

# Devometrics: How to Measure Decentralisation?

A Review of the Literature

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## Introduction

Political systems exercise their rule within a defined territory. Their territorial organisation shapes to a significant extent how they operate and perform. The quality of government, in turn, is a key factor affecting a range of economic, political, and social outcomes of great importance (e.g. Lijphart 1999; Rothstein 2011).

The territorial structure of government is usually conceptualised as a vertical system, with central government at the top, local government units at the bottom, and, in some systems, regional governments at the intermediate level. The system is conceptualised as being vertical because of the hierarchical nature of the relationship between tiers and the territorial extent of their rule. Thus, central governments rule over the entire country and are generally superior to regional governments, which often oversee local governments. The relationship between these tiers is thought of in terms of centralisation and decentralisation, whereby a system that concentrates power in the hands of the central government is considered centralised whereas a system in which power is dispersed to regional and/or local governments is seen as decentralised. A traditional distinction in political science and constitutional law is made between unitary, and therefore comparatively centralised, systems and federal, and hence comparatively decentralised, ones (e.g. Wheare 1946).

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The rise of the modern national state went hand in hand with a centralisation of power and the nationalisation of politics whereby central state institutions established their authority, and political behaviour became progressively shaped by country-wide actors and processes (e.g. Caramani 2004). Since World War II, however, the trend has reversed, and many unitary countries have undergone processes of decentralisation (e.g. Dardanelli 2019). The UK is a prominent example, where devolution to Scotland, Wales, and Northern Ireland has been described as “the most radical constitutional change this country has seen since the Great Reform Act of 1832” (Bogdanor 1999: 1). Decentralisation reforms have also been undertaken by low- and middle-income countries, and have been championed by donor organisations such as the World Bank as one of the key ways in which governments can facilitate economic growth and achieve increased accountability and efficiency (e.g. Rondinelli 1981; Treisman 2007). Over the same period, most of the traditional federal states have experienced a degree of centralisation, particularly in the legislative sphere (e.g. Dardanelli et al. 2019a,b).

These developments and their political saliency have renewed interest in establishing both the causes of these reforms as well as the economic, political, and social effects of different state structures (e.g. Lago-Peñas et al. 2011; Faguet and Pöschl 2015). Substantive findings, however, have often been inconclusive (e.g. Treisman 2007; Yeung 2009). While decentralisation is widely praised, some authors have found that centralisation is associated with superior economic, political, and social outcomes (e.g. Gerring et al. 2005; Rodríguez-Pose and Ezcurra 2010; Ezcurra and Rodríguez-Pose 2013).

An important reason for the difficulty in establishing clear substantive findings is the limitations of the decentralisation indices currently available. While significant advances have been made in this field, we still lack an integrated measure of decentralisation across all tiers of government and domains of operation. On the one hand, as discussed below, most indices of federalism and regional authority do not include the local level while those focussing on local government do not include higher tiers. On the other hand, those that do include several tiers of government confine themselves to a single domain of operation, typically that of fiscal flows. Likewise, the OECD Fiscal Decentralisation Database (Blöchliger 2013) only includes fiscal indicators.

The limitations of the existing measures are particularly keenly felt in the UK with its highly differentiated and asymmetrical system of territorial governance. This poses a significant obstacle both to researchers seeking to advance knowledge as well as to policy makers grappling with the question of how best to distribute powers and responsibilities to improve policy outcomes and revitalise democracy at all levels of the UK political system. Making

progress in the field of measurement is thus a crucial precondition to deepening our understanding of the nature, causes, and consequences of decentralisation.

## Conceptualisation: what is decentralisation?

Decentralisation is a term widely used both in everyday parlance and in scholarly use. Like most other terms employed in the social sciences, it has been conceptualised in many different ways. While this testifies to the appeal it holds across research communities, it has also made it difficult to reach a consensus on how to conceptualise and measure it, and to build cumulative knowledge as a result. In this section we review the literature and outline how decentralisation has been conceptualised in political science and cognate fields. In essence, decentralisation is an organisational concept. Hence, it is helpful to start with a conceptualisation from the field of organisation studies. Mintzberg (1979: 181-213) offered a classic analysis, approaching decentralisation as the distribution of decision-making power within an organization. He defined it in the following terms: “When all the power for decision making rests at a single point in the organization – ultimately in the hands of a single individual – we shall call the structure centralized; to the extent that the power is dispersed among many individuals, we shall call the structure decentralized” (ibid.: 181).

Moving to the political science/public administration, Meyer (1957: 56-64) distinguished between centralisation/decentralisation and concentration/deconcentration. He argued that centralisation/decentralisation is a political rather than an administrative concept and revolves around the notion of self-government. As such, decentralisation denotes the extent to which local government bodies, accountable to the citizens living in the area, are competent to take legal decisions binding on the local population. Changes in decentralisation occur when administrative power is transferred from the centre to local authorities. Concentration/deconcentration, by contrast, denotes the extent to which “competence within the administrative hierarchy has been delegated to a subordinate authority” (ibid.: 60).

Fesler (1968: 370) defined centralization and decentralisation as describing “a condition or a trend in an areal hierarchy of power”. This definition captures an important aspect of the conceptualisation of decentralisation: the fact that it can describe both a situation and a process, or, in other words, that it has both a static and a dynamic meaning. He drew a second important distinction between two perspectives (ibid.). The first contrasts administrative authority over a single large area – e.g. the entire state – to administrative authority over smaller segments or sub-segments of that area – e.g. regions or municipalities. The

perspective here is geographical. The other perspective is hierarchical, and focusses on “the distribution of authority among the levels” of the administrative apparatus.

Rondinelli (1981: 137-9) drew a distinction between different degrees of decentralisation, of which he suggests there are three: deconcentration, delegation, and devolution. Deconcentration, the weakest form of decentralisation, applies to the shifting of responsibilities from central government bodies located in the capital city to either field offices of those bodies or local government units acting as central government agents. Delegation is a medium-strength form of decentralisation whereby responsibilities are transferred to organisations that are only indirectly controlled by the delegating body, such as autonomous agencies or public corporations. The strongest form, devolution, refers to the transfer of responsibilities to organisations over which the central government has limited or no direct control. This is the case when power is devolved to regional and/or local governments, which are formally independent of central government. Rondinelli (ibid.: 139) argued that these degrees of decentralisation should be thought of as points on a continuum and that they are not mutually exclusive.

Smith (1985: 1) concurred that “In the study of politics decentralisation refers to the territorial distribution of power. It is concerned with the extent to which power and authority are dispersed through the geographical hierarchy of the state, and the institutions and processes through which such dispersal occurs” (ibid.). It can take two forms. The first, also referred to as devolution, is the creation of regional and/or local government units to which administrative and/or political powers may be transferred. The other form, also referred to as delegation more narrowly defined, is the creation of field units within the central government administration, to which certain administrative tasks are delegated (ibid.: 1-2, 8-12).

Wolman (1990: 29, emphasis in the original) agreed that “political centralization/decentralization refers to the concentration or dispersal of *political* decision-making, that is, the scope of discretion with respect to decisions regarding policy issues”. In terms of intergovernmental relations, political decentralisation “thus implies that subnational units of government have the discretion available to them to engage in effective (as opposed to illusory) decision-making regarding policies affecting their area” (ibid.: 30). He argued that the degree of decentralisation of political decision-making has four main dimensions: (1) the range and importance of functions performed by sub-central governments; (2) the autonomy granted to the latter by their legal status; (3) their capacity in terms of the proportion of public spending or of public employees; and (4) and their fiscal dependence on the centre (ibid.: 37-41).

Schneider (2003) conceptualised decentralisation as having three dimensions: fiscal, administrative, and political. He specifies the three dimensions as follows. Fiscal decentralisation refers to the percentage of total government revenues and expenditures accounted for by subnational governments. Administrative decentralisation pertains to local administrative autonomy vis-à-vis the central government, which can be gauged by the degree to which local governments have control over their revenues. Political decentralisation refers to the degree to which citizens' interests are represented in local and regional government institutions, which can be gauged by whether these institutions are elected or not (ibid.: 36-41). He measures decentralisation via confirmatory factor analysis, which yields factor coefficients for each indicator and factor scores for each dimension (ibid.: 42-8).

According to Rodden (2004: 482), "Decentralization is often viewed as a shift of authority towards local governments and away from central governments, with total government authority over society and economy imagined as fixed." He sees decentralisation as having three principal dimensions: fiscal, policy, and political. Although often approached as the proportion of total government revenues or expenditures accounted for by sub-central governments, fiscal decentralisation should be understood as the autonomy such governments have in raising revenues. Policy decentralisation refers to the degree to which regional and/or local governments are responsible for decision-making in a given policy area and whether their decisions can be overridden by the central government. Political decentralisation relates to whether regional and local governments are popularly elected as opposed to appointed by the central government (ibid.: 482-9).

Treisman (2007: 21-8) distinguished between administrative and political decentralisation. He saw the former as describing a situation in which policy implementation in at least one area of public policy is delegated to agents located in administrative sub-divisions of the country, who are appointed by and subordinate to the central government. He contrasted such a situation to one of political decentralisation, characterised by "assigning some decision-making authority to lower tiers in a way that is difficult to reverse or assigning residents of lower-level jurisdictions some rights to select lower-level officials, or both" (ibid.: 23). Political decentralisation can in turn be broken into three distinct forms. Decision-making decentralisation "exists if at least one subnational tier of government has exclusive authority to make decisions on at least one policy issue." (ibid.: 24). Appointment decentralisation relates to whether officials of a sub-central government are elected or appointed by the residents of that jurisdiction, unconstrained by higher-level governments. Constitutional decentralisation refers to "a system in which subnational governments or their representatives have formal rights to participate in central policy making" (ibid.: 25). He also acknowledged the existence of an additional dimension of decentralisation, fiscal decentralisation, which he

argues can be given two distinct meanings. The first meaning is sub-central governments' decision-making powers on matters of taxation and expenditure. The second meaning is sub-central governments' share of total government revenues or expenditures (ibid.: 25-6).

Falleti (2010: 34; emphasis in the original) defined decentralisation as “a *process*, as the *set of policies, electoral reforms, or constitutional reforms, that transfer responsibilities, resources, or authority from higher to lower levels of government*”. She conceptualised it as comprising three main dimensions: administrative, fiscal, and political. Administrative decentralisation entails the transfer of administration and delivery of social services such as education and health. Fiscal decentralisation refers to policies “designed to increase the revenues or fiscal *authority* of subnational governments” (ibid.: 37). Political decentralisation refers to policies “designed to devolve political authority to subnational actors” (ibid.: 38). She focussed on the sequence through which different forms of decentralisation are enacted, arguing that in some cases decentralisation may reduce, rather than increase, the autonomy of sub-central governments (ibid.: 36). She also conceptualised the intergovernmental balance of power, understood as the relative power of sub-national governments vis-à-vis central governments (ibid.: 60-4). She conceived such power as consisting of three main dimensions: economic resources, legal authority, and organizational capacities. These are operationalised via six indicators: (a) the subnational share of revenues; (b) the subnational share of expenditures; (c) “the degree of autonomy of subnational officials to design, evaluate, and decide issues concerning a specific policy area” (ibid.: 62); (d) whether subnational officials are elected or appointed; (e) the degree to which subnational units are over-represented in the central legislature; and (f) the number of subnational associations (ibid.: 61-2). She measured the intergovernmental balance of power in four countries before and after decentralisation by ranking them across these six indicators on a 1-4 scale (ibid.: 64-9).

Decentralisation has also featured prominently in public economics, but there has been less effort devoted to conceptualising it across its different dimensions. The focus has been on its fiscal dimension, generally understood as the proportion of total government revenues and/or expenditures accounted for by regional and local governments (e.g. Oates 1972: 202-13; Pommerehne 1977; Panizza 1999; Cerniglia 2003; Martinez-Vazquez and Timofeev 2010; Blume and Voigt 2011; Goel et al. 2017). Over the last decade or so, however, there have also been attempts at gauging the genuine autonomy sub-central governments enjoy in the fiscal sphere (e.g. Stegarescu 2005; Blöchliger 2013), on the ground that, as Rodden (2004: 482-6), among others, pointed out, the percentage of sub-central revenues or expenditures is not a valid measure of decentralisation. This focus on autonomy brings the public economics' understanding of decentralisation closer to the way the notion has been conceptualised in political science.

Despite the variety of approaches adopted, there appears to be a broad consensus on four aspects (see also Dardanelli, forthcoming). First, decentralisation is about the distribution of power within an organisation, specifically as regards the autonomy that certain units have vis-à-vis others. The concept of autonomy is thus central to understanding and analysing decentralization. Second, in the realm of politics decentralisation primarily concerns the distribution of powers between tiers of government operating at different hierarchical levels and territorial extensions, i.e. the degree of autonomy local and regional governments have vis-à-vis the central government. Third, such distribution has three main dimensions: institutional, policy, and fiscal. The institutional dimension refers to the degree to which the institutions running a unit of regional or local government are autonomous vis-à-vis higher tiers. For regional governments, this is central government. For local governments, these may be central and/or regional governments. The policy dimension refers to the degree of control sub-central governments have over policies enacted within their territory. The fiscal dimension refers to their autonomy in raising revenue to finance their institutions and the policies these enact. Lastly, that decentralisation can be approached from both a static and a dynamic perspective, i.e. both as the distribution of powers at a given point in time and as changes in that distribution over time.

## Classification: qualitative typologies

Qualitative typologies focussed on the regional tier of government have classified state structures in a variety of ways. Rokkan and Urwin (1983: 181) distinguished between four categories: unitary state, union state, mechanical federalism, and organic federalism. They defined a unitary state as “built up around one unambiguous centre ... [and] pursuing an undeviating policy of administrative standardization” (ibid.) A union state, by contrast, “does not enjoy direct political control everywhere ... While administrative standardization prevails over most of the territory, the union structure entails the survival in some areas of variation based upon pre-union rights and infrastructures” (ibid.). Mechanical and organic federalism differ in that the former is “introduced from above by constitutional means” whereas the latter “is constructed from below, the result of voluntary association by distinctive territorial structures” (ibid.). On that basis, the UK, as well as the Netherlands, are classified as union states whereas France is categorised as a unitary state. West Germany and Austria, as mechanical federations, are contrasted to Switzerland, seen as an example of an organic federation (ibid.: 182).

Elazar (1987: 44-51) put the UK and the Netherlands in different categories, classifying the former as a ‘legislative union’ and the latter as a ‘constitutionally decentralised unitary system’.

The differences between the two categories are described as follows: a legislative union is a “compound polity in which the constituent units find their primary constitutional expression through common institutions rather than through their own separateness” whereas decentralised unitary states “constitutionally guarantee their local governments considerable autonomy in some areas” (ibid.: 48-9). Keating (1998: 115) considered the UK and Portugal as examples of functional regionalism, France as a case of weak regionalism and Spain as one of strong regionalism but did not specify the boundaries between these categories. Lijphart (1999: 188-9) distinguished between unitary and centralised and unitary and decentralised states, placing both the UK and France in the first category and Japan, for instance, in the second one. Swenden (2006: 11-8), by contrast, categorised the UK and Spain as regionalised states whereas France and Italy are labelled unitary decentralised systems, the difference between the two being that regions in the latter have “fewer legislative, administrative and/or fiscal powers” (ibid.: 15). Following Elazar, Watts (2008: 8-18) distinguished between decentralised unions and federations, and defines them as follows: decentralised unions are “Polities compounded in such a way that the constituent units preserve their respective integrities primarily or exclusively through the common organs of the general government rather than through dual government structures” whereas federations are “Compound polities, combining strong constituent units and a strong general government, each possessing powers delegated to it by the people through a constitution” (ibid.: 10).

Alongside the typologies reviewed above, which seek to categorise different types of state structure primarily around the classic unitary/federal distinction and have thus focussed on the nature – if present – of the regional tier of government, several typologies of local government systems have also been developed.

A pioneering effort was made by Humes and Martin (1961: esp. 189-91). They identified eight groups of local government system based on geographical location and cultural tradition. The UK was placed in the Anglo-Saxon group, whose most distinctive characteristic was said to be government by committees as opposed to an executive organ (ibid.: 192-4).

Covering seven unitary states in Western Europe, Page and Goldsmith (1987a: 3) identified three main dimensions of variation: the range of functions local governments are responsible for, the discretion they enjoy in exercising those responsibilities, and the degree of access local politicians have to decision-making at the central level. On that basis, they distinguish two broad types, a ‘northern’ and a ‘southern’ system. In the northern system, local governments have a broader range of function, their discretion tends to be limited by statutory rather than administrative regulation, and enjoy limited access to the centre. The latter is a mirror image of the former, characterised by a more limited range of functions, administrative

rather than statutory regulation, and higher access to the centre (Page and Goldsmith 1987b: 161-2). In this scheme, the UK is categorised as a northern system whereas France falls into the southern category.

Bennett (1989: 11-5; 1993: 36-42) proposed a three-category typology: the Napoleonic or fused system, the Anglo-Saxon or dual system, and the Scandinavian or split hierarchy system. In the first type, the deconcentrated units of central government administration and representative local governments are fused through the roles of the prefect and the mayor. In the dual system deconcentrated units are separate from representative local governments, as symbolised by the absence of a prefect-style official, and local governments are run by council committees rather than clearly-identifiable chief executives. The Scandinavian system combines elements of both, in displaying fusion at the upper tier level but separation at the municipal level. He considered France, the UK, and Sweden as classic examples, respectively, of the three types and classifies Germany as a fused system.

Norton (1991: 22-4; 1994: 13-4) adopted a broadly similar categorisation, distinguishing between a British system, a Southern European or French-inspired one, and a Northern European one, although he argued that the German system displayed elements of the latter two types, hence does not easily fit into either. Among the key features differentiating the three groups are (1) possession of powers of general competence, present in both continental European systems but not in the British one; (2) the nature of control over local policy, which is localised in the British system but interlocked in the other two; and (3) the role played by regional governments, which are present in the Southern European system but not in the other two.

Hesse and Sharpe (1991: 605-8) also identified three types: Anglo-Saxon, Napoleonic, and Northern European, with the UK falling into the Anglo-Saxon category, France into the Napoleonic one, and Germany into the Northern category. The main difference between the Anglo-Saxon and the Northern European type is that in the former local government can only exercise powers expressly granted to them whereas in the latter they typically possess a general competence power.

Denters and Rose (2005: 9-11) followed in the footsteps of the authors cited above in also adopting a three-category typology consisting of an Anglo type, a Middle European type, and Southern European type. Like Hesse and Sharpe but unlike Bennett, they grouped Germany with the Scandinavian countries rather than with France, whereas the latter and the UK are placed, not surprisingly in the Southern European and the Anglo group, respectively.

In the most extensive classification scheme to date, Sellers et al. (2020: esp. 21-47) conceptualised two principal dimensions of variation: (1) the degree of vertical integration between local government and the central state institutions, and (2) the degree of citizen participation and incorporation in local government. On that basis, they identified three main types of local government system: nationalised, civic localist, and local elitist. In the nationalised type, both vertical integration and citizen participation are high, whereas the civic localist model displays high participation and low integration and the local elitist one scores low on both dimensions. Although a fourth type, dubbed elitist, is conceptually possible, they argue is not empirically represented among developed democracies. Although based on a different conceptualisation of the underlying dimensions, the empirical classification of cases under these categories overlaps to a degree with those under the earlier typologies reviewed above, especially Bennett's. Thus the countries Bennett classified as Anglo-Saxon, such as the UK, fall into the civic localist type whereas those labelled Napoleonic, such as France and Germany, find themselves in the local elitist group, and the Scandinavian countries cluster together in the nationalised group. Sellers et al. (2020: 89), however, acknowledge that some countries fit the conceptual categories to which they are assigned better than others, hence they distinguish between 'core' and 'hybrid' countries within each cluster. This is the case notably of the UK, which is considered hybrid within the civic localist systems principally on account of featuring stronger supervision of local government by higher tiers.

## Measurement: quantitative indices

The first attempts at the quantitative measurement of decentralisation used the proportion of total government expenditures or revenues accounted for by central government.

Pommerehne (1977: 311) found a 58 per cent proportion of central government expenditure for the UK in 1971, compared to 77 per cent for France and 38 per cent for West Germany. Adjusting for defence expenditure, Krane (1988: 61) found a similar pattern with a UK ratio of 0.56 against 0.71 for France and 0.33 for West Germany in 1975. He also found a curvilinear historical trend whereby the UK ratio grew from 0.44 in 1895 to a peak of 0.73 in 1945 but subsequently declined.

Later several authors have sought to develop quantitative measures of decentralisation able to capture aspects that fiscal indicators alone are unable to. Lane and Ersson (1999: 186-7) developed an institutional autonomy index made up of four components: federalism, special territorial autonomy, functional autonomy, and local government discretion. On an aggregate

scale ranging from 0-10, the UK scored 1 compared to 2 for France and 4 for Germany. Arzaghi and Henderson (2005: 1187-8) employed a federalism index as an average of six indicators: (1) official designation of a country as federal or unitary; (2) and (3) whether regional and local executives are elected; (4) whether central government can suspend lower levels of government or override their decisions; (5) the degree of revenue raising authority of lower levels of government; (6) revenue sharing. On this index, the UK, as well as France, scored 2.66 whereas Germany scored 3.11. Brancati (2006: 667-8) constructed a decentralisation index ranging from 0-4 based on whether regional legislatures are elected, and whether they have control over taxation, education, and policing. The UK scores 4 against 3 for Germany and 1 for France.

Hooghe et al. (2016) conceptualised decentralisation as being based on two principal dimensions: self rule and shared rule. "*Self-rule* is the authority that a subnational government exercises in its own territory. *Shared rule* is the authority that a subnational government co-exercises in the country as a whole" (ibid., 23; emphasis in the original). The first dimension is broken down into five sub-dimensions: institutional depth, policy scope, fiscal autonomy, borrowing autonomy, and representation. Institutional depth concerns the extent to which a regional government is autonomous rather than deconcentrated. It includes whether it is subject to central government veto. Policy scope refers to the range of policies for which a regional government is responsible, with a distinction drawn between "very weak authoritative competences" and "authoritative competences". Fiscal autonomy consists of the extent to which a regional government can independently tax its population. Borrowing autonomy is the extent to which a regional government can borrow with or without authorization from the central government and with or without restrictions. Lastly, representation pertains to the extent to which a region has an independent legislature and executive, in terms of being directly or indirectly elected as opposed to appointed by the central government.

Shared rule is broken down into the regions' involvement at the central level in law making, executive control, fiscal control, borrowing control, and constitutional reform. Law-making shared rule is the extent to which regional representatives co-determine national legislation through representation in the national legislature. Shared rule in executive control refers to the extent to which a regional government co-determines national policy in intergovernmental meetings. A distinction is drawn between routine and non-routine meetings and legally binding or non-legally binding decisions. Fiscal control shared rule is the extent to which regional representatives co-determine the distribution of national tax revenues. This is based on whether regional governments negotiate with the central government over the distribution of tax revenues or not and whether they have a veto or not. In a similar way, borrowing control shared rule refers to the extent to which regional governments co-determine subnational and

national borrowing constraints. The key criteria are whether regional governments are consulted over borrowing constraints and whether they have a veto or not. Lastly, shared rule in the field of constitutional reform is the extent to which regional representatives co-determine constitutional change, i.e. whether regional governments are involved in constitutional reforms or not and whether they have a veto or not.

Hooghe et al. (2016: 106-7) measured each indicator on scales ranging from 0-2 to 0-4 and add them to produce a self-rule score and a shared-rule score for each region or regional tier. The former ranges from 0-18 and the latter from 0-12, the sum of which gives an overall authority score ranging from 0-30. Country scores are obtained by adding the scores of each tier, weighted by their population, so that the more tiers present in a country, the higher the country score. On this basis, the total RAI score for the UK in 2010 was 11.2, compared to 20 for France and 37 for Germany.

Dardanelli et al. (2019a: 7-10) analysed de/centralisation – which they prefer to decentralisation – in continuously-democratic federal states. They first distinguished between static and dynamic de/centralization. Static de/centralisation is the distribution of powers between the central and constituent governments of a federation at any given time. Dynamic de/centralisation is the change in the distribution over time, towards either centralisation or decentralisation. From the perspective of each constituent unit, such distribution of powers is characterized by the autonomy it has to take binding decisions vis-à-vis the federal government and other constituent units. They conceptualised constituent unit autonomy as having three first-level dimensions: institutional, policy, and fiscal. Because they assumed the institutional dimension not to change significantly over time in continuously-democratic federations, they focussed on policy and fiscal autonomy. In the policy sphere, they distinguished between legislative and administrative autonomy. Legislative autonomy refers to a constituent unit's control of primary legislative powers in a policy field. Administrative autonomy concerns the degree to which policies affecting the population of a unit are administered by the government of that unit rather than by agents of the central government. Fiscal autonomy relates to its ability to obtain financial resources through its own tax and borrowing powers, and to allocate such resources as it pleases.

They assessed legislative and administrative autonomy in 22 main areas of public policy, ranging from agriculture to transport. Fiscal autonomy is broken down into five categories: own-source revenues, restrictions on own-source revenues, proportion of conditional grants, degree of conditionality, and borrowing autonomy. The first category is the proportion of own-source revenues out of a constituent unit's total revenues. The second category refers to the restrictions constituent units face in raising own-source revenues, such as in exploiting a given

tax base or in the rate a particular base is taxed. The third and fourth categories pertain to the degree to which a constituent unit is financed through conditional grants from the central government and how strict the conditionality of such grants is. The last category relates to the freedom a constituent unit has in raising revenue through borrowing.

Dardanelli et al. (2019a: 7-10; 2019b: 5) measured static legislative and administrative de/centralisation in each policy field and static de/centralisation in each fiscal category on the basis of 0-7 scales. Aggregate legislative and administrative de/centralisation scores are then obtained by calculating the arithmetic mean across policy fields. In each policy field and in aggregate, they also calculate the deviation between the legislative and the administrative scores, which they conceive as a measure of the duality of a federation. In the fiscal dimension, three aggregate scores are obtained by averaging the scores for each category.

In the first quantitative assessment of local government systems, Sellers and Lidström (2007: esp. 616-20) developed two indices, of local government capacity and of the supervision imposed on local government. Each of them is broken down into a political-administrative dimension and fiscal dimension. Capacity in the political-administrative sphere is measured on the basis of following variables: constitutional protection of local autonomy, corporate representation of local government in central decision-making, and local government employment as a percentage of public employment. Fiscal capacity is measured as the proportion of public expenditure and taxation accounted for by local government. Political-administrative supervision is assessed through the following indicators: the presence of centrally-appointed supervisory official such as a prefect, whether the local executive is appointed by a higher level of government, whether local government is free to choose its own institutional set up, and whether local government employees are part of a national civil service body. Supervision in the fiscal sphere is calculated on the basis of the proportion of grants out of total local revenues, the degree of local tax autonomy, and the degree of supervision of local borrowing. On a 0-2 scale, the UK scored 0.82 for political-administrative capacity and 0.90 for political-administrative capacity, versus 0.72 and 1.50, respectively, for France and 1.33 and 1.41 for Germany. In the fiscal sphere, the UK scored 0.65 for capacity and 1.55 for supervision, against 0.42 and 1.01 for France, and 0.52 and 1.06 for Germany.

Ladner et al. (2019: esp. 221-2) developed an index of local government autonomy based on a weighted average of seven dimensions: political discretion (the formal powers local governments have and the actual discretion they enjoy in exercising them), financial autonomy (the degree of self-sufficiency in revenue raising and borrowing), non-interference (freedom from supervision by higher levels of government), policy scope (the range of policy

responsibilities), legal autonomy (their legal status and safeguards protecting it), organisational autonomy (their freedom to decide their own institutional set up), and access (their degree of influence in decision-making at higher levels of government). On a standardised index scale ranging from 0-100, the UK had a mean score of 45.7 for the period 2010-14, compared to 66.8 for France and 73.6 for Germany (ibid.: 240-1).

## Integrated quantitative and qualitative approaches

Some authors have sought to integrate the two approaches, developing quantitative indicators of decentralisation and using them to classify cases into qualitative categories.

Keman (2000: esp. 205) classified countries as federal or unitary on the basis of their score on an index of four variables: sub-central autonomy vis-à-vis the central government, the balance of power between the legislature and the executive, power-sharing among institutions, and constitutional safeguards for sub-central governments. Higher scores indicate more federalism and lower scores more unitary. On this index, the UK and France are classified as unitary systems, with scores of -1 and -1.23 respectively, whereas Germany falls squarely in the federal camp with a score of 1.56.

Seeking to ground an integrated qualitative/quantitative approach on an explicit conceptualisation of the dimensionality of de/centralisation, Dardanelli (2019) argued that both the unitary/federal distinction and de/centralisation are rooted in the same underlying concept of autonomy vis-à-vis the central government. Federalism is best understood as a particular form of de/centralisation, marked by differences of *kind*, rather than merely of *degree*, with unitary states. He conceives of de/centralisation as having three main dimensions – institutional, policy, and fiscal autonomy – and proposes a scheme for measuring autonomy in each dimension, which includes qualitative thresholds dividing ‘weak’ and ‘strong’ forms of autonomy. In the policy sphere, for instance, the distinction between weak and strong autonomy is intended to capture the difference between administrative competences and primary law-making powers in a given field. On that basis, he derives typologies of static and dynamic de/centralisation, the latter distinguishing between ‘weak’ and ‘strong’ state restructuring. Institutional, policy, and fiscal autonomy are measured on 0-3, 0-7 and 0-4 scales, respectively, which are then added to produce an aggregate scale ranging from 0-14, with 8 being a qualitative threshold between unitary and federal forms of state (ibid.: 285-6). This method yields different scores for 2010 for England, Scotland, Wales, and Northern Ireland of, respectively, 6.5, 11.5, 9 and 11, compared to 6 for France and 10.5 for Germany.

Like the review of conceptualisations conducted above, the review of classifications and measures presented in this section lays bare the diversity of approaches and methodologies in the literature. We can identify, nonetheless, some important pointers for further research. The first, and arguably most important, point is that typologies and indices focussed on regional and local governments, respectively, have largely developed independently of each other. The two foci thus need to be brought together if we are to gain a fuller picture of decentralisation in a country. Second, the need to take into account asymmetries across units, both between and within tiers of government, so as to be able to capture in a more nuanced way how decentralisation can potentially vary within the same political system. Third, the need to distinguish between different policies, and between legislation and implementation within each of them, for the degree of discretion regional and local governments enjoy often differs considerably across policies and typically depends on how restrictive legislation is. Lastly, the importance also to assess the linkages between fiscal and policy autonomy, specifically the degree to which fiscal arrangements de facto constrain policy autonomy.

## Decentralisation in the UK

As seen above, the British system of territorial government has been categorised in very different ways. While many classified it as a unitary state, others go as far as considering it a de facto federal state. Rarely have the 'macro' asymmetry between England, on one side, and Scotland, Wales, and Northern Ireland, on the other, and the 'micro' asymmetries within England attracted the attention they deserve.

There is greater consensus in the way the British system of local government has been categorised, with most scholars seeing it as belonging to a distinct type, the so-called Anglo or Anglo-Saxon type, of which it is regarded to be the originator. The system has, however, undergone significant change over time, to the point that some authors consider it to have become a hybrid member of such a conceptual category. A central theme in the evolution of the British system of local government has been the nature of the relations between it and central government, in other words one of centralisation and decentralisation.

The UK used to be widely admired in the 19<sup>th</sup> century for the freedom it granted to localities to govern themselves. This principle of local self-government was contrasted for instance with the tight hierarchical control prevailing in France and other continental countries (e.g. De Ferron 1884: 424; Norton 1994: 11). The prevailing pattern of relations between central and local governments has been described as a dual polity, whereby the former occupied itself

with matters of 'high politics', leaving local authorities free to govern themselves in matters of 'low politics' (e.g. Bulpitt [1983] 2008; Goldsmith and Page 1987: 68-9; Chandler 2007: 4).

One hundred and fifty years or so later, however, the UK, and England in particular, is often described as one of the most centralised countries in the world (e.g. Wilson and Game 2011: 166; Crewe 2016). As seen above, such an assessment is often borne out by the scores the UK receives in the existing indices of decentralisation. In other words the country has gone from being characterised as a highly decentralised system to being considered a highly centralised one.

Not surprisingly, such a momentous change has been intensely discussed in the literature, with the debate going back to the first half of the 19<sup>th</sup> century (e.g. Austin 1847; Smith 1851). Recent contributions to the debate have emphasised how the original dual polity model started to change in the first two decades of the 20<sup>th</sup> century, was further undermined by the development of the welfare state post-World War II, and has undergone increasingly profound change from 1979 onwards (e.g., among others, Stoker 2004; Chandler 2007; Wilson and Game 2011; John 2014; Copus et al. 2017; Leach et al. 2018; Barnett et al. 2021)

While centralisation is a central theme in the accounts of the evolution of central-local relations in the UK, since the 1970s and especially since the 1990s there has been a growing debate on devolution. The establishment of a parliament for Scotland and an assembly (now parliament too) for Wales, together with the restoration of a Northern Ireland legislature at the end of the 20<sup>th</sup> century has brought about a fundamental change in the way the UK is governed (e.g. Bogdanor 1999; Mitchell 2009; Eiser 2020). In this century, the debate on devolution has increasingly focussed on England and has highlighted the variety of ways it has taken and the challenges it faces (e.g. Ayres et al. 2018; Sandford 2017; 2020; Warner et al. 2021). One aspect recent contributions have highlighted is that the opacity of the funding arrangements both for the devolved governments in Scotland, Wales and Northern Ireland and for local governments in England make it difficult to identify policy responsibilities and thus undermine the potential benefits to be derived from devolution (e.g. Eiser 2020; Barnett et al. 2021; Warner et al. 2021).

The existing typologies and indices do not satisfactorily capture the diversity and nuances of the UK's system of territorial governance. To make advances in this endeavour we need to develop measures that satisfy five key requirements highlighted by this review. First, the need to include both local, lower and upper tiers where present, and regional governments. Second, the need to differentiate between units within the same tier, as for example between (lower-tier) districts across the four parts of the UK. Third, the importance of distinguishing between legislation and administration and aiming to measure as accurately as possible their relative

weight in shaping policy outcomes. Fourth, the importance of assess legislative and administrative control in individual policy areas, so as to capture variation across them. Last, but not least, the need to capture the de facto relations between tiers of governments, as distinct from the de jure formal rules supposed to govern them.

## Conclusions

As Fesler (1965: 537) observed more than 50 years ago, “Power is a complex phenomenon and its distribution difficult to measure.” The preceding review has proved the validity of this observation, showing that while much progress has been made over the last few decades we still lack a satisfactory measure of decentralisation. The inability of the existing measures fully to capture the complexities of the UK system illustrates the point.

The literature we have reviewed nonetheless offers valuable pointers for new research along the lines set out above. Developing new measures of decentralisation would help better map how power is distributed in the UK and facilitate international comparisons. This would in turn enable more accurate analyses of how different degrees and forms of decentralisation are connected to important policy outcomes.

Given the long-standing prominence of the question of decentralisation in the UK the country thus offers an ideal setting for the development of new ways of measuring decentralisation.

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