

Foreword by Prof. Mahendra Prasad Singh

Cooperative Federalism in India: Myth or Reality

Editor

Prof. Saroj Kumar Verma



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Liberalisation of the India Economy and the Demand for Resources by State Governments in Federal India

Prof. Arun K. Jana

In the beginning we would like to make a few points very quickly and then move on to the actual content of the article. The first point is, that immediately after the recommendation of the State Reorganisation Commission (SRC) which had been set up on 29 December 1953 by the Ministry of Home Affairs with Saiyid Fazl Ali (then Governor of Orissa) as its Chairman¹ which eventually submitted its report on 1956 that, the States Reorganisation Act was passed. As per the Act the 27 states that had existed before 1956 were reorganized as 14 states that took account of the country's linguistic diversity. There also came into existence 9 Union territories. In the decade that followed more number of states was formed like that of Maharashtra and Gujarat in 1960, several states in the Northeast in the period between 1970-1980, the latest being the state of Telangana in 2014. Hence as it stands today in the mid of 2020 federal India consists of 28 states and so far as the working of federalism in this country is concerned it involves the relation between the Union and the 28 states of the Indian Union. But to us in any discourse on Indian federalism there is a necessity to go beyond union state relations and the ambit of federalism must be extended to the operation of relationship between the states and the Panchayats and other local level bodies as well. This was recognised by Kothari in 1989 slightly before the 73rd and 74th Amendment to the Constitution was adopted when he felt that the debate over federalism should extend 'beyond mere centre-state relations' (Kothari 1989, 12). It must also take into cognizance the Sixth Schedule arrangement meant for the North Eastern states. The Autonomous District Councils (ADCs) under the Sixth Schedule is to us an interesting dimension of

1. The two other members of the appointed Commission were Hriday Nath Kunzru and Kavalam Madhava Pannikar.

the Indian federal arrangement. This arrangement in the constitution which provides for Autonomous District Councils (ADCs) is often regarded by scholar's particularly foreign scholars as a third level of the Indian federal system. David Stuligross for example, considered the autonomous district council (ADC) as the third level of the Indian federal system (Stuligross 1999). Louise Tillin another American scholar however, argues that the Sixth Schedule arrangement along with the special provisions for the state of Jammu and Kashmir in the Indian Constitution constitutes asymmetrical elements in the Indian federal arrangement. Tillin is however not that critical of the arrangement (Tillin 2007). Thus what we contend broadly is that in the Indian context the discussion on federalism may include the degree of decentralisation which can be defined following Eghosa E. Osaghae a system of dispersal of power from a central government to other units or agencies of government (Osaghae 1990).

The second point which we would like to make is that despite the fact that Myron Weiner (Weiner 1968) in one of the earliest studies on state politics from the point of view of 'autonomy of states' had contended that the states were safe from central encroachment when he reiterates that 'it is most unlikely that the centre will be able to take power away from the states' (p. 58) and what Jonnes had felt long ago that the character of Indian federalism was a 'bargaining federalism' centralisation is what we note has taken place in the overall working of the Indian federalism since the inauguration of the Indian constitution. Thus most of the studies had also refuted Paul Brass' central contention in this regard that the dominant tendency in Indian federalism is towards 'pluralism, regionalism and decentralisation'. He however had qualified this assertion, with 'there is also a fundamental tension in the system which arises because there are historical tendencies in India, favoured by several leaders and parties'. What we note is that his conclusion on the working of federalism is 'based on fragmentary evidences' since to him 'evidence that is required to come to an overall assessment of the character of the Indian federal system is lacking'. The evidence in support of the general argument are institutions and policy areas like 'language policy, transfer of resources from the centre to the states, patterns and trends in party support and inter-party relations and the use of President's rule' (Brass 1991, 117-118). In support of his argument