

JOURNAL FOR LAW STUDENTS AND RESEARCHERS**DIMENSIONS OF INDIAN FEDERALISM – BETWEEN DEPARTURE FROM CENTRALIZED TO ARRIVAL OF COMPETITIVE FEDERALISM**

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The situation of relation between centre-state in India has never been constant. Since the emergence of independent India to the framing of constitution, the makers always wanted a united and co-operative system of relation between different levels of government. But the position of India has always been that of the centralized kind.

The authors in this article tried to focus on studying the changes in the dynamics of India's state-centre relationship and to gather data on the structure of Indian Federalism including dimensions such as nation building, inter-governmental interactions etc.

CONCEPT OF FEDERALISM

Federalism is derived from the Latin word "foedus", which means agreement.¹ Federalism in simple terms refers to such a situation where the power, the legal authority among the centre and states is divided in such a manner so as to be able to control and administer their respective spheres. It is in contradiction with the concept of unitary government as well as confederation where in the former, centre is more dominant than the state whereas in the latter the state is clearly holds the dominant place.

CONSTITUTIONAL PROVISION

The word "Federalism" is not stated in the constitution of India. However, Article 1 of Indian Constitution describes India as 'Union of States'.² As it can be easily understood from the phrase 'Union of States' that India comprises of various states and they cannot be separated

¹ <https://www.drishtias.com/to-the-points/Paper2/cooperative-and-competitive-federalism-in-india> last accessed on 18th November, 2019 at 6:23 p.m.

² <https://blog.ipleaders.in/what-is-federalism/> last Accessed on 17th November, 2019 at 9:45 p.m.

from the Union in specificity. Hence, it does not fall under the ambit of a true federal state as it comprises of features of more than one type of government, i.e. federal government and unitary government, that is why India is known as Quasi-Federal State.

COOPERATIVE FEDERALISM

In an attempt to define cooperative federalism, scholars have tried to define and re-define to provide convenient meaning to the term. Though the term cooperative federalism is not new as the evidences of the same can be seen even during the ancient period.³

In simple terms, Cooperative Federalism refers to a situation where the union and the states stand in a single horizontal line on a graph to be able to effectively implement and formulate the required policies in the interest of public.⁴ The essence of a successful cooperative federalism is the existence of a strong union as well as state. The presence of cooperative federalism has been observed since the early 50s. The concept of cooperative federalism acts as an important factor in healing various evils such as inter-state & intra-state differences in the society.

CENTRALIZED FEDERALISM

A centralized government is the in which the legal authority is exerted by a de-facto political executive to which states, local authorities and others are considered subjects.⁵ It occurs when the union exerts authority or control way over than it's supposed to till the extent where it intervenes in the functions of other smaller constituents resulting in its supremacy. The very essence of this kind of government is similar to that of unitary government.

In simple terms, it means the establishment of such a relationship between the union and the state government where the union government holds more power than the state government in relation to policy making and administration.

³ <https://www.civildserviceindia.com/subject/Essay/cooperative-federalism-in-india.html> last accessed on 17th November, 2019 at 9:34 p.m.

⁴ drishtiias, Supra. p. 1

⁵ <https://www.definitions.net/definition/centralized+government> last accessed on 18th November, 2019 at 8:20 p.m.

⁶In the case *S.R Bommai v. UOI*, the Supreme Court held that the Constitution gives states certain autonomous spheres of legislative and executive authority, but in relation to Union, states have no right to secede or claim sovereignty.⁷

COMPETITIVE FEDERALISM

The emergence of Competitive Federalism began post 1990s economic reforms where the policies of liberalization, privatization and globalization were introduced. It refers to such a situation where central government and state government lie on the same graph depicting different relations, state and state form a horizontal line whereas state and centre form a vertical line.

In such situations the state is required to compete with the union as well as other states for its own benefits like state needs to compete with another states in order to attract funds and investments from different sources in order to benefit its people and expand the scope of development and administration of the state,⁸ whereas state needs to compete with the union as the funds are allocated to the states on the basis of previous usage of funds.

Though competitive federalism is not provided in the basic structure of constitution but is dependent on the decision of the executive body.

JOURNEY FROM CENTRALIZED FEDERALISM TO COMPETITIVE FEDERALISM

The practise of centralized federalism faced a lot of criticism as the states were in agreement with the sharing of power along with the union but the actual problem is the over interference of the union in the discharge of duties performed by the states which led to the arise of over-centralization as the union has supposedly taken the role of monopoly over states.

The most important matters relating to national importance or in great public interest are allocated in the hands of union like defence, foreign affairs, railways etc whereas the matters

⁶ <https://academic.oup.com/publius/article/49/1/112/5058956> last accessed on 18th November, 2019 at 7:56 p.m.

⁷ (1994) 3 SCC 1, para 247

⁸ drishtiias, Supra. p. 1

related to local or regional importance are allocated to the states for its discretion like public health, education, local administration, police etc.⁹

This state of monopoly practised by the union led to the disintegration of centralized federalism and the concept of competitive federalism gained more popularity among states as it was promised by the union that the practise of over-centralization would be reduced and less interference in the affairs of states. Though the concept of competitive federalism is not accepted by all the states yet but the states have started to take steps regarding strengthening their business environments.¹⁰

This led to the abolishment of planning commission by the central government and the emergence of NITI Aayog whose major objective is to promote the concept of competitive federalism.

The dependency of state governments towards formation of any new policy or fiscal resources would be reduced under the concept of competitive federalism.

No need to consult the expenditure plan of states with the union, instead can be decided according to their own needs.

The percentage in the share of the states in central tax revenue is increased by 10%, with earlier being 32% with the consultation of finance commission.

The centrally sponsored schemes will be restructured keeping in mind the benefit of the states as well and public interest will be considered as the major goal to be achieved.

CONCLUSION

The efforts of combing cooperative federalism and competitive federalism have begun but lot of work is required to be done in order to achieve success as it is not possible for competitive federalism to exist without the existence if cooperative federalism along with it. ¹¹Though both cooperative and competitive federalism are not mutually exclusive but their major goal is to achieve development of the nation on the whole which the reason of their existence together.

⁹ <https://www.clearias.com/indian-federalism-issues-challenges/> last accessed on 18th November, 2019 at 10:56 p.m.

¹⁰ <https://www.drishtiiias.com/to-the-points/Paper2/cooperative-and-competitive-federalism-in-india> last accessed on 18th November, 2019 at 6:23 p.m.

¹¹ Ibid.