. The three groups of actors interviewed – federal and sub-state officials (executive and legislative) as well as intergovernmental personnel – pursue different interests. Hence, according to the principle of triangulation their different views help to strengthen the validity of the findings. Moreover, sub-state representatives are consciously selected regarding the varying size and territorial location of their cantons to assure the maximal variation of opinions and avoid biases on the basis of regional perspectives. In order to receive ‘unfiltered’ information, anonymity of the interviewees has been assured.

14 Seven interviewees have been interviewed twice.
15 To assure confidentiality the following abbreviations are used: IGA CH: intergovernmental arrangement; FedGov CH: federal government; COfficial cantonal official.
The crucial horizontal IGAs in Swiss federalism are first, the Conference of Cantonal Executives (KdK), a body which channels generalist inter-cantonal exchanges. Second, there are the Conferences of Cantonal Directors responsible for the exchanges in particular policy fields (DKs) of which currently 16 exist and the oldest, the Conference of Education Directors, dates back to 1897 (Bochsler et al. 2004: 99f.). Finally, one also needs to have a look at regional arrangements.

In the following empirical analysis the organization of IGR and the perspective of the actors involved is assessed in detail along the criteria introduced in Section III. In a concluding sub-section, the five incentives linked to intra-governmental power-sharing identified within the theoretical framework will be discussed in the light of the empirical results.

VI.1 Intergovernmental Institutionalization in Swiss Federalism

VI.1.1 Policy-specific Arrangements: The Conferences of Directors

Starting with the policy-specific exchanges, the DKs as the oldest intergovernmental arrangements are, overall, highly institutionalized. Many of them already exist for decades (Frenkel 1986; Bochsler et al. 2004). These conferences usually have a permanent secretariat that represents the respective conference in committees and working groups on the inter-cantonal and national level during the year. Besides the plenum which embraces the cantonal directors responsible for the respective policy field, each conference has an executive which runs the respective IGA. The executive and plenum meet regularly several times a year. The decision-making rule varies across DKs from majority rule to unanimity, however, those responsible for major policy fields have mostly adopted majority rule. Furthermore, some DKs, such as the Conference of Education Directors, are paralleled by regional bodies in the same policy area to which the national DKs maintain organizational linkages.

The output of intergovernmental conferences can be guidelines, benchmarks, recommendations and concordats which are inter-cantonal contracts. The concordat is the most formal instrument and considered as binding ‘inter-cantonal law’ (Abderhalden 1999). There is no complete register of these treaties, yet the most extensive database includes 733 of them. About three-fourth are bilateral and only a few include all cantons. They aim at regulating concrete policy matters and their specificity is rather high. Hence, they address concrete cross-jurisdictional

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To give some comparative illustrations, there will be references to interviews with Canadian representatives which I also conducted in the framework of the project. Then, for sub-state actors the abbreviation POfficial for provincial official will be used.

16 Partially they are further subdivided in commissions consisting of policy experts drawn from cantonal administrations dealing with more specific policy problems.
policy problems and clearly transcend mere position-taking towards the federal government. Most concordats are struck in the areas of financial policy (23%), education and cultural policy (22%) (Bochsler et al. 2004; Bochsler 2006), those areas, in which cantons have considerable competencies and in which they are concerned about their autonomy. Correspondingly, the financial and the educational sector are highly institutionalized. Most cooperation, however, occurs on a less formal basis through recommendations. Although cantonal non-compliance cannot be effectively sanctioned, scholars argue that most provisions become cantonal law (Armingeon 2000a: 115). Intergovernmental officials confirm this picture although sometimes guidelines are considered as unsuitable by some of the cantons due to cantonal specificities, hence are not realized ‘at home’. Nevertheless, cantons tend to comply also with non-binding recommendations which are usually passed to the cantonal department in charge where they provide the basis for the drafting cantonal legislation.\(^\text{17}\)

Referring back to the set of criteria to assess institutionalization (regularity of meetings, internal and external organizational differentiation, decision-making rule, the status and specificity of agreements) DKs tend to be highly institutionalized. These structures feed back into the interaction patterns. Interviewees pointed out that DKs do not only facilitate information exchange but issue own initiative. Hence they play a proactive role\(^\text{18}\) and provide a forum for discussion in which opinions can be changed and conflict overcome.\(^\text{19}\) Even when anticipating conflict, DKs might get involved if a collective solution is considered crucial by some members.\(^\text{20}\) This is in striking contrast to the Canadian situation, where IGAs are structurally weak and explicitly not considered as instruments to deal with conflicting issues.\(^\text{21}\) There, such issues tend to be excluded from the agenda ex ante.\(^\text{22}\)


\(^{18}\) IGA CH I, June 27\(^{\text{th}}\) 2005; IGA CH II, June 27\(^{\text{th}}\) 2005; IGA CH IV, June 28\(^{\text{th}}\) 2005; IGA VIII, June 29\(^{\text{th}}\) 2005; COfficial VI, September 5\(^{\text{th}}\) 2005; COfficial VIII, September 5\(^{\text{th}}\) 2005; COfficial IX, September 16\(^{\text{th}}\) 2005.


\(^{20}\) COfficial VI, September 5\(^{\text{th}}\) 2005; IGA CH VI, June 29\(^{\text{th}}\) 2005.

\(^{21}\) POfficial III, April 11\(^{\text{th}}\) 2005; POfficial July 29\(^{\text{th}}\) 2005; IGA Can I, April 7\(^{\text{th}}\); FedGov Can I, April 8\(^{\text{th}}\).

\(^{22}\) A federal official described the dynamics at First Ministers’ negotiations the following way: “(...) when people cannot move from their positions that makes it very difficult to run a meeting. Usually we go for lunch then, a very long lunch. (...) And what we do then is to talk and talk until everybody has called home” (Can Fed I, April 8\(^{\text{th}}\) 2005).
Although directors enjoy considerable independence as long as technical issues are concerned and – in contrast to KdK delegates – are not mandated, as soon as more important issues are discussed within these intergovernmental fora, the directors pay attention to which positions are acceptable at home. Intra-cantonal power-sharing clearly affects intergovernmental cooperation also in policy-specific IGAs as an IGA secretary points out: ‘Directors are usually not mandated. A director has, however, a sensor how it [an issue] ‘sounds’ in his government, how in parliament, how in the population, mainly the exponents of a position in parliament. He realizes immediately, there is resistance and then he says: At home there is no majority. Immediately he says ‘stop’, this cannot be realized. It always goes forth and back. One needs to assure oneself at home, in order not to get lost’ [Translation and insertion by author]

Although cantons might prefer horizontal harmonization of regional over horizontal harmonization of national scope (depending on their size and their geographical location), they consider effective cross-jurisdictional coordination as necessary for two reasons that are intertwined: Facing a growing demand for harmonization, successful cross-cantonal cooperation is increasingly necessary as a functional response. Simultaneously, it is the only way to prevent authority migration to the centre since continuously unresolved inter-cantonal problems provoke national initiatives justified by the failure of the cantons to deal with problems on the sub-national level.

The most explicit step to avoid authority migration by assuring a more efficient horizontal coordination can be seen in certain provisions of the NFA (‘Neuer Finanzausgleich’), the most recent federalism reform. It establishes ‘new instruments of cantonal cooperation’ applicable in nine areas of cantonal jurisdiction. The core of these two instruments is an enforcement mechanism

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24 Officials from big, economically strong and central cantons tend to be more open towards nation-wide solutions as long as the cantons remain in power, while smaller, weaker and more peripheral cantons tend to insist on regional solutions.


26 Among them the competencies regarding cantonal universities, hospitals, cultural
that can be used to impose an intercantonal agreement favoured by a majority of cantons on an opposing minority. More concretely, a supermajority of cantons can ask the national parliament – who plays the role of a neutral arbiter – to make an agreement obligatory for the deviating minority.

Cantonal officials clearly perceive the paradoxical character of this solution: In order to protect own spheres of autonomy from central intrusion, the federal parliament receives the authority to impose inter-cantonal agreements on a minority of cantons. However, they perceive this ‘shadow of the hierarchy’ as a necessary means to prevent free-riding on behalf of single cantons which undermine successful horizontal coordination.27 For instance, small cantons tend to profit from facilities provided by neighbouring cantons such as the small canton Zug while being unwilling to enter a formal compensation scheme. Another example one finds in the area of hospitals. Here Zurich, the biggest canton, opposes an intercantonal solution which would impose a decentralized coordination of hospitals, while Zurich prefers centralized coordination.

In abstract terms, the NFA provisions illustrate that cantons are ready to trade a part of their ‘individual autonomy’ against the better protection of the ‘collective autonomy’ of the cantons as a level of government. ‘Without this rule, cantonal competencies become federal competencies’ [translation by author] – as one IGA representative put it.28 Indeed, some cantonal representatives speculate that this ‘shadow of the hierarchy’ established through the new instruments remains only a shadow: They expect that the mere existence of the rule will have a disciplining effect on inter-cantonal negotiations ex ante making its actual application unnecessary.29 Still, from a cross-national point of view this step is noticeable since similar moves are hardly imaginable in federal systems such as Canada where individual autonomy protection regularly undermines joint provincial action, not to speak of institutionalization processes, even if such moves weaken the provincial level to the benefit of the federal government (Bolleyer 2006).

VI.1.2 Generalist Arrangements on the National and on the Regional Level

Since the policy-specific channels are older and for a considerable period have been more relevant in Swiss federalism than generalist channels, we look at the latter only in this second step. Their relevance considerably increased beginning of the 1990s because the cantons were less and less satisfied with the general representation of cantonal interests on the federal level. Although the Ständerat, the Swiss Senate, can veto legislation and each canton is equally represented by two directly elected Senators, the chamber is more dominated by party politics than by regional interests (Linder 1999). In this context, in 1993, the horizontal Conference of Cantonal Executives (Konferenz der Kantonsregierungen, KdK) had been set up. Its initial purpose was the defence of cantonal interests in the bargaining processes with the European Union which functioned as an important trigger for its foundation. Although it started out as a policy-specific ‘DK’ for foreign relations, in the last 13 years the KdK developed into an IGA with a cross-sectoral outlook which channels general inter-cantonal and inter-organizational transactions.

Its basic organizational structure is very similar to the DKs. Its plenum consisting of representatives sent by the cantonal executives meets four times a year. In these sessions political decisions are made which mostly boil down to ‘common positions’ on issues or plans of the central government that concerns cantonal authority in general. Decisions are taken by majority rule (18 of 26 cantons). The plenary session is accompanied by four meetings of a smaller executive committee which is composed of nine members selected based on a distributive scheme based on regional affiliation, while, interestingly, party affiliation was not taken up as a criterion. The executive committee makes strategic decisions and prepares the plenary sessions. In order to cope with the diversity of topics it deals with, the KdK has established a number of committees and working groups on issues of particular cantonal interest such as redistributive policy (Jahresbericht CH Stiftung 2000: 21).

Both the majority rule applied for plenary decisions and the composition of the executive indicate that the participating cantons do neither insist in equal representation nor in equal veto positions since they do not consider agreement as feasible otherwise. This does not mean that cantonal governments are not eager to defend their interests: In contrast to DK members, cantonal KdK representatives are mandated by their governments. This can complicate the formulation of common positions considerably since cantonal executives ex ante reduce the leeway of their representatives. This naturally delimits the impact the institutional context can play in altering representatives’ positions which

30 IGA CH VI, June 29th 2005.
contrasts with the more problem-oriented processes within the DKs. One reason is the KdK’s political character focusing more on position-taking on questions of cantonal authority than policy-specific DKs do. This also means that cantons are more sensitive about trading individual autonomy against collective strength since the implications of KdK positions are much broader and also receive more public attention than DK policy recommendations which are taken in a comparatively insulated environment.

In particular small and peripheral cantons fear the KdK – now having an operational structure of its own and an established position in the intergovernmental arena – ‘to develop a life of its own’ and to get increasingly detached from ‘real’ cantonal interests. As one intergovernmental official put it: “One needs to be careful that no hegemonic, centralist structure will grow up which says: ‘We are the cantons’” [Translation by author].

31 Or alternatively: “Since then [its foundation] the KdK has tried to introduce an additional level next to the cantonal chamber within the power game between the Federal Council and national parliament, to become a linchpin which tries to gain own strength towards the Ständerat, without constitutional legitimation. […] It is created an additional level of power without a popular mandate” [Translation by author].

32 What becomes very clear is that the cantons do not simply interpret the growing strength of the KdK as organization as a power-increase for themselves. Instead, they perceive the KdK as an independent entity whose loyalty to cantonal interest needs to be actively assured. The stronger the KdK gets not only in terms of mere resources but also in terms of its ‘standing’ within the intergovernmental system, the more the cantons are inclined to consider their relations with the KdK as a principal-agent constellation in which the agent needs to be monitored. Given this perspective, the potential cheating on cantonal preferences of an agent who also pursues its own institutional self-interest gets increasingly problematic the more power the KdK accumulates. Even for those cantons which use the KdK to pursue own goals very actively, the latter’s development remains a double-edged sword.

Overall, cantonal support still out-weights criticism, in particular since the KdK delivers expertise many cantons cannot gather individually. Still, one needs to be aware of the tension between the individual cantons’ interest to

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31 ‘Man muss eben aufpassen, dass keine hegemoniale, zentralistische Struktur entsteht, die sagt: Wir sind die Kantone’ COofficial X, September 28th, p. 6.

32 ‘Seit dem hat die KdK versucht im Machtspiel zwischen Bundesrat und dem nationalen Parlament eine zusätzliche Ebene neben der Kantonskammer zu schaffen, eine Drehscheibe zu werden, die gegenüber dem Ständerat eine eigene Stärke erreichen will, ohne verfassungsrechtliche Legitimation. […] Es wird einen zusätzliche Machtene geschaffen, ohne vom Volk mandatiert zu sein’ COofficial IV, August 8th 2005, p. 3-4.
increase their weight in the system through the vehicle KdK and the fear of this vehicle’s alienation from cantonal interests in the course of its organizational strengthening. This dimension of institutional development becomes also visible in the assessment of inter-organizational integration.

Since the KdK was founded in the 1990s only, one should expect that ‘generalist’ IGAs with regional scope have been quite strong, in particular since regional interests tend to be more homogenous than national ones. However, in his comparative analysis of Swiss regional IGAs Trees points out that until the 1990s regional IGAs have been of rather limited relevance (2005: 4). There are four regional IGAs, the Conference of Eastern Switzerland (ORK), the Conference of Central Switzerland (ZRK), the Conference of Governments of Western Switzerland (CGSO) and the Conference of Northwest Switzerland (NRK). The ORK was founded already in 1964, followed by the ZRK in 1966. The NRK came a bit later in 1972, while the CGSO was founded only in 1993 simultaneously to the KdK (Trees 2005: 2ff.).

Up to now, the ORK and the ZRK are institutionalized on a high level, while other two are structurally weaker yet still institutionalized on a medium level.

At first glance, it seems surprising that regional IGAs are weaker than national ones since they have to deal with less heterogeneous preferences, especially when a region shares the same language and culture. Taking a functionalist perspective, however, there are several reasons to invest more resources in the overall national IGA than in regional ones. First, in order to influence the federal government an over-regional coalition is needed. To arrive there, the co-existence of strong regional bodies can easily complicate the situation by reinforcing inter-regional divides. Second, the differences in organizational development can be traced back to the different functions of the IGAs on the two levels. The national IGAs – DKs and KdK alike – have traditionally focused on policy formulation in those areas of cantonal jurisdiction as in education. Regional DKs in part focus on policy-implementation and horizontal coordination in the implementation phase is a newer phenomenon than coordination during policy formulation.

The strengthening of regional DKs can be seen as a response to the stronger representation of a ‘national cantonal’ profile through the KdK in order to maintain a balance between national and regional IGAs. The ORK underwent reforms and established a professional secretariat in 1996. The ZRK set up a secretariat in 2001, while the CGSO was only founded in 1993 at the same time as the KdK, the latter two responding to the same trigger: the Swiss rejection

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33 Some cantons such as Berne and Zurich participate in more than one regional conference. However, they usually have access to full membership and voting rights in only one of them (Trees 2005: 2ff.).

to enter the EEA. Simultaneously, the CGSO and the NRK try to catch up with the other regions which already initiated reforms indicating the endeavour to maintain an ‘interregional’ balance (Trees 2005: 1, 7).

All in all, the organizational structures of IGAs and the resulting inter-cantonal interaction in terms of generalist position-taking and policy-specific inter-cantonal harmonization indicate that regular co-decision is the dominant interaction pattern in Swiss federalism in contrast to ad hoc coordination typical for IGR in Canada. Although one finds some variance in the make-up and resources of the single IGAs, most of them are highly institutionalized across different types of IGAs as well as across levels.

VI.2 Intergovernmental Integration

In Switzerland high institutionalisation and strong integration of the core IGAs go hand in hand. Both are linked to intra-cantonal dynamics. Regarding integration, note that it cannot be traced back to party system integration since the organizational main weight of Swiss parties is located on the cantonal level (Ladner 2001: 124; Ladner and Brändle 1999). Swiss parties as organizations are rather weak in organizational terms as compared to most European parties (Kerr 1987; Thorlakson 2006). Nevertheless, parties play an important role for position-aggregation within the single government units. The aspect that constitutes parties’ role as the core actors in political life and feeds back to intergovernmental integration is their control over candidate selection (Vatter 2002: 65ff.). While they do not establish strong linkages across arenas, cantonal parties indeed shape the power-distribution within the single cantonal political systems.

Parties’ selection of legislative and executive candidates constitutes two organizational connections: one between party politician and party leadership and one between executive and legislative representatives of the same party. These two linkages have implications for the integration of Swiss IGR and here we return to the criteria for integration: Despite the presidential-like structure in the cantons (the executives are elected independently from the legislatures), Swiss IGR is dominated by executives which reduces the number of IGAs located on the horizontal level. This enables cantons to represent one position to the outside, hence, facilitates common position-taking as well as cross-jurisdictional policy-harmonization. This is noteworthy when comparing Switzerland to the U.S. There, constitutional power-sharing in the states is

35 The cantons have the authority to set-up their electoral systems. Executive offices are predominantly elected by majoritarian systems (Vatter 2002: 47). Legislative offices are predominantly elected by list PR (Vatter 2002: 119).
coupled with organizationally weak parties. Therefore the internal aggregation of state interests is undermined by the organization of governors and legislatures in separate IGAs leading to inter-organizational competition which weakens the integration of the intergovernmental arena considerably (Bolleyer 2006).

This does not mean that the cantonal parliaments are fully satisfied with their role in intergovernmental negotiations. Indeed, there have been efforts to involve parliaments more strongly in IGR. The most far-fetching reaction came from six cantons in Western Switzerland, which recently agreed upon a ‘concordat on concordats’ demanding the formation of an inter-parliamentary commission already in the negotiation phase whenever a new concordat is drafted. However, it proved to be extremely complex. Still it is unclear how and whether it can be practically implemented. Therefore cantons tend to handle the problem internally by establishing a parliamentary committee on intergovernmental affairs to assure a stronger parliamentary involvement. Intra-cantonal party linkages are one reason why this type of solution has been accepted so far.

VI.2.1 Horizontal Integration

Looking at intra-horizontal interaction, the contacts between the different DKs vary according to the overlap between the policy fields for which the DKs are responsible. The Conference of the Directors for Finance has – besides the KdK – the most overarching profile and has contact with a wide range of DKs. Overall, the exchange between the policy-specific bodies works well. From time to time positions of different DKs are not in line, thus not all discrepancies can be avoided ex ante. However, usually they can be resolved on an informal basis. Quite naturally, DKs make strong efforts to avoid such conflicts since they weaken their position towards the federal government. Along with the meetings of KdK and DK secretaries, the secretaries of the four generalist conferences on the regional level and the KdK secretary meet two times a year. The conflict potential between them is very limited. Also here, additional contacts are given on a need basis. The fact that IGA staff meets regularly already indicates a medium integration of Swiss IGR.

Furthermore, in December 2001 the KdK and the DKs agreed upon a general framework which clarifies the respective responsibilities of each body and attempts to facilitate cooperation between the IGAs themselves and the federal

government. Among else, the KdK was assigned the task of conflict resolution when different DKs disagree on which of the sectoral conferences is responsible for a particular issue (Jahresbericht CH Stiftung 2001: 9ff.). Whether this framework will be really effective in guiding behaviour remains to be seen. Although DKs are aware of the existence of the framework, an interviewee noted that it is still not the ‘first reflex’ to refer to it in cases of conflict and that adaptation demands more time. DK staff, however, points out that the framework indeed represents a point of reference.

The DKs’ distance towards this instrument is rooted in their interest in maintaining their own position within the intergovernmental arena. According to the framework, the KdK is supposed to play the role of an arbiter which is not unambiguously welcomed by the DKs. Initially, the establishment of the KdK was not exactly appreciated by the major actors in the intergovernmental arena, the Federal Council (the federal government), the Ständerat and also the DKs (Minger 2004: 10). A general coordination body that represents the cantonal governments as coherent units – not only single departments as the DKs do – might strengthen the influence of the cantons which should in principle be appreciated by horizontal IGAs. However, the KdK is also a competitor for influence in the intergovernmental arena. The growing ambition of the KdK to broaden its profile and handle topics of overarching relevance, e.g. issues that touch cantonal-federal competence distribution and cross-cut policy-fields, nourished suspicion on the side of some DKs it might interfere too much in their areas of responsibility. The fact that the KdK managed to take over some inter-organisational coordination tasks only supported this critical attitude.

Note that these observations do not indicate that the working relations between the KdK and the DKs are not productive. In the opposite, up to now, the DKs and the KdK work very closely together whenever it is useful, as it was the case during the NFA negotiations. Furthermore, DKs are aware of the KdK’s contribution to strengthening cantonal interest in the system and value the rich flow of information gathered by it. Still, critical voices remained reflecting the endeavour of the single IGAs to protect their position and to maintain their relative weight in the intergovernmental system. Although many DKs have been firmly established bodies in the intergovernmental arena for several decades they have no formal status and this is perceived as a defect. Without constitutional protection, they are under

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42 IGA CH XII, March 28th 2006; IGA CH XIII, March 28th 2006.
43 The Conference of the Ministers of Education (EDK) is an exception here, it is based on a concordat.
pressure to demonstrate their usefulness to their member cantons by which they are financed. Accordingly, any organization which weakens their status and, in addition, attempts to gain influence in the intergovernmental arena is necessarily perceived as a potential threat.

All in all, it is useful to analyze Swiss IGR through a rationalist lens. Clearly, new cooperative efforts are by far not self-enforcing only because actors seem to be prone towards ‘cooperative practices’. Organizational change needs to be actively triggered and will be made subject to a cost-benefit calculation by the actors involved. Such an assessment has also been made in face of a KdK proposal to strengthen the integration between the KdK and the DKs the merger of the two types of organizations in one ‘House of Cantons’ to which the cantons agreed in June 2005.\textsuperscript{44} At the moment, there is only a shared secretary in Bern, where the Conference of the Ministers for Finance (FDK), the Conference of the Ministers for Health (GDK) and some KdK staff are located. However, albeit being willing to work in the same building to improve communication and generate synergies, the DKs insisted that the single organizations need to be represented and, more importantly, need to remain separate organizations. The KdK’s original plans went much further. It considered the concentration of the conferences under one roof only as a first step. The last step would have led to a fusion of all conferences into one organizational framework in which the KdK would have had core coordination responsibilities and, with it, further stabilized its position as the linchpin of Swiss IGR linking sectors as well as steering vertical coordination. However, neither were the DKs willing to accept what they consider as their own ‘dissolution’ within an overall cantonal organization nor considered the cantons such a development as desirable.\textsuperscript{45}

In sum, the intra-horizontal integration in the Swiss case is high. The practice of intra-cantonal powers-sharing reduces the costs of integrative efforts by lowering competitive pressure. Due to the multiplicity of their tasks the presence of highly institutionalized IGAs increase the need for inter-organizational coordination. Simultaneously, it became clear that these incentives do not neutralize tendencies towards institutional self-maintenance of the single organizational actors.

\section*{VI.2.2 Vertical Integration}

Although all major IGAs are purely horizontal regarding their full members, there exists a variety of linkages to the federal level. Looking at the DKs’

\textsuperscript{44} Medienmitteilung vom 24. Juni 2005, ‘Ja zum Haus der Kantone’. URL: http://www.kdk.ch/int/kdk/de/mm.html

\textsuperscript{45} IGA CH III, June 27\textsuperscript{th} 2005; IGA CH IV, June 28\textsuperscript{th} 2005; IGA CH VI, June 29\textsuperscript{th} 2005; COfficial XI, October 13\textsuperscript{th} 2005.
vertical linkages, usually a delegate of the respective federal ministry can ei-
ther take part in the DK executive or its plenary sessions. Although these federal
representatives have no formal voting rights, their presence facilitates cantonal-
federal communication and allows the federal governments to bring up issues,
formulate positions or to get informed about cantonal plans and positions.46

Further, on a need basis, working groups are formed with federal officials and
other DKs as it was the case during the NFA negotiations. Besides, the DKs have
frequent contact with the respective department on the federal level responsible
for their policy field. Federal officials describe the relations with the DKs very
positively and appreciate their work in coordinating the cantons because it
is easier to find a common basis when dealing with one instead of 26 voices
although this voice tends to be stronger than 26 dispersed ones.

As pointed out, one reason supporting the foundation of the KdK in 1993 was
the growing perception that the federal Ständerat – whose members are directly
elected and therefore no government representatives – do not sufficiently
pursue territorial interests. Moreover, the contact commission between federal
government and cantons (‘Kontaktgremium Bund-Kantone’) as another vertical
link between the two levels in place at that time was considered as a creature of the
federal government. In this forum no dialogue between equals could take place
from the cantons’ perspective. In the end, some cantonal officials took initiative
and the KdK was created. The immediate reaction of the federal government was
to dissolve the contact commission and to avoid contact with the newly formed
body. In particular, the Federal Council was advised by its staff not to participate
in the KdK plenary sessions to which it was regularly invited.47 However, up to
now the situation has changed. With the strengthening of the KdK, the federal
government started to accept the new situation and nowadays considers the
KdK as a constructive communication partner who facilitates cantonal-federal
exchanges.48

As a consequence, the federal government has noticed that with the organi-
sational support for inter-cantonal coordination that the conferences provide, it
is much more difficult to divide the cantons. And as one federal official put it,
the former strategy ‘divide et impera’ has ceased to work as well as it once did.49

46 IGA CH I, June 27th 2005; IGA CH II, June 27th 2005; IGA CH III, June 27th 2005; IGA CH
47 IGA CH VI, June 29th 2005.
48 The most noticeable success occurred in 2003 when a cantonal referendum blocked
federal plans of a tax reform that would have introduced heavy financial burdens on the
cantons. After its introduction in the federal constitution in 1874, it was the first time this
instrument was successfully applied supported by of the FDK, the Conference of the Directors
for Finance, and the KdK that pushed the cantons to unify on the issue (Braun 2004).
Most visibly, the federal government reacted by making an official in the federal Department for Finance responsible for federal-cantonal relations. In the last years, there have been cantonal officials working in the federal administration within the framework of particular projects such as the NFA or the Schengen agreement. Yet it is a new phenomenon that officials are assigned responsibility for federal-cantonal exchanges in particular and that they are paid by the federal government.

That such a post is established in the finance department first is no surprise. As any federal states, budget cuts are one of the most sensitive topics in federal relations. By discussing federal plans with cantonal officials before they are picked up by the press helps to avoid the escalation of conflicts, an endeavour indicating that the federal government pays increasing attention to cantonal sensitivities.50 Simultaneously, the KdK has made active efforts to integrate the Federal Council in its meetings to strengthen the vertical linkage. Over the years, the federal executive has been regularly invited to the plenary sessions, invitations which the federal government has only accepted on several occasions in more recent years. More crucially, KdK-federal contacts take place on a regular basis through the ‘federalism-dialogue’ (‘Föderalismus-Dialog’), a committee composed of Federal Council delegates and a delegation of 4-5 KdK representatives which deals with specific policy areas and issues common papers. Nowadays the KdK as well as the DKs evaluate the relationship with the other federal peak institutions – on the whole – as productive.51

VII. Results: The Rationalist Link between Internal and External Power-sharing

Returning to Armingeon’s initial statement, the analysis has shown that cooperative behaviour is indeed stabilized by the surrounding fora of decision-making (2000a: 124) and leads to a high institutionalization and integration of Swiss IGAs. This final section spells out whether and how the incentives resulting from intra-cantonal power-sharing identified by the theoretical approach affect the organization of Swiss IGR. All five mechanisms identified by the approach play a role. However, regarding the perceived autonomy losses and transaction-cost savings related to strong IGAs, the mechanism as specified in the approach need to be refined.

1) Low competitive pressure within the Swiss regional democracies weaken tendencies for blame-shifting and inter-cantonal conflict, hence, provide the leeway

for regional elites to adapt to demands for cross-boundary cooperation rather easily. Since oversized coalitions are the most frequent cabinet type in the Swiss cantons, the actors are widely protected from electoral punishment. Accordingly, electoral pressure is not considered as a harming impact on intergovernmental processes since citizens hardly pay attention.\footnote{FedGov CH II, June 28\textsuperscript{th} 2005; IGA CH I, June 27\textsuperscript{th} 2005; IGA CH II, June 27\textsuperscript{th} 2005; IGA CH IV, June 28\textsuperscript{th} 2005; IGA CH VII, June 29\textsuperscript{th} 2005; COfficial VI, September 5\textsuperscript{th} 2005; COfficial VIII, September 16\textsuperscript{th} 2005; COfficial X, September 28\textsuperscript{th} 2005.} Further, when asking intergovernmental actors for factors complicating intergovernmental cooperation, ‘blaming’ was – if at all – only mentioned as a force in favour of cooperation, namely referring to the cantonal populations which blame their governments for having failed to comply with inter-cantonal standards when it comes to the delivery of services. Never has it been mentioned as a destructive force.\footnote{IGA CH III, June 28\textsuperscript{th} 2005; IGA IV, June 29\textsuperscript{th} 2005.}

2) The ideologically moderating effect of oversized cabinets in the cantons has been clearly identified as crucial reason why IGR can progress rather smoothly. Several effects have been mentioned resulting from the internal decision-making mode, which have the same cooperation-favouring impact: First, the necessity to compromise across partisan differences within cantonal executives forces any executive members to move away from extreme positions. This heavily reduces the potential for ideology-based conflict between cantonal government representatives because government members within and, with that, across executives move closer together.

Second, when interacting within IGAs, each representative knows that the position she or he takes, needs to be also acceptable at home – at least if it is a question of some political relevance and transcends purely technical issues.\footnote{IGA CH IV, June 28\textsuperscript{th} 2005; IGA VIII, June 29\textsuperscript{th} 2005; COfficial I, July 15\textsuperscript{th} 2005; COfficial III, July 27\textsuperscript{th} 2005; COfficial IV, August 8\textsuperscript{th} 2005; COfficial VI, September 5\textsuperscript{th} 2005; COfficial VII, September 5\textsuperscript{th} 2005.} This effect is even stronger if parliamentary approval is necessary since cantonal parliaments have become increasingly critical when executives strike agreements in areas of cantonal authority, while, in the end, the parliaments face a ‘take it or leave it offer’. Despite growing criticism, DK representatives consider a potential parliamentary blockade as a minor problem compared to a potential popular veto. On the one hand, executive majorities in the legislature are broad and shared party affiliation bridges the executive-legislative divide, on the other hand, cantonal executives try to involve parliaments already in the negotiation stage to a wider degree in order to satisfy parliaments’ demand for a stronger involvement.\footnote{FedGov I CH, June 26\textsuperscript{th} 2005; IGA II, June 26\textsuperscript{th} 2005; IGA CH III, June 27\textsuperscript{th} 2005; IGA CH IV, June 28\textsuperscript{th} 2005; COfficial III, July 27\textsuperscript{th} 2005; COfficial IV, August 8\textsuperscript{th} 2005; COfficial V, August 26\textsuperscript{th} 2005; COfficial VI, September 5\textsuperscript{th} 2005; COfficial IX, September 16\textsuperscript{th} 2005.}
As the third cooperation-favouring effect resulting from intra-cantonal power-sharing, the daily experience to share power creates the awareness that no maximal solutions are feasible, neither at home nor in the intergovernmental arena, which again generates disinclinations against pushing extreme positions.\textsuperscript{56}

(3) Further, due to oversized cabinets, the interest configuration is considerably stable over time visible in the high number of over-lapping governments. Accordingly, interviewees point out that IGR are characterized by continuity. Alternations of cantonal directors have only a very weak impact on intergovernmental processes.\textsuperscript{57}

(4) The \textit{autonomy losses} resulting from intergovernmental cooperation and institutionalization are perceived as acceptable since each executive actor already shares power ‘at home’ with two or three parties on average which has been regularly indicated by intergovernmental actors when asked for factors facilitating cooperation in the intergovernmental arena. Simultaneously, the fact that the federal government and the cantons share power internally does not neutralize the cantons’ opposition towards centralization. The moderating impact of oversized coalitions through lowering autonomy losses could be only identified with regard to intra-horizontal interaction. Individual cantonal autonomy is traded against the stronger protection of the collective autonomy of cantons towards the centre which is by no means self-explanatory as experiences from federal systems with majoritarian sub-units show: In Canada, sub-state actors do not collaborate even if it weakens the sub-state level as a whole, not to speak of investments in strong intergovernmental bodies (Bolleyer 2006). And still, despite this moderating impact of intra-cantonal power-sharing in the Swiss polity, the costs of horizontal collaboration are very clearly perceived - in particular by smaller cantons that tend to view even the KdK suspiciously as prone to hegemonic tendencies.\textsuperscript{58}

What makes Swiss actors different from political actors in power-concentrating systems such as Canada is not that they are per se more cooperative. The autonomy losses and the electoral costs are low enough to nevertheless accept this reduction of individual autonomy in exchange for the protection of collective cantonal autonomy that they gain as a group. Consequently, cantonal officials regularly mentioned autonomy protection as a major driving force behind cantonal endeavours to engage in and strengthen horizontal IGAs, while being completely aware of the individual autonomy costs involved.\textsuperscript{59}

\textsuperscript{56} COOfficial X, September 28\textsuperscript{th} 2005.
\textsuperscript{57} FedGov CH II, June 28\textsuperscript{th} 2005; FedGov CH III, June 30\textsuperscript{th} 2005; IGA CH III, June 27\textsuperscript{th} 2005; IGA CH IV, June 28\textsuperscript{th} 2005; IGA CH VII, June 29\textsuperscript{th} 2005; IGA CH VIII, June 29\textsuperscript{th} 2005; COOfficial I, July 15\textsuperscript{th} 2005; COOfficial III, July 27\textsuperscript{th} 2005; COOfficial IV, August 8\textsuperscript{th} 2005; COOfficial V, August 28\textsuperscript{th} 2005.
\textsuperscript{58} COOfficial I, July 15\textsuperscript{th} 2005; COOfficial IV, August 8\textsuperscript{th} 2005; COOfficial V, August 26\textsuperscript{th} 2005.
\textsuperscript{59} FedGov CH I, June 26\textsuperscript{th} 2005; FedGov CH II, June 28\textsuperscript{th} 2005; IGA CH II, June 27\textsuperscript{th} 2005;
At the same time, in Switzerland the configuration of actors with 26 cantons and, on average, over 3.3 parties per cantonal executive, is very complex. Ad hoc coordination is difficult under these circumstances. We started out with the claim that to invest in the establishment and maintenance of IGAs is a rational strategy because they help to lower transaction-cos. This aspect has received virtually unanimous confirmation by cantonal as well as federal officials. Strong IGAs facilitate interaction because it is easier for the federal government to have one interaction partner instead of 26 and it is advantageous for the cantons to have one coherent voice to defend their interests. Thus, it is reasonable to invest in IGAs that facilitate the aggregation of shared positions. However, the mechanism needs to be refined depending on the types of IGAs under examination. Regarding DKs, it is less the complexity of the internal multi-party constellation than the number of units that demands the DKs’ organizational strength. In DKs only one representative, the director responsible for the policy field, participates. Logically, the organizational structure of DKs does not respond to the internal complexity of each canton but to their number. Only in those IGAs where each canton is represented by the whole government – as in regional IGAs – the inner cantonal complexity generates incentives to invest in IGAs’ as instruments to save transaction-cos.

Finally jumping from individual IGA to the system level, the complex interplay between strongly institutionalized bodies generate the need for inter-organizational coordination. Knowing that it will be the federal government which profits from inter-organizational divides, cantonal actors respond to this need embedded in a context in which political competition is hardly felt. Despite their fear of centralizing tendencies, the channels to the federal government are well-developed. This is facilitated by an environment free from electoral pressure and unaffected by rapidly changing interests, an environment in which IGR - as a cantonal official put it “lead a shadow existence” [translation by author].

VIII. Conclusion and Outlook

Starting with the empirical results, this paper presented a detailed analysis of the complex system of Swiss IGR assessing the single IGAs’ organizational
make-ups as well as their inter-organizational linkages. Despite the already rich literature on Swiss IGR, the systematic account of structural features and inter-organizational interaction patterns substantiated by in-depth interviews can add to existing works, in particular by capturing more recent developments in the Swiss intergovernmental arena.

In theoretical terms, the paper proposed an approach to account for the strength of intergovernmental arrangements referring to incentive structures generated by the political processes within the single government units. By doing so, it provided for a micro-foundation of intergovernmental processes in order to understand why and under which conditions power-sharing in one core arena of a political system is likely to facilitate power-sharing in another arena. To conceptualize and examine the ways how consociationalism affects intergovernmentalism contributes to research on IGR and on comparative consensus democracy. For both strands of research, the Swiss case has been of particular interest. Frequently, it has been treated as the power-sharing system ‘par excellence’ usually underpinned by a culturalist rationale (e.g. Steiner 1974). The given analysis looks at Swiss power-sharing processes from a rationalist angle and has attempted to demonstrate that intergovernmental actors’ readiness to invest in intergovernmental bodies and linkages is strongly linked to incentive structures within the single cantonal units.

Despite the rich literature on Swiss IGR, theoretically guided in-depth analyses are nevertheless rare. This is surprising since such analyses play a crucial role in the generation of middle-range comparative approaches which can be replicated in further case studies applying the same set of criteria (Lijphart 1971). Accordingly, the proposed framework has been applied to Canada, the United States and Spain (Bolleyer 2006, forthcoming). In a quite misleading manner, the scholarly literature often – implicitly or explicitly – associates rationalist theory with quantitative methods. As a consequence, the potential for qualitative and case-oriented research being used to examine and to substantiate deductively-derived hypotheses is easily overlooked. In fact, this combination of theory and method is fruitful in two ways: On the one hand, qualitative research gains validity, in particular since assumptions and criteria are made explicit and facilitate wider applications due to the constraining effect of deductive reasoning. On the other hand, the confrontation of abstract hypotheses with in-depths material allows assessing the formers’ limitations to a wider degree than large N-studies would allow. To find the right balance between generalization and specification will doubtlessly remain a continuous challenge for comparative politics (Sartori 1970). The interplay of abstract comparative frameworks with detailed in-depth analyses might be one useful strategy to face it.
References


Konkordanz und Intergouvernementale Beziehungen – Die Verknüpfung interner und externer Machtteilung im Schweizer Föderalismus


Consociationalisme et relations intergouvernementales. Rapports entre les mécanismes internes et externes du partage des pouvoirs dans le système politique suisse

Depuis plusieurs décennies, la recherche comparée considère le système politique suisse comme l’exemple typique de système favorisant le partage des pouvoirs, dans lequel le consociationalisme et la coopération intergouvernementale coexistent et se renforcent mutuellement. De manière surprenante, toutefois, les liens entre ces deux modes de partage des pouvoirs n’ont jusqu’à présent fait l’objet ni d’une conceptualisation théorique, ni d’une analyse empirique adéquates. Afin de mettre en évidence comment le partage interne des pouvoirs favorise la coopération intergouvernementale,
cet article propose une approche de choix rationnel, qui spécifie les différents mécanismes déterminant les choix des acteurs en faveur ou en défaveur d’arrangements intergouvernementaux (AIG) forts. Pour ne mentionner que deux mécanismes, il faut d’abord souligner que la composition multipartite des exécutifs cantonaux favorise leur stabilité interne et l’homogénéité idéologique qui existe entre eux. Dès lors, la stabilité de la structuration des intérêts, ajoutée à une faible divergence idéologique, facilite la mise en œuvre d’AIG fortement institutionnalisés. Ces mécanismes sont examinés sur un plan empirique, d’abord en analysant systématiquement l’organisation des relations intergouvernementales suisses, puis en identifiant les motivations des acteurs intergouvernementaux, au moyen d’interviews en profondeur. Les résultats indiquent que le partage des pouvoirs entre cantons facilite l’institutionnalisation des AIG, mais suggèrent également les limites des approches culturalistes du fédéralisme suisse. Ces approches, en présupposant que les acteurs suisses sont prédisposés à la coopération, omettent de considérer que ceux-ci se comportent de manière stratégique pour préserver leurs propres compétences et pour défendre leurs intérêts institutionnels, ce qui n’est pas sans conséquence pour le développement des organisations dans le domaine intergouvernemental.

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