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CONFERENCE

on “Democracy and decentralisation -
Strengthening democratic institutions through participation”

St Gallen, Switzerland, 3-4 May 2010

12 PRINCIPLES ON DEMOCRACY AND DECENTRALISATION

by Mr Paul WIDMER
Ambassador, Permanent Representative of Switzerland
to the Council of Europe



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Committee of Ministers
Comité des Ministres

12 principles on democracy and decentralisation
by **Ambassador Paul Widmer**
Permanent Representative of Switzerland to the Council of Europe

Conference *Democracy and Decentralisation* St. Gallen, 3-4 May 2010

Every democracy has to find a compromise between centralisation and de-centralisation. No state can do without centralising elements or without de-centralising elements, but weightings may differ. Below are 12 theses emphasising the benefits of de-centralisation which have been discussed in St.Gallen.

1. Democracy is the form of government most suited to politically responsible citizens. It enables them to play an active part in public life and help shape it.
2. In the context of a national constitution, federalism and decentralisation create the necessary conditions for the optimum exercise of these rights. The greater the devolution of power, the greater the say citizens have in deciding about matters which affect them directly.
3. Any centralisation of power should be based on the principle of subsidiarity. Non-centralisation should be the general rule and grounds must be given for transfers of power to central authorities. Only those functions which cannot be performed properly at local or regional level should be centralised.
4. Federal states must be built from the bottom up, decentralised states do not have to be. Local self-government and regional democracy are the cornerstones of such states.
5. All decisions should take account of citizens' concerns and be taken close to them. There should be as close a relationship as possible between those who take decisions and those who have to bear their consequences.
6. A strong democracy in a decentralised state builds not only on a constitution but also on an living political culture. It involves the civil society in its policymaking.
7. The right to initiate citizens' initiatives and referendums gives citizens political influence and thereby reduces disenchantment with politics. In addition, it increases the accountability and transparency of the authorities, hence also fostering good governance.
8. Local and regional authorities must have their own fiscal powers. Tax competition between different local authorities and regions can have a positive impact on fiscal requirements. Structurally disadvantaged areas should receive compensation in the form of transfer payments based on solidarity.
9. If central government tasks are delegated to the local or regional level, the relevant authorities should also receive the financial resources required to perform them.
10. Democratic co-determination by citizens in financial matters can foster financial discipline. As both taxpayers and beneficiaries, citizens are usually interested in public funds being used thriftily.
11. Decentralisation is one of the most effective means of strengthening the identity of national minorities who are concentrated in particular local areas or regions. It offers them the possibility to shape their own environment and also to take part in the life of the state as a whole.
12. Globalisation increases the need for local and regional democracy as a compensatory mechanism. The more people feel they are at the mercy of major international trends, the more important citizen participation and local opportunities for influencing politics become.

