Chapter III
Tensions In The Centre - State Relations

The fourth general election in 1967 marked a watershed in the post independence political and constitutional development of India. It added a new colour and vigor to the debate over Centre-state relations. In fact, India's federal system started experiencing tensions from the late 1960's. Such tension was almost non-existent during the first generation of India's federalism (1950-66). The second generation to govern India's democratic federal polity can be said to have come on stage with the second succession in January 1966. During the second generation following the death of Prime Minister Lal Bahadur Shastri, the rise of a powerful leader of the ruling Congress party, Indira Gandhi and the emergence of dissent inside the party, led to a greater emphasis on centralization within the party and thereby, the federal system as well. At the same time, however, economic development had helped to produce how political elites, elites from rural areas who benefited from the "green revolution" of the 1960's. These new elites challenged the professional and industrial elites who had
long controlled the Congress party, the national government and many state governments. Feeling disappointed in their efforts to significantly influence the national governments economic policy, these new elites formulated demands that called for decentralisation, greater state autonomy and more tolerance for state based opposition parties.

However, the mid sixties marked the beginning of a new phase in Indian politics. It witnessed a more dispersed political power structure marked by an increasing strength of the rural elite and the landed interest started getting mobilised and were steadily improving their strength in both states and national legislature. The economic recession and the food crisis from 1965-69 encouraged the emerging rich farmers and political elites to pressurise the government for certain major policy changes to cater to the immediate economic needs of the dominant classes. Here they found that the powerful and strong Centre was coming in the way of their immediate economic interest. Therefore, this class mounted pressure for the autonomy of the state by various devices including support to right wing opposition parties. The death of Nehru greatly facilitated this process. The State Chief Ministers and regional party bosses often representing the rural rich increasingly came to play an important role in policy making. The major policy-changes
included liberalisation of industrial policy, downgrading of planning and the strong Planning Commission associated with strong Centre and the new agriculture strategy.

Therefore on the eve of fourth general election, India presented a picture, the main component of which were a considerably more powerful states (than at independence), capable of exercising coercive power on the mass of the population more or less at will, an economy dominated at the national level by the state acting mainly in the interests of national bourgeoisie and a rising class of rich and middle peasantry. This period also witnessed intra-party differences in the Congress revolving around the question of the relative autonomy of the states within the federal framework of the Indian constitution and the demand for the national regional autonomy for opposition parties belonging to the entire political spectrum from the left to the right.²

However, 1967 general election changed the political complexion of the country and put an end to Congress party's dominance. There was not only the growth of a variegated political party system with a consequent rise in state power, but also of a Centre with its strength significantly reduced. For the first time, the non-Congress parties made a
determined bid to emerge from the role of "pressure politics to a role of democratic opposition parties with actual or potential possibilities of their forming alternative governments. A shift from "dominance to competition" was indeed brought about, although as yet it was only an existing situation and not a stable party system. The chief characteristic of the situation was utter fluidity of political alignments. Each coalition was a heterogenous aggregation. It was a partnership based on the negative virtue of keeping the Congress out of office and not a partnership in the positive virtue of effecting any social change.

The outcome of 1967 election was the loss of Congress party's hold in eight states: U.P., Bihar, Orissa, Tamil Nadu, Kerala, Rajasthan and Punjab. Non-Congress governments were formed in several states, and nearly all of them were coalition governments with regional parties as important participants. Not only the Congress party lost the state assembly elections, but also its strength was reduced at the Centre where it could come back with only 279 seats in Lok Sabha against its previous tally of 361 seats in 1962. The result was that Congress government at the Centre had to face serious challenging demands by several non-Congress governments, and a strong opposition for more autonomy to
the state. The situation demanded a rethinking of the operational aspect of Indian federalism, as the Congress party's dominance served to offset in a significant manner, the process of regional diversion and acted as the principal centripetal force.4

The dispersion of power which had begun during the last days of Nehru, received both vigor and intensity after the 1967 election. The result was an explicit manifestation of instability and regionalism at the state level. This was, partly, as a result of decline in national leadership and almost total eclipse of the earlier continental role of the Congress and partly as a result of the rise of new agriculture elites in the wake of Green Revolution.5 The percentage of Lok Sabha members from agricultural background increased to 30.6% in 1967 than the previous 1962 election of 27.4%. Hence, for the first time, in free India, the tradition of elite accommodation and consensus in the Congress party suffered a serious fracture.

The post 1967 election period witnessed the creation of a significantly different political milieu, an environmental change, which profoundly altered Centre-state relations. The economic situation by this time also presented a grim scenario. As a consequence of drought in 1965–66, agricultural production fell nearly 17% from the previous
year. Consequently, early 1967 and 1968 were the years which experienced the decline in industrial production, unprecedented inflation, food scarcity and unusually high level of violence over various issues.

It was clear that Indian voters were communicating their personal economic discontent by action at the polls. It is significant that 45% of those who were Congress voters in 1962 and who saw their personal economic position getting worse left the Congress party.

Some political observers commented that the 1967 general election exhibited trends towards the development of a two party system in the country. Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh, Tamil Nadu were pointed out as likely pioneers in this direction. The post 1967 election analysis revealed that at the national level a "Pentagonal political pattern" emerged with the Congress, the Communist, the Swatantra, Jansangh and the Socialist parties within it.

However, in most of the states, where non-Congress coalitions came to power in 1967, the governments were formed with parties having divergent political ideologies and programmes. Since neither the Congress nor the other parties ruling in most states enjoyed a decisive majority in
the assemblies, governmental instability seemed inevitable sooner or later. This instability was more manifest in the non-Congress coalition. In order to break the Congress monopoly and secure power, many mutually antagonistic groups joined together on the strength of basic minimum programme. These minimum programmes could surely not sustain them for long, especially since they, now, had to seek to resolve basic problems having gained control of the State governments.

The sea saw movement of the fall of one government and the rise of another produced many instances of inevitable recourse to brief period of president's rule. The Non-Congress ministers who came to office were under no compulsions to observe the political niceties of Centre-State relations of the pre 1967 era. Their political fate and future hopes were not dependent on the whims and pleasure of the Congress ruling the Centre. So the language in which demands were addressed to the Centre from the state became radically different and the tone became strident in many cases. For example, the Chief Minister of Tamil Nadu C.N. Annadurai had promised during election to provide rice to the states at the rupee a measure. He demanded that the Centre should provide the Rs 15.6 million in subsidy required for this.⁹

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The C.P.M. which came to power in Kerala and West Bengal were also no less vociferous in expressing their opposition to the Centre. They encouraged strikes and gheraos in central government undertaking in their states. The Chief Minister of Kerala E.M.S. Namboodripad openly refused to implement a Central ordinance banning the proposed Central government employees strike planned for 19th Sept 1968.10

So by 1967, the demand for more power to states assumed suddenly enlarged proportions. A new interpretation of Centre-State relations became necessary because the claim of Non-Congress State governments manifested the basic problem of Indian diversity, a completely new facade of ideological differentiation and political divergence between the Centre and the opposition ruled States.

However, in this political situation, change was certainly reflected in the attitude of the Central government. The Prime Minister Indira Gandhi declared that no effort would be spared to cooperate with opposition ruled State governments in meeting their legitimate demands. Indira Gandhi assured to treat them as "full partner with the Centre in the exiting enterprise of building a new united, prosperous India."11 In the beginning, the
opposition led Ministries also adopted a pragmatic approach and received co-operative response from the Centre. Kerala Chief Minister "Namboodripad" stressed the need for Congress governments in the states to function in a spirit of co-existence, and the P.S.P. leader N.G. Goray didn't wish to see rejected the values, the Congress had been working for. But, above all, there was almost a unanimous demand for greater state autonomy and C.N. Annadurai, the Chief Minister of Tamil Nadu even demanded the transfer of the residuary power to the states as the leadership had moved away from the Centre to the states.

The attitude of toleration of Central government led by Indira Gandhi didn't extend to the non-Congress governments for long after the fourth general election. The instability of coalition governments (Table I) must have been at least in part due to sabotage by state Congress units which collaborated with the Central Congress leadership. The Congress party in these states didn't reconcile itself to the role of an opposition. It became clear from the words of then Haryana's Governor, "The Congress (Opposition) could never reconcile itself to its position as a responsible opposition. It must bear some responsibilities for not having given the government any peace or chance to do constructive work."
TABLE 1

<table>
<thead>
<tr>
<th>States</th>
<th>Number of Govt. Rules</th>
<th>Age Period of Govt. Elite</th>
<th>No of States Under President</th>
</tr>
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<tbody>
<tr>
<td>Bihar</td>
<td>7</td>
<td>4.2</td>
<td>2</td>
</tr>
<tr>
<td>Haryana</td>
<td>3</td>
<td>3.2</td>
<td>1</td>
</tr>
<tr>
<td>Kerala</td>
<td>2</td>
<td>20.5</td>
<td>1</td>
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<tr>
<td>M.P.</td>
<td>3</td>
<td>38.3</td>
<td>1</td>
</tr>
<tr>
<td>Punjab</td>
<td>3</td>
<td>10.8</td>
<td>1</td>
</tr>
<tr>
<td>U.P.</td>
<td>4</td>
<td>7.8</td>
<td>2</td>
</tr>
<tr>
<td>W. Bengal</td>
<td>3</td>
<td>8.9</td>
<td>1</td>
</tr>
<tr>
<td>Orissa</td>
<td>1</td>
<td>45.9</td>
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In Punjab, the readiness with which the Congress offered its support to a minority government led by Mr. Gill after the Gurnam Singh Ministry was voted out of office, led many to suspect that it had a hand in engineering defections from the United front. It pointed the way in which governor Sampurnanand of Rajastan, Dharamvir of West Bengal functioned by taking orders from the Centre. Besides critics also pointed out, not entirely without justification, that only non-Congress ministries in Haryana, U.P. and West
Bengal were dismissed even when they enjoyed a majority in the house.16

Thus in the new political environment, the Centre-state relations became strained and it served to breed divergent attitudes of the State governments towards the Centre. However, in the wake of campaign for restructuring of Centre-state relations and higher measure of autonomy, the Central government appointed an "Administrative Reform Commission" (A.R.C.). The ARC Constituted a study team under M.C. Setalvad to make a comprehensive examination of Centre-state relations. The term of references of ARC was to examine Centre-state relations in

1. The realm of planning and development, with particular reference to the growth of Central agencies handling concurrent and state list subjects;

2. Other spheres with particular reference to the needs of national integration and maintaining efficient standard of administration throughout the country.

In addition, the team undertook to examine financial relationship between the Centre and the States with special reference to planning and development.17 The major recommendations of ARC was to constitute an inter-state council composed of the Prime Minister, other Central
Ministers, Chief Ministers and other invited persons if any. It suggested the measures to rationalize the relationship between Finance Commission and Planning Commission. It recommended that the office of the governor filled by persons having ability, objectivity and independence and the incumbent must regard himself as a creation of the constitution, not as an official of the Central government. The ARC noticed that the Central government had even moved into the field earmarked for the states under the constitution and asked it to withdraw from it. Moreover, the ARC highlighted the need for formulation of guidelines to exercise discretionary power by governor. This would ensure uniformity of action and eliminate all suspicious or partisanship or arbitration on the part of governor. It also recommended that the question, whether a Chief Minister enjoying majority support or not should be tested on the floor of the legislature and for this, he should summon the assembly whenever a doubt arises.18

However, on the whole ARC said in its recommendation that it doesn't think necessary to suggest any amendment to the constitution. But it has asked to delegate more financial and administrative functions and powers to the states with the twin objective of making the relations between the Centre and the states smoother to bring about
efficiency in decentralisation. "It is not in the amendment of the constitution that the solution of the problem of the Centre-State relationship is to be sought, but in the working of the provisions of the constitution by all concerned in the balanced spirit in which the founding fathers of modern India had worked out."19

By 1969, the controversy of Centre-state relations had acquired a definite shape and form and the demand for autonomy for states became more vocal. During this time the split that had taken place in the Congress had far reaching consequences for India's federal polity. The significance of the Congress split for the Indian political system stemmed from the centrality to the political process of the Congress led dominant party system - a system in which a broad based and inclusive "party of consensus" (the Congress) occupied the dominant Central position with multiplicity of legally legitimate if electorally ineffectual (single or in combination) opposition parties on the margins.20 The immediate source of Congress split perhaps can be seen against the backdrop of political changes following the demise of Prime Minister Nehru in 1964. Nehru was able to establish a very effective centralization of power within the party and country under his undisputed leadership of
Prime Ministership. However, towards the last years of Nehru's Prime Ministership and more specifically after his death, decentralizing trend in the power structure of the party was first evidenced by the emergence of an autonomous party presidency under 'Kamraj' and later by the significant role played by a large number of Central and State party leaders in selecting Nehru's successor, Shastri and then his successor Indira Gandhi.21

However, the catalyst behind the Congress split seemed to have been conflicts over power among the post Nehru Congress elites, over personal, ideological and generational differences. Parliamentary and extra parliamentary party organisational differentiation also played the remarkable role in this process. The first sign of conflict emerged over power among the senior party leaders and two sets of competing elites within the party which took rather antithetical postures in the ensuing crisis. The pro-Indira group considered it in purely "ideological" terms and the syndicate in those of a simple conflict for power.22

The Congress split was also the outcome of interaction between the Congress faction on the one hand and opposition party on the other. It was revealed by the Presidential election and the parliamentary division on the adjournment motion in which the syndicate voted with opposition. The
opposition parties joined the factional conflict of ruling party (Congress) of their choice. With overwhelming support from the left wing and regional non-Congress parties and independents, Indira Gandhi was not only able to subvert the syndicate's attempt to put men antagonistic to her in the Rashtrapathi Bhavan, but also to keep her minority government in power until a well timed parliamentary dissolution and mid-term election restored the dominance of the Congress party. The merger of several opposition parties and factions as well as many independents with Indira Gandhi's Congress also contributed to the re-emergence of the new consensus within the Indian National Congress without any substantial break in the historic continuity of the Congress as a political organisation.

From 1969 onwards Indira Gandhi, however, tried to bring the party as well as the state governments under her personal control. During this period, she also tried to put an end to the newly developed market or bargaining style of politics in Centre-state relations. Since she came to power, the organisational elections were discontinued. It was a situation in which state P.C.C's, their chiefs and election committees acquired a permanent adhoc character dependent upon her support for survival.
However, around this time only the Tamil Nadu government led by D.M.K. leader Karunanidhi, announced to set up a committee under justice Rajmunnar to look into the Centre-state relations on 22nd September 1969. The Committee was asked to examine the entire question regarding the relationships that should exist between the Centre and states in a federal set up with special reference to the provision of the Constitution of India and to suggest suitable amendments to the constitution so as to secure to the states utmost autonomy. The term of references of Committee were:

The existing provision of the constitution and necessary measures of augmenting the resources of the State and for securing the utmost autonomy of the State in the executive, legislative and judicial branches including the high-court without prejudice to the integrity of the country as a whole.

The Rajmunnar report in its submission observed that a theme of subordination of the states runs right through the constitution. The committee was of the view that the situation has materially changed since the framing of the constitution and the states were not prepared to be treated like school-boys by head-master. Hence, in order to ensure autonomy for the states, the Committee recommended certain
drastic changes in the constitution. The important recommendation of Rajmannar Committee were:

1. Appointment of a high power commission for a redistribution of the entries of lists 1 and 3 in Seventh Schedule of the Indian constitution.

2. The residuary power of legislation and taxation should be vested in the state legislature.

3. The corporation tax, custom including export duties and tax on capital value of the states.

4. The surcharge on income tax should merged with basic rate of income tax and be shared with the states.

5. Central grant to the states for plan and non-plan expenditure should be purely on the recommendation of an independent statutory body whose recommendations should be made binding on Centre as well as the states. Loans and indebtedness of states was to be referred to an independent and impartial authority.

6. The abolition of the existing planning commission and establishment of a purely advisory planning commission.

7. Article 312 of the constitution should be amended as to omit the provision for the creation of any new All India cadre in future.

8. There should be equal representation of all states in
the Rajya Sabha, irrespective of population.

9. Immediate establishment of an Inter-state council as provided under article 263 to be the Supreme body in the Indian political system replacing the authority of the Central cabinet.

However, the report of Rajmannar Committee did not get any favorable response either from the Central government or from the press. The Central government led by Indira Gandhi completely ignored the Rajmannar Committee report. In a statement, the then union home minister said "the Centre had nothing to do with the report since the committee had been appointed by a State government". The then Prime Minister, Indira Gandhi reacting to the demand for the appointment of a special commission on the question of giving more powers to the state, said "the present constitution was capable enough to deal with any problem which may arise in the Centre-state relations and there was no need for review of the constitution. she also pointed out that the real problem in the Indian federal system was in respect of sharing the scarce resources and as long as resources are scarce, changes in the constitution would be of little help."30

Commenting on the Rajmannar report, The Statesman wrote in its editorial that" the Indian federal system had worked out quite well; it however, felt that the appointment of
such a committee by a state government could be considered as a sign of confidence in the Centre." The Times of India, on the other hand, regarded the report as politically motivated and suggested that appointment of such a committee reflected the deterioration in the D.M.K. Congress relationship. The paper felt that the committee had gone out of its way to weaken both political authority and the economic power of the Centre. The Hindustan Times also considered the Rajmamnar Committee recommendations as harmful to the integrity of the nation.

The above comments and reaction indicated clearly that Rajmamnar report failed to evoke a favorable response from the two most important groups of opinion makers. Most of the reactions were critical at the same time there was a tendency on the part of leading politicians to ignore the report. Thus, the report didn't contribute much to an enlightened discussion of the issue.

However, the 1971 mid-term election to the Lok Sabha ended the period of instability and inaction and its result proved decisive for the nature of Indian federalism in more than one way. Firstly, the Congress won a landslide victory, a clear two third majority (350 of 518) which was necessary for seeking amendments to the constitution. Secondly, the
Lok-sabha and assembly elections were delinked for the first time. Thirdly, the parties with regional affinity and interest suffered heavily.

Indira Gandhi emerged as the unquestioned leader of both the new party and the nation. In the Congress party also the authority of its Central leaders was re-established and Indira Gandhi established her authority over the whole organisation. The way she made the four Chief Ministers (Brahmanand Reddy of A.P., M.L. Sukhadia of Rajasthan, S.C. Shukla of M.P. M.M. Chaudhry of Assam) to step down showed the influence and power she wielded. Therefore in the new changed political situation, the Congress party under Indira Gandhi abandoned its federal character and became centralised. This centralization itself was the product of various circumstances. The way Indira Gandhi fought the battle with Congress organisation leaders for her autonomy, the Congress split in 1969 and the exceptional victory that came to her in 1971 and 1972 elections can be attributed to the trend of centralization. But partly this centralization of party or, for that matter, of the system as a whole can be found in her personality make up itself. Some psychological studies suggest that Indira Gandhi was more attuned to centralization.34

Hence, in her new style of functioning, all the Chief
Ministers were her nominees owing full allegiance to her. It appeared that candidate for Chief Ministers must satisfy two conditions.35

1. He must be the personal nominee of Indira Gandhi.
2. He should not have an independent political base.

However, all this contributed to make Indira Gandhi a powerful leader and as a consequence, the Centre became the main source of power in Indian politics. During the 1972 election of state assemblies, her campaign gave the impression that political control by the same party at the Centre and state is an essential pre-requisite for smooth functioning of the federal system and harmony in Centre-state relations.

The triumphant victory of Congress and its return to power in the majority of the states in 1972 assembly election, ushered in a new and significantly different phase in the functioning of the federal system. The differences were due primarily to the change in the composition and internal functioning pattern of the new Congress. Powerful state leaders who had played important roles in party functioning during the Nehru phase had been summarily jettisoned during the split, and replaced by a new set of generally younger leaders, who had remained loyal to Indira
Gandhi during the difficult transitional period. The pattern of selection of state leaders also changed significantly. Whereas previously, they used to grow in political status and experience in the states and move gradually to Central leadership positions, the new leaders were now handpicked by the Central leadership and assigned responsibilities of governance at the state level.

However, by early seventies, Indira Gandhi had restructured and centralised the party. State leaders including Chief Ministers were no longer allowed to build an independent local base in the country side or in the party, but were appointed or dismissed by the Prime Minister. By doing this, she had reduced political threats to her power, but in doing so, she also weakened the local and state party organisations. The result was that state governments became weaker and less stable especially in the period 1972-75. Indira Gandhi's virtual demolishing of intermediate levels of decision making made the state leadership politically dependent and insecure. This together with the heavy emphasis on personal loyalty to one person alone created conditions which adversely affected federal functioning. Entire selection process in the state legislature, cabinet, parliament, and other national policy making bodies became partial and essential for survival. Co-ordination, direction
supervision of state governments by the Prime Minister and often direct meeting with state government secretaries and the decline and the devaluation of National Development Council (N.D.C.) destroyed the last vestiges of an autonomous state level leadership. 37

The post 1971 election period was characterised by the one party dominance. The several attempts made during this period to augment the power of the Indian states were suppressed with the implicit purpose of concretely demonstrating, that a strong Centre was a Sine qua non 38 of balanced equitable economic development and assured overall national security even if this were to involve a drastic curtailment of the power of the states.

Thus, during the period 1971-76, Indira Gandhi emerged as the chief spokesman of the superior claims of unitarism over federalism in the development of India. 39 Indira Gandhi endorsed the view that a strong Centre was the need of the hour and it should continue in the interests of both the balanced development and the unity and integrity of the country. Operationally and institutionally grid of state power was so restructured as to reflect the preponderance and dominance of Central political and bureaucratic structures over their counterparts in the state.
However, the proclamation of national emergency in June 1975 marked the climax stage of the concentration of power within the party as well as the government. The regime became increasingly unable to cope with rising tide of public protest against the government, while the party itself was increasingly getting torn by dissidence due to Indira Gandhi's centralizing tendencies. As a matter of fact, what immediately caused the declaration of emergency in 1975 was few important events in succession leading to a crisis in India's politics. At this time only the Allahabad high court in the election dispute of 'Raj Naraian and Indira Gandhi' gave a crucial judgment which unseated her from the Rai-Barailey Lok sabha constituency. This made the entire opposition parties to demand the immediate resignation of Prime Minister Indira Gandhi. The ruling party tried to meet this growing opposition challenge by planning a counter offensive culminating in the declaration of internal Emergency in 1975 was its out-come. The proclamation of Emergency was a significant development in Indian politics with profound implication on the federal structure of the country. Impact of the emergency on political freedom was immense. The emergency helped to absorb the fissiparous tendencies within the ruling Congress party, and to get rid of those state governments, which
could have taken the firm root in the respective states. The pertinent point, however is that during this period, government passed two amendments 38th and 42nd which had bearing on federal structure.

First through the 38th amendment, the Governor's satisfaction to issue ordinance was made non-justiciable. It allowed enough scope for governor to act at the behest of Central government making his constitutional obligation irrelevant. The governors became merely a tool in the hands of Central government to undermine the federal structure of Indian constitution. The union government was empowered to make different kinds of proclamation on different grounds to intervene in the states reducing the state autonomy considerably.

The 42nd amendment enlarged the scope of emergency further and adversely affected the states autonomy. Through this amendment the article 257 A was inserted in Indian constitution by which the government of India could deploy any armed forces of the union or any other force subject to the control of the union for dealing with any grave situation of law and order in any state. Besides this, education, forest and protection of wild life were also shifted from the state list to the concurrent list causing
further curtailment of power of states.

Therefore by promulgating emergency and by-passing the parliament and her own cabinet, Indira Gandhi transformed overnight, the parliamentary democracy into a centralized authoritarian regime. But by this time the social base of Indira Gandhi's regime had become extremely narrow and it created dissatisfaction among the different sections of the society particularly the rural rich, the regional elites and commercial class. This accumulated discontentment was reflected in the sixth general election of 1977.

With the lifting of the emergency and the rout of Congress party in Lok Sabha and Assembly election of 1977, the political scenario of the country was changed. The debate on Centre-state relation, which was suppressed, for some time, came to the foreground again. During the parliamentary elections in March 1977, leaders like Jaya Prakash Narayan, Jagjivanram appealed to the conscience of the people time and again to eradicate the strong unitarian attempts undermining the federal spirit of India. The election result of 1977 election gave a hope that the spirit of Indian federal system might be revived. The result of Lok Sabha and state assemblies election reflected an essentially pluralistic orientation of political and economic developments of India. The process of growing integration of
interests of the capitalist class and the national political elites, which emphasised the need of a centralized authoritarian interest in the early 1970's, suffered a severe jolt in the elections of 1977 and as a result the genuine federalizing process was set in motion. All this had important implications. First, the regional governments were able to inhale the air of independence and to meet the Centre by and large as equal partners.

Thus, the political environment created by the Janata victory was congenial to a fairly balanced operation of India's federal system. It was so, because the centrifugal pressures generated by the new linkages between locally oriented political groups and locally dominant interest groups after election was conducive to enhancement of the status of regional government. The delicate balance inherent in the Janata party structure could be maintained only through compromise and consensus building process. Hence, the Centre during the Janata period was under constant pressure to pursue a policy of negotiated settlement in Centre-state relations.

But, sooner the implementation plan of Janata party towards decentralisation, to which it was committed started evaporating and nothing positive and concrete in the way of
securing a structural balance took place. The Centre under Janata was from the beginning reluctant to concede the regional demands for institutional reforms and greater devolution of resources. Prime Minister Morarji Desai refused the demand for more power to states placed on the national agenda by West-bengal government in December 1977. The West Bengal memorandum demanded that "the preamble to the constitution should be amended to include the word "Federal" in the description of the republic of India. It also demanded that residual powers of the federation should lie with the units and not with the Centre. Article 249, giving powers to parliament to legislate on a subject in the state-list under the plea of national interest, should be deleted. The role of the Centre should be one of coordination in areas such as planning, fixing prices and wages etc. And finally nothing beyond foreign relations, defence communication, currency and related matters should be the exclusive domain of the Centre".42

The demand of West Bengal government to convene a national conference to discuss Centre-state relations was turned down by Prime Minister Morarji Desai by stating that such conference was unnecessary.43 However, this issue came up for discussion in parliament at the end of Feb 1978, since some Chief Ministers had publicly supported for a
national debate. The Janata government however, categorically declared that it does not favour a review of constitutional provisions with regards to Centre-state relations because it considered them adequate. This position of government was forcefully reaffirmed by Morarji Desai a few days later in response to repeated demands for such a conference during the debate on President's address.

However, the Janata party's attempt to scuttle the move for a debate on federal reform was reflected in statements made by other Janata party leaders. Atal Bihari Vajpayee asked West Bengal government not to create any confrontation with the Centre and reaffirmed that "India is one nation and the Indian people are one people." The initial proposal to have the conference coincided with the National Development Council (N.D.C.) meeting scheduled for mid-March, was modified in the face of this opposition and revived as a move to meet in Chandigarh to discuss only Centre-state fiscal relations. But, even this limited move was opposed by the Janata leadership and had to be, finally, abandoned.

Henceforth, the Janata period didn't escape the dominating Centralizing legacy of the earlier phase, partly
because an influential section of the Janata leadership had became accustomed to the functioning of the Congress party and partly because a major component of the coalition, the JanSangh, was committed ideologically to the unitary ideal of "one nation one people". The Jansan gh (B.J.P.) expressed opinion that nothing should be done that may weaken the unity of the country. The Indian constitution is sufficiently flexible to meet the challenges of the time. It demanded that the Article 370, being a transitory article should be deleted in the interests of national integration. Jansan gh did not want drastic change in the existing set up of Centre-state relations.

Besides this, the Janata party didn't bring any change in the leadership style. The selection of Chief Ministers in Janata ruled states were more or less behind the scene. It was an agreement between the two largest constituents, the B.L.D. and the Jansan gh than of a decision by the party legislators. The objective, obviously, was to secure the election of a loyal Chief Minister. Moreover, Janata party's toleration of opposition ruled state was also not very high. A number of Congress Chief Ministers in the northern states were asked to seek a fresh mandate simply because the Congress was routed in the Lok Sabha elections and ultimately, these governments were brought down under
President rule by using Article 356 of Indian constitution. The Karnataka's Congress government led by Devraj Urs was not even allowed to prove its majority on the floor of the house. Similarly, Janata stand on West-Bengal government share cropper bill indicated the continuing disregard to state autonomy.

However, despite all this, the Janata phase had a novelty of its own in the sense that from 1977 onwards different political voices rose throughout India, which argued for different levels of autonomy for the states. The Janata experience was, however, short-lived. Soon the party fell into disarray and finally broke down under the twin pressure of mounting organisational strains and increasing governmental non performances. As days passed, the inner strains surfaced and it resulted in open splits constraining the nation to opt for mid-term polls to the Lok Sabha in early 1980.

The 1980 mid-term poll brought back Indira Gandhi's Congress (I) into power with yet another split of Congress in 1978. The electoral victory of the Congress (I) actually marked the personal triumph of Indira Gandhi. Centralization, thus, became the hallmark of her party as well as for her survival. The new Congress party that
returned to power was markedly different to the one that had existed even ten years earlier. During this period it had lost a number of experienced second level leaders and its capacity to operate effectively at both levels of the federal system had been further eroded by successive splits and defections. Though formally retaining a territorially based party organisation with different levels of power and responsibility, the functioning of the party was centralized to an unprecedented degree with a heavy emphasis on the criterion of personal loyalty to the party leadership. However, the loyalty to the party has always been a major criterion in the selection of members for positions of responsibilities in all parties, but its judicious combination with the requirement of qualitative nature make all differences between competent and incompetent leadership.

As a result of the decline in the autonomy of state party units of the Congress, a large number of states didn't exercise fully the powers and responsibilities vested in them. This abdication, whether voluntary or enforced, was apparent in many areas crucial for federal functioning such as the selection of candidates for representing the states in parliament, the selection and dismissal of state leaders and their ministerial colleagues and the representation of
the state at the level of national policy formulation. The virtual dismantling of intermediate levels of decision making within the party has made state leadership politically dependent and insecure. Thus Indian political process became the victim of crude Centralization, which, in turn, helped the growth of regional sentiments and consequently, the emergence of regional parties having firm roots in different regions. The birth of Telugu-Desam in Andhra Pradesh was the result of the over centralization and growing discontentment against Center's policy towards the state. Telugu Desam heralded a new era with regard to regional parties and with opposition parties to launch an offensive against the Central government's over-riding powers and increasing encroachment in the affairs of the state.

However, by 1982-83, there emerged a different political complexion of the country, where quite a few states came under the rule of non-Congress (1) parties leading to open political-conflict between them and the Centre ruled by the Congress (I). Hence, during eighties, the relationship between the Congress ruled Centre and the states ruled by non-Congress parties became more strained. In fact, two political trends emerged during the 1980's. First,
most of the regional parties particularly in the south came to power in the states and their leadership enjoyed wide social base and shared the regional emotions. Secondly, there took place a convergence of opposition political forces along with regional parties in the form of "conclave politics". Such alignment between the political forces wooed the demands of regional autonomy and sought to undermine the Congress ruled Centre. This coming together of the opposition forces was itself a product of apprehension generated by the Congress ruled Centre. It must be recalled that Indira Gandhi had dismissed the governments and imposed President rule in the non-Congress (1) states after coming to power in 1980 on the same plea what Janata Party had taken. However, by doing the same, she had given enough indication of her intolerance towards opposition ruled states. Hence, opposition unity was forged to jointly resist the Centre. With this the Centre-state conflict came out of constitutional jurisdiction and the states started demanding the revision of the constitution itself affecting the Centre-state relations.

The 1983 Bangalore meeting of four Southern State's Chief Ministers Tamil Nadu, Karnataka, Andhra Pradesh, Pondicherry was first of its kind by opposition ruled states. The meeting took a significant decision of founding
"the council of southern Chief Ministers". Two main considerations seem to have animated the convening of the Bangalore meeting. First, the question of revenue sharing between the Centre and the states and related question of the power to raise revenue. Secondly, a number of inter-state matters relating to such vital subjects as power, water and movement of food grains had been seriously negotiated between the concerned governments. The newly established council of Chief Minister thus appeared to be an institutional device worth giving a serious try, especially in view of the state of destitute into which the zonal councils had since long sunk. The one immediate result of the Bangalore meet, however, was the success in stirring the conscience of the Central government because after three days of the meet, the Prime Minister Indira Gandhi announced that Centre will set-up a commission (Sarkaria Commission) under the chairmanship of Rtd Justice R.S. Sarkaria to review the Centre-state relations. The term of reference of the commission as enunciated in the notification were:

1. The Commission will examine and review the working of the existing arrangements between the union and the states in regard to powers, functions and responsibilities in all spheres and recommend such or
other measures as may be appropriate.

2. In examining and reviewing the working of the existing arrangements between the union and the states and making recommendations as to the changes and measures needed, the commission will keep in view the social and economic developments that have taken place over the years and have due regard to the scheme and framework of the constitution, which the founding fathers have so sedulously designed to protect to the independence and ensure the unity and integrity of the country which is of paramount importance for promoting the welfare of the people. 51

The expression "arrangements" used twice in the context of the phrase between the union and the states is of wider amplitude than the word" relations" occurring in the main caption and part XI of the constitution. It includes all inter-governmental relations whether founded on or arising from or related to constitutional or statutory provisions or administrative practices and conventions including the mechanism through which they are worked. 52

However, with an announcement to appoint the commission, it became clear that Indira Gandhi implicitly acknowledged the fact that the Centre can't neglect the states which New Delhi took for granted all these years.
Following this Vijayawada and Srinagar conclave of opposition parties demanded the revision of the Centre-state relations. The Vijayawada conference took place just after two months of Bangalore meet in May 1983. It was attended by 24 leaders of 14 different political parties including four Chief Ministers. The conclave formed the opposition council and demanded the review of Centre-state relations and enlarging of the scope of Sarkaria commission in this regard. It reiterated the need for a fiscal commission to suggest structural changes for ensuring transfer of resources and powers to states, even by amending the constitution if required.

But it was the "Srinagar conclave" held in Oct. 1983, which raised the vital issue related to Centre-state relations and more specifically of state autonomy. The conclave was attended by the representative of as many as 18 political parties and could draw successfully the attention of country on the working of the federal autonomy. The conclave created a positive impact which made the people feel that there should be reappraisal of constitutional provision with regard to Centre-state relations. The convention in its resolution on political and administrative aspects, demanded sweeping changes in the interest of the
smooth functioning of federal structure.

The text of the statement released by the Chief Minister of Jammu and Kashmir Dr. Farooq Abdulla on the concluding day of the conference, observed that during all these years the unitary features of the constitution have over shadowed the federal features. There has been significant erosion of the powers of the state due to one party rule both at the Centre and the states. It is important, therefore, to restore and strengthen the autonomy of the states and to strike a balance between the powers of the Centre and those of the states, so that the character of our multi-religious, multi-lingual and multi-cultural country is preserved.

The convention made several suggestions in the sphere of Centre-state relations. The convention favoured the idea of either amending or deleting some provisions of the constitution like article 356, 249, 200, 201, 360, 365 etc. as to prevent its misuse. The conclave passed resolutions pertaining to the role of all India services, the functioning of the Judiciary and the role of election commission. The conclave commended that the governor should be in no way different of the president. Therefore, the governor should be appointed by the President on the basis of panel forwarded by the concerned state government. With
regard to the Judiciary, the conclave observed that at all levels, the Judiciary must be free from political interference. It commented on the election commission that the impartiality and credibility of the election commission is an imperative necessity for free and fair elections.

"The state legislature", the conclave observed, must be the sphere of legislation on matters pertaining to the state list and no interference by the Centre should be allowed on any ground except in the case of the bills which affect the power of the high court. Article 249 which empowers Centre to legislate on the request of the two or more states to pass law on subjects mentioned in the state list should also be reviewed and amended. Under article 263, the President can establish inter-state council and it must be made mandatory for President to constitute such council consisting of Prime Ministers and Chief Ministers of all states.

The conclave reiterated its stand that" the law and order is a state subject and induction of the para-military forces by the Centre into a state must have the prior concurrence of the state government. The opposition parties expressed their concern on the toppling games and resolved that the era of one party rule at the Centre and in the
states has ended. The political scene has undergone a transformation with different political parties holding the reins of administration in a number of states. But, the Congress (I) refused to see the realities of the situation and was not reconciled to the loss of power. Overt and covert efforts were made to destabilise the non-Congress governments in various states. Therefore the conclave demanded for restructuring the Centre-state relations".55

However, in the context of political development in the country, the setting up the Sarkaria Commission to review the Centre-state relations by Indira Gandhi was welcomed by various sections of the people. All political parties widely appreciated this decision of Prime Minister. Perhaps, it was not only the response of the opposition ruled states, but Congress (I) ruled states too had their grievance against the Centre. There was a clear evidence as to Congress (I) Chief Ministers joining hands with the non-Congress (I) Chief Ministers on the issue of greater autonomy for states. A short-while after the Karnataka and Andhra polls in 1983, Sripat Mishra, the Chief Minister of U.P., became a critic of the Centre for being a hindrance to the State's development. Madhav Singh Solanki, the Gujarat Chief Minister in a memorandum to the eight Finance-commission asked for the sharing of corporate taxes, one of
the demand of Southern Chief Ministers conference. Hence, in the face of such development, the need for commission became a dire necessity.

But soon after the setting up of "Sarkaria commission", it was criticized by the opposition parties and described "as an eye wash". The emphasis on unity and integrity as a counterpoise to state's autonomy in the term of references of the Sarkaria commission created lot of controversies in the opposition circle. There was a general feeling among the opposition members that it is not a statutory body, and it has been asked to review the existing arrangements, rather the removal of any anomalies that have crept into the actual working of federal system provided by the constitution.

Hence, the political development of early eighties provided a new situation to the country's politics, where the dominance of Congress party was almost over and its base was getting narrowed in India. It was clear that territorial spread of Congress (I) was shrinking. Indira Gandhi prevented the emergence of strong opposition governments in states. Karnataka, Andhra Pradesh and Jammu and Kashmir are examples to illustrate such attitude. In Karnataka, the unsuccessful attempt of Congress (I) to topple the Hedge government by
bribing the M.L.A. was exposed by the media. But the unprecedented drama took place in A.P, where N.T.R. led Telugu-Desam ministry was dismissed by the state governor, despite N.T.R.'s majority in the vidhan sabha. This caused mass protest and virtually the entire state rose up in revolt. The governor was finally compelled to resign and N.T.R. government was reinstalled.

However, similar moves by the Centre became quite successful in Jammu and Kashmir. In May 1984, G.M. Sah along with his supporters, defected from the National Conference a ruling party led by Dr. Farooq Abdulla. This group was asked to form a ministry in coalition with Congress (I). Dr. Abdulla protested, this since Jammu and Kashmir anti defection law disqualifies defecting M.L.A's from voting in the state assembly. But the newly appointed governor, who was sent to perform this task by the Centre, refused Dr. Abdulla's plea and dismissed him. This kind of act by the Centre clearly indicated a gross violation of federal spirit by misusing the office of governor. It also revealed the weakness of the Centre to hold the political forces in moderation. As Paul Brass argued "the frequent use of President rule is more appropriately seen as a failure of the government of India to exercise effective control over state affairs than as an index of
centralization. 61

Moreover, the partisan role of the Centre in using the article 356 to dismiss the opposition governments in states has not been only detrimental for federal structure of the country, but for the integrity and stability of the nation also. Perhaps there has been symbolic relationship between centralization and regionalization in the context of Indian politics. With the centralization of the federal structures, there emerged a resurgence of regional consciousness and assertion of regional identity and with its becoming more pronounced the system under went the process of centralization in the name of security and territorial integrity of India.

Henceforth, the whole logic of Centralized rule is not tenable and workable in India, owing to her plural society and continental size. India is too vast to be governed from one place. As Paul Brass has argued, "despite periodic appearances to the contrary, the long term tendency in India is towards pluralism, regionalism and decentralization. 62

Therefore it can be argued that the second generation strain (post 1967) in India's federal system is partly the result of India's cultural pluralism and more due to changes in political culture and institutional functioning, the
complexities of the structure of political elites, the aspiration of newly mobilised social groups and the response of dominant group to process of federalism.
FOOT-NOTES


3. The Problem Seminar, December 16, 1969 (Editorial)


5. Ray Amal and Kinkaid John, Politics, Economic development and second generation strain in India's federal system.


11. All India Radio Broadcast on March 15, 1967.


16. op-cit, 124.


18. ARC Report, Vol.-I-p.4

19. op-cit, p.11.


27. The Times of India, 28th may 1971-


29. Rajmannar Report, Tamil Nadu government Directorate of printing and stationery Madras.


32. The Times of India, April 27, 1971.

34. For such analyses, see Zasser Masani, Indira Gandhi, A biography (London Hamish Hamilton, 1975) Nayantara Sahgal, The making of Indira Gandhi" in South Asian review, April 1975.


37. Arora Balveer op-cit. p.21, 22, 23.


43. Press Conference at Bangalore - Times of India 23rd Jan 1978.

44. Prominent supporters included: sheikh Abdullah and P.S. Badal, Mr Jyoti Basu and the declared that the debate would decide once and for all whether the country's constitution was federal or unitary- Times of India, 10th Feb 1978.

46. He declared, "I am not going to call a conference or attend it". *The Statesman*, 23rs Feb. 1978.


52. Ibid.


55. The Srinagar Opposition meet statement Need for reviewing Centre-state relations New- Age, October 16, 1983.


57. Ibid.

58. *Indian Express*, 9th June 1983


62. Ibid.