



The Paradox of Indian Federalism

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Abstract:

In contemporary times, with the rise of regional parties (1996 onwards) it has become very convenient to represent socially diverse classes at the national level as the grassroots issues can easily be tabled by the people's representatives. Citizen centric approach in policy making can be attributed to this development in political dynamics. Even though the implementation of such uniform policies have always been a challenge. Only a stronger Centre can ensure this effective implementation and thus having one becomes even more important.

The paper also draws attention on matters like why is a strong center required? what are the expectations for states, from the central government? What are the recent developments? How far does the recent demands of regional parties play role in the policy formulation at the national level? It also examines the importance of political diversity at the national and state level. The constantly evolving political dynamics in the country and the recent changes have had a wide impact on the people which may have multi pronged outcomes in the near future. This chapter has been divided into two parts ie: what is federalism and the Indian form.

Keywords: *Regional parties, Citizen Centric, Political Dynamics, Stronger Centre*

1. Introduction

Indian federalism has its genesis in the Government of India act, 1935 which defined India as a federation of states. Under this act the princely states enjoy discretion to join or stay away from the federation in fact they could even have their own constitution. Under this act the powers were divided into federal, concurrent and provincial list and residuary powers were vested with the Governor General of India.

The present form of Indian federal structure has been created by the constitution of India 1950 which defines India as a union of states. States have no right to secede and are merely made for the purpose of administrative efficiency. They can be created, diminished or their boundaries altered by the parliament under the powers conferred by Article 3 of the Constitution of India. The powers are divided into union, concurrent and state list and residuary powers (Article 248) are vested with the parliament of India with an exception to make laws on matters in state list under Article 249, Article 250 and Article 252.

Shift from federalism to Centralization of power has been witnessed frequently in recent times. The argument that the central government is focusing more on Centralization of power by taking away the matters from the list II and list III to list I Weakens the federal structure does not hold water. Shifting of matter to the central authority has been done in larger interest of the nation. Uniform implementation of developmental goals, economic policies are amongst the prime reasons for strengthening the central government.

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always been a challenge. Only a stronger Centre can ensure this effective implementation and thus having one becomes even more important.

2. What is Federalism

Federalism seeks to draw a balance between power concentration in the Centre and other separate Political entities or administrative units. The essence of federal system lies in the fact that power is simultaneously concentrated and divided as well. A federal constitution establishes a dual polity and the citizens are thus subjected to both central as well as regional governments. These two levels divide the powers and governmental functions amongst themselves. The core of the federal system lies in the distribution of legislative powers between Centre and the states. A federal system is broadly based on the concept of Division of Power. This Division of Power draws its sanction from the constitution which is generally written and rigid in form. Though watertight compartment like functioning of governments is not possible in practical sense and thus many areas of operation and functioning cross and intersect which creates new dimensions of governmental relations between central and states. The states In a federation act under the constitution and their area of operation can only be changed by a constitutional amendment act.

The constitution of India establishes a dual polity, Union and States. Article 1 of Indian constitution describes India as the Union of States. The strength of Centre Lies in its Legislative, Financial and Emergency powers. The flexible nature of Indian federalism makes the center all powerful in times of need. Cooperative federalism can be seen in various provisions of the Indian constitution. A balance between right amount of flexibility and rigidity has been achieved. Thus making the Indian form of federalism unique from the world. Because of this, Prof. K. C. Where described it as “a Quasi Federal State”. Meaning a federal setup with central and state governments, more powers are given to the central government.

3. Indian form of federalism

There has been a slight shift from federalism to centralization of power in recent times. This can be attributed to the changing dynamics in the manner of governance nationally. This shift has been viewed as a blow on the federal structure and has been argued that it weakens the Division of Powers. This argument on centralization of power by taking away subject matters from List II and List III to List I weakens the federal structure does not hold water. The shifting of matters to the central government has been done in larger interest of the nation. Uniform implementation of developmental goals, economic policies are amongst prime reasons for strengthening of the central government. The skeptical views about the power concentration at the Central level are often based on microscopic cognizance of individuals largely developed, supported by disinformation and hearsay arguments which can be attributed to unreliable forms of media.

Taking the example of Goods and Services Tax which was brought in force by the One Hundred and First Amendment to the Constitution of India, All the states willingly ceded most of their taxation powers and consented to surrender the exiting multiple imposts that got accommodated within the GST regime. The implementation of the GST captured the spirit of federal cooperation despite persisting political distrust and differences between the Centre and states. GST has decreased the cost of tax collection and has led to higher revenue efficiency. The duplication of indirect tax collection has reduced after the GST. GST ended long queues of trucks and goods carriers at highway toll plazas freeing goods movement across states. The Centre and state share is divided equally and the share of state is remitted to the respective states. This has helped in generating equal sources of income for states and gives an incentive to the states to harbor an environment conducive for industrial growth and support the national mission on Ease of Doing Business.

Another feature of the Indian Constitution under Article 200 and 201 provide the necessary mechanism for enabling the State Governor to reserve a Bill passed by the State Legislature for Presidential consideration and assent. According to the Report of Sarkaria Commission, during the period of 1977 to 1985, 1130 State Bills were reserved for the consideration of the President. Sarkaria Commission while commenting on the constitutional scheme of reserving State laws for the President stated that “intended to subserve the broad purpose of co-operative federalism in the realm of Union-State legislative relations”; it is “designed to make our system strong, viable, effective and responsive to the challenges of a changing social order;” it is necessary means and tool for evolving cohesive, integrated policies on basic issues of national significance. But in order to maintain the efficiency of the system it should be used only when necessary.

4. Conclusion

Indian form of federalism has always been a highly deliberated matter amongst intelligentsia due to its unique features. Diversity along with large population and vast area are the key components of this uniqueness. Strong Centre with a practical approach towards devolution of powers on matters which can be well dealt with at lower levels is the need of hour in Indian context. Economic growth and development goals can be achieved by political willpower under a strong Centre which is willing to take an extra mile while legislating on matters. Taxing of petroleum products and fuels in line with GST could be another step which can be taken by the central government for uniformity in prices and a better revenue collection as economic growth directly represents the power of the state.

References

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