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Advocating for the Law of Subsidiarity

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Introduction

The principle of subsidiarity is a Catholic principle of social thought, which states, “nothing should be done by a larger and more complex organization which can be done as well by a smaller and simpler organization. In other words, any activity which can be performed by a more decentralized entity should be.”¹ Decentralization and alloting simpler and smaller organizations to do the major lifting in federal and local government will help this nation reach unprecedented levels of economic success. Economic success in this sense denotes that localities will be able to sustain themselves without monetary aid from the federal government and thus stripping away the stipulations that come with such aid, paving the way for local financial sovereignty. The question then is this: does the principle of subsidiarity, when applied to government, provide measurable gain for the parties involved? Accurate examination of many of the relevant day-to-day processes of local, state, and federal government affairs both inside and outside the United States will prove the validity of this project. If a relevant and reputable example of the principle of subsidiarity does not exist for a specific level of governance, a projection will be made to fill potential voids. These hypotheticals are valuable placeholders in research, especially when their foundations are built on statistical data and analysis. One must first comprehend in detail what exactly subsidiarity is to fully grasp if it is truly successful in providing lasting economic success.

Subsidiarity: What Is It?

The principle of subsidiarity is a Catholic political principle of decentralization. But, more important, it is a principle which advertises economic prosperity and freedom to those who no longer want to rely on federal funding to fuel their communities. There are many arenas in which the implementation of subsidiarity can be used, such as business, government services, etc. For the sake of this hypothesis, however, the definition of subsidiarity will be political. “The ‘principle of subsidiarity’ regulates authority within a political order, directing that powers or tasks should rest with the lower-level sub-units of that order unless allocating them to a higher-level central unit would ensure higher comparative efficiency or effectiveness in achieving them.”² An example would be as follows: in a hypothetical dilemma, assume that there are poor and starving homeless people on the streets who need medical attention. Instead of setting up a federal legislative allocated fund for these individuals and families who need medical attention, the local churches and businesses get involved and give out-of-pocket to those in need. The application of the principle of subsidiarity could ensure that this process would go unhindered by centralization and the federal process. It would discourage those looking to make power moves and take advantage of the situation for political gain. This is the principle of subsidiarity in practice, and there are nations which abide by this as valid law.

The EU and Subsidiarity

Almost two decades ago, the European Union (EU) legislatively adopted the principality of subsidiarity. This was a result of the 1992 Treaty of Maastricht, made to hold the Union accountable to its citizens when organizing and passing legislation that had direct and immediate impacts on their lives. “The principle of subsidiarity has increasingly guided EU legislative

activity. It is at the origin of all EU legislative activity and is among the essential ruling principles of the Union’s organization. The Treaty of Maastricht introduced the principle of subsidiarity into the European community as a general principle applicable to all areas of non-exclusive competence.3

In Article Five of The Treaty of Maastricht, the citizens are empowered to take limited action to ensure the implementation of subsidiarity in their communities, stating “In areas which do not fall within its exclusive competence, the Community shall take action, in accordance with the principle of subsidiarity, only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community.”4 There are obligations placed on all the institutions within the EU, they have to follow a specific protocol in their daily operations. The protocol requires all EU institutions to comply with the subsidiarity principle. “The primary responsibility lies with the Commission, which is required to substantiate its legislative proposals having regard to the principle of subsidiarity. Throughout the legislative process, the European Parliament and the Council are also obliged to comply with this principle, especially in the amendments they present to the original proposal.”5 However, the principle of subsidiarity in the EU does not stand alone, but is actually coupled with the principle of proportionality.

The principle of proportionality in reference to the governing system adopted by the European Union “seeks to set actions taken by EU institutions within specified bounds. Under this rule, the action of the EU must be limited to what is necessary to achieve the objectives of the Treaties. In other words, the content and form of the action must be in keeping with the aim pursued.”6 This has an impact on the study because the European Union does not solely follow the principle of subsidiarity when creating their policies but also requires the principle of proportionality in order for things to be accomplished. In the same vein of thought, the question arises as to why this second principle is required.

**Interpretations of Subsidiarity**

The reason why there needs to be a partnership between the principles of subsidiarity and proportionality is due to the fact that when the EU implemented the principle of subsidiarity into its legislative process, there was little to no accountability. The Treaty of Maastricht’s implementation “failed to yield the expected results. The Laeken Declaration of December 2001 clearly drew attention to the Union's shortcomings in this matter, making compliance with the subsidiarity principle and better allocation of powers within the European Union a priority in the reform process”7.

The Laeken Declaration proclaimed that Europe was at a pivotal crossroad. The European Union had established itself as a lasting union and was looking to expand its capacity. It spoke to the rigidity of businesses and government within the union, including remedies for those issues. The most important point however was the European Union’s mission of globalization. The Laeken Declaration called out the past failures of Europe and insisted that if globalization were to

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4 Ibid
5 Ibid.
be possible without conflict, each Member State would have to be responsible for itself while answering to the higher power of the European Union. Thus, where subsidiarity originated in the discussion on how to govern properly over such a vast domain. With the reapportionment movement in full swing, the Union was able to reassess and “apply proper procedure” necessary to adhere to these principles. However, there are several interpretations of subsidiarity that could potentially make it difficult to make the principle a permanent part of legislature.

If a lawmaking body does not specify which interpretation they use, the law or policy they construct could mean something entirely different than their intent and, in turn, affect the application and outcome of such legislation. It is imperative that there be a clear and solid definition of which translations of subsidiarity are incorporated into legislative functionality.

Furthermore, three interpretations of subsidiarity can be deduced from the Treaty of Maastricht. “One is that the central unit must satisfy a condition of effectiveness. A second condition that it must often satisfy is one of necessity. Finally, the principle of subsidiarity can take either negative or positive forms, either proscribing or requiring central action.” However, it is better that its definition be changed into a hybrid of all three. Subsidiarity should be foundationally built upon a unit of effectiveness, a unit of necessity, while using discernment to request negative or positive forms of the principle by proscribing or requiring central action. This perspective would translate best into the capitalist free market economy in the United States.

**Research Methods**

Due to the fact that this principle has never been implemented into American society, there is no quantitative or qualitative data readily available to either prove or disprove the effectiveness of adopting subsidiarity. For proper and accurate numbers and personal testaments, there would need to be a documented test run in the United States of applying this principle into local or state governments. However, the principle has been applied the United States’ northern neighbor nation of Canada. Some may even argue it is a foundational principle of Canada and a major reason why the nation has grown to be as prominent on the world stage as it is. “The Canadian State emerged in 1867 from the wish expressed by four British colonies in North America to unite within a federative government framework… As is the case within all federative states, legislative powers were distributed on the basis of a distinction between matters of common interest and matters of so-called local interest, reflecting, at least in part, the principle of subsidiarity.”

Canada and America share westernized ideologies such as the freedom of speech and religion, however they are separate entities. Just because an applied political principle thrives in one nation does not necessarily mean that it will be as successful in the other. The United States is as different from Canada as it is similar and for the success of subsidiarity there would need to be a slow incorporation of the principle ideally in the local and state levels of governance. For example, there are many who run for public office upon the completion of their academic careers. In this hypothetical say a locale’s city council is holding elections and a promising up-and-comer with a mind for subsidiarity receives enough backing to suggest attempting to work with local businesses, churches, and organizations to solve problems otherwise delegated to higher authority. This seems like a worthy principle to pursue and will potentially lead to a working model to collect qualitative

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and quantitative data for those interested in subsidiarity, the tenth amendment, and decentralization.

**Smaller Institutions and Evidence for Needed Change**

The local level of governance is the base-level earmark for this hypothesis. It is what the principle of subsidiarity is advocating for: giving the smallest institution that is equipped to handle a dilemma the greatest power to achieve positive results. However, the smallest level of institution does not have to be government in any form. Great examples of organizations and institutions that would be excellent caretakers, particularly after disasters and outreach ministries, at the “local” level would be churches and businesses who have the opportunity, availability, and willingness to provide for a specific need. For the authenticity of this study, one should examine as if it is truly the case that when the smallest institutions are given the proper power, authority, and resources, that there is substantial success. This success can be measured by the criterium mentioned in the previous section via a unit of effectiveness, a unit of necessity, and to hold a function of discernment to request the negative or the positive by proscribing or requiring central action.

**Effectiveness and Necessity**

Effectiveness is essential for policy proper. In this regard effectiveness is in reference to the capability of producing a desired result or the ability to produce desired output. Policy that does not yield effective results or does not contain an idea which could contribute to valuable discussion is useless. It would not only take up a valuable spot on the docket but would also be a waste of time for the representatives considering the legislation. Now that doesn’t mean that there aren’t lessons to be learned from mistakes. The Bible is full of parables about those who stray and those who make mistakes being worthy of redemption. Scripture also warns however not to be lukewarm or complacent as the fruit of our labors will reflect said labor. To prevent from creating a useless document, the legislative branch spends months, sometimes even years crafting legislation that may or may not have a chance of seeing the House floor. If representatives had the means to shift responsibility to those who could implement change more efficiently and effectively, it would be irresponsible of our law-making bodies to withhold from doing so.

The federal government’s solution for local, state, and nationwide issues includes inflated spending, seen in subsidies and government programs. The federal government does not base its budget purely out of the representative’s pockets; instead, they use taxpayer dollars to fund projects and programs that are put in place for the citizen’s benefit. However, the United States of America has a broad and eclectic mix of cultures and peoples. The needs of one are not necessarily the needs of all, that is why our Founding Fathers placed in the Constitution the provision to provide for the “general welfare” in attempt to provide for the needs of as many people as possible. This term has been interpreted and misinterpreted for centuries. The bottom line is this: a certain community of people will have different needs than a community of other people no matter what nationality and genetics you have. Some issues are issues of a township, city, or even a county.

The implementation of large federal programs that encompass all of the nation is not the best solution for some of these problems that reside in only a handful of territories. That is why the general effectiveness is so important. As of right now, due to the U.S.’s spending habits, the
nation has accumulated a debt of twenty-three trillion dollars.\textsuperscript{10} A large chunk of this debt comes from large federal programs that do not necessarily benefit everyone.

Up to 43\% of the U.S. budget goes to the following programs: Human Services, Social Security Administration, Education Department, Food/Nutrition programs, Housing & Urban Development, Labor Department, Earned Inc/Child Credits, and Health Insurance Credits.\textsuperscript{11} These institutions have become integral in every state yet some people still cannot get the care they need. This is when general welfare becomes personal or familial welfare, which is not covered as a basic right in the Constitution. Presently, the climate is such that citizens do not have too many choices.

In a capitalist society, competition ensures more affordable prices and a higher quality of treatment in turn increasing effectiveness and these centralized programs directly reduce the effectiveness of a capitalistic society. The evidence for such is demonstrated in studies done by the Kaiser Family Foundation, a non-profit organization that focuses on major health care issues facing the nation. “Overall cost-sharing payments have outpaced wage growth, as out-of-pocket spending rose by 54 percent while wages increased by 29 percent from 2006 to 2016, according to a recent Peterson-Kaiser Health System Tracker that looked at employer-based plans.”\textsuperscript{12}

In our free-market capitalist society the private sector is valued as the central hub of innovation and reliability, this is primarily due to competition in said market. If our nation were to bestow the private sector with more power, there would be an opportunity to see competition flourish including at the local level. This is why the U.S. needs businesses and local organizations, including churches and faith-based charities to be granted the unhindered authority and power to determine what the community needs for themselves. These organizations would not fall privy to bureaucratic red tape when trying to implement ideas and solutions for the community. The aforementioned unhindered authority would help ensure efficiency. The argument can be made that just because an action is effective does not mean that the action is necessary. Necessity is imperative when considering the notion of subsidiarity applied to American political practice.

Necessity, as mentioned in the previous paragraph, is paramount for local American communities to ensure that subsidiarity costs do not become a resemblance of the overinflated federal spending mode of the present. Necessity in the case of this study is an imperative requirement or need for something.

The Founders set up a system of accountability, a court system, in place to ensure the American people follow the legislation that is passed into law. That same system can be used and modeled for the smallest institutions to ensure that they follow subsidiarity accordingly. Following that law, much like how the legislative branch creates an annual budget every fiscal year, would these smaller institutions, except the difference would be that they do it biannually. Communication is essential in every aspect of life, this may go double for government as those in a position of power not only represent their own lives, but the lives of those they are elected to lead. Biannual discussion with these organizations would allow the citizens to create a unit of synergy that all parties involved would benefit from. In this hypothetical and in reality, needs change based on the condition of persons. Therefore, they would meet twice a year to ensure that at a minimum what they are paying for is absolutely necessary, . Nothing fiscal would be


inexorable for the entire year. If a continuation of funds is necessary for a certain program, then the budget would have to pass through committee to formally designate appropriate action. With this newfound responsibility now delegated to the smaller institution, there will be obligations placed on all parties involved.

**Positive and Negative Obligations**

In a study conducted at Oxford University, two individuals examined the positive and negative obligations that the principle of subsidiarity imposes on those who apply it. This was taken from the perspective of the local level of governance:

“To balance human dignity and the common good, the principle of subsidiarity employs both negative and positive obligations. Negatively, subsidiarity is “a principle of non-absorption” which respects the person’s and persons in association’s right to pursue their inherent ends without interference. Positively, the principle prescribes that “all societies of a superior order must adopt attitudes of help (subsidium) – therefore of support, promotion, development – with respect to lower order societies.” Thus, the positive obligation directs us not only to go beyond merely preserving pre-existing plural forms necessary for human flourishing, but also to provide subsidium when lesser associations become unable to perform their function for the common good and to assist in the development of new lesser associations should it be necessary for the common good.”

By interpretation of the data, what these researchers were trying to convey when designating the term “negative” is not in reference to something being good or bad; rather, it relays to a community of higher order. Again, these researchers wanted to observe through the lens of local government, local government organized individuals in a community that work for the betterment and common good of that community. This communicates to the researcher that the “negative” term holds the value of no governmental action via the check on the individual.

In a legitimate local government there are laws, taxes, and regulations that the citizens of that community must uphold, otherwise they will be kicked out. The principle of subsidiarity advocates that no community of higher order should have the right to interfere with the community of lower order.

The positive of this study is stating that even without the check on the individual there are still institutions in play that will assist the individuals when and if they are deemed fit by the criterium of efficiency and necessity. The EU’s past failures and hiccups can be used as a foundation to implement subsidiarity collectively. Ensuring adherence to the principles is paramount. Unlike the EU, in American legal systems and communities there would not be a requirement for the adoption of the principle of proportionality in tandem with subsidiarity. The legislators and policy makers within the EU needed proportionality due to the nature of their flaws as a union and unlike the EU, as mentioned above, the founding generation of the United States instated a court system of accountability to ensure the legislation that is passed into law is followed. And if the law is not followed consequences could emerge for the guilty parties as a result. This creates a system of order, stability, and accountability. Small businesses and local or state

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government organizations would discuss amongst themselves what they consider proportionally appropriate and designate action accordingly.

Subsidiarity Does Not Mean Confederacy

The primary purpose of considering the application of subsidiarity is to ponder the practical application of decentralization in the U.S. federal system, not to fully decentralize the federal government. Delegation, whether it be from the federal level of governance to the state or vice versa has been an issue since the nation’s founding as power of any kind is desired by those looking out for themselves rather than the citizens. The Founding Fathers actively combatted this tyrannical greed through the separation of powers, and one could argue that one of the main contributing factors of an induction of the Bill of Rights was the need for a clear distinction of the regulation of power. To understand fully the proposition of applying the principle of subsidiarity to our democratic republic, one must first examine the failure of the Articles of Confederation. “The Articles of Confederation have been assigned one of the most inglorious roles in American history. They have been treated as the product of ignorance and inexperience and the parent of chaos.”

Before the United States was a fully functioning tripartite system of checks and balances, it was a Confederacy. The Founding Fathers and the Continental Congress had to act quickly after the war for American Independence. Once the Treaty of Paris was signed and the land relinquished to the colonies, the Congress faced the dilemma of not knowing what to do next. These courses of events were wholly unprecedented in the history of the world as the colonists were the unexpected victors of a war England, the strongest naval force in the world, and now were burdened by the responsibility of forming a long-lasting nation that would not succumb to tyranny.

The principle of subsidiarity is not advocating for confederacy, nor does it have anything to do with a drastic change in how the government is run, it is merely a change in political philosophy. The reason why the United States would not want full decentralization or radical institutionalized subsidiarity is due to the precedent set by our nation and the numerous troubles the States had as a Confederacy. There were many problems and issues that faced the U.S. government under the Articles of Confederation. Primarily, there was no singular official to carry out the laws, there was no court or judge to settle disputed points of law, and all that was concretely in place was a weak legislature.

This legislature did not have the ability to take care of all of the Confederation’s problems, yet the responsibility of the nation rested on their shoulders. Another big problem facing the Confederacy was the lack of public access to the day-to-day operations of the government, specifically the legislature. Congress consisted of one house, which was presided over by the president elected each year by the members from among their own single party numbers. Once assembled on the floor of Congress, the doors were literally shut (i.e. no spectators were allowed to hear what was said). No reports of the debates were to be taken for any circumstance, and all voting was done by the states with each permitted to cast just one vote regardless of how many delegates the state had. This lack of transparency and accountability highlights that when government gets too involved with a particular aspect of policy, its value could be diminished.

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Furthermore, the principle of subsidiarity would be best implemented in the forums of local and state governments; however, that does not mean that subsidiarity should be institutionalized within those level of governance. If that were to happen, the United States would once again be following the path of its past confederacies. The presented solution is one of loose adoption rather that concreate institutionalization. The aforementioned governments will strive to implement this policy initiative whenever and wherever the situation allows. If, for some reason, the smaller governing powers are unable to implement full or partial subsidiarity, then higher levels (i.e. the federal government) would be available to hear the requests of the smaller governing powers and assist if deemed necessary. Another option would be that the smaller governing powers requesting assistance would seek out other smaller governing powers (neighbors). Nevertheless, in most situations, local and state have the proper means to fulfill those needs. Every local and state government has a budget that is supported by the taxes and donations of citizens of said city or state. The proper means to handle these situations are the taxes and donations that are readily available for use.

**Literature Review of Robert Putnam: Bowling Alone**

This study of subsidiarity would be incomplete without obtaining and relaying the research of those who have been influencing local politics. Robert Putnam is an award-winning writer who in the text *Bowling Alone* (2000) discusses the importance - or lack thereof - for certain social institutions: “The evidence began to look convincing. First in the realm of civic engagement and social connectedness he was able to demonstrate that, for example, over the last three decades of the twentieth century there had been a fundamental shift in: political and civic engagement, informal social ties, and tolerance and trust.”\(^{16}\) Why does this concern subsidiarity? These aspects are necessary for subsidiarity to be fully and successfully implemented. In his work, *Bowling Alone*, stated his concerning data:

> “Not coincidentally, Americans have also disengaged psychologically from politics and government over this era. The proportion of Americans who reply that they "trust the government in Washington "only some of the time" or "almost never" has risen steadily from 30 percent in 1966 to 75 percent in 1998.”\(^{17}\)

This information is imperative for the successful adoption of the principle of subsidiarity. Trusting in government can be difficult for a lot of people in this nation. In 2012 after Barack Obama won his reelection, the phrase “Thanks Obama” became viral and a household saying for a lot of families and social circles. It exemplified the ever-declining view that people had and continue to have for those in office, and thus the government as a whole. The saying was even advertised in local and national ads, Obama himself has even said it on television as a reference to the saying. It shows that people are increasingly becoming skeptical and are adopting a negative disposition towards government. This is just one example validating what Putnam’s research claimed and something that local governments must keep in mind when advocating for subsidiarity. If things


go poorly with the implementation process, it may have a detrimental effect on how citizens view state and local government - even more so than how things are currently.

**Conclusion**

In conclusion, through decentralization and allotting smaller organizations to do the major lifting in our federal and local government will help the United States reach unprecedented levels of economic success, freedom, virtue, independence, and entrepreneurial spirit. The implementation of subsidiarity will allow for more local communities and state governments to be able to support themselves independently from the federal government. Not relying on federal funding for daily operations will allow the federal government to retain some of the funds that are currently going to state and local governments, thus the federal government would have a surplus of funds to reallocate to support the will of the people. The funds could be reallocated to many different potential areas in our nation including but not limited to healthcare, military spending, education, and more. It will also allow the federal government to focus on higher priority national and international issues while simultaneously decreasing its size and making it more responsive. For proper and accurate data regarding the efficiency of this policy in practice, there would need to be a documented test run applying this principle into local or state governments. Effectiveness and necessity are essential for policy proper; therefore, to ensure the effectiveness and necessity of subsidiarity, there will be at minimum biannual meetings in which nothing fiscal would be solidified for the entire year. If a continuation of funds is necessary for a certain program, then the budget would have to pass through a committee to formally designate action accordingly. Regardless of the outcome, the documentation of an experimental implementation of subsidiarity within local government could be a beneficial innovation for political science and might even lead to grander discoveries in the future.
Bibliography


