Chapter 1

Introduction
Federalism has been instrumental in accommodating diversities in a political system as well as in acting as a mechanism for integration in international economic and political relations. The federal idea can be traced back to ancient Indian, West Asian and Greek political writings. Modern instances of federal systems include those of America, Canada, Australia, India, etc. The concept of federation is older than the United States’ Constitution of 1787 which is regarded as the first modern instance of a federal polity.

In the recent decades, the nature of federal system of government has undergone changes due to various socio-economic and political factors. The forces of economic liberalization combined with transformations in the political party systems have contributed to increasing federalization tendencies in various countries. This growing pace of federalization demands modifications in the patterns of federal-provincial or union-state relations in these countries.

With the undergoing political, cultural, economic, and social changes at an unprecedented rate, federal systems are experiencing continuous transformation. The problems faced by most of the federal countries are common, though the situations in each federation are different. The experiences of other federations provide an insight into the consequences of various arrangements. It is not only the success stories but the problems faced by the federations act as a learning platform for the federal countries across the world.

In a federal system, there is a demarcation of power between the union and the constituent units. The constitutions of various federations clearly state the dominant position the union government has in relation to foreign policy. Foreign policy decisions have been traditionally considered as an exclusive domain of the national government. However, in recent times, the exclusive grip of the union government in foreign policy decisions is slowly being weakened by the activities of the members or units in federal unions. Moreover, states have become more active in the international arena, especially in the economic sphere, owing to the changes in the international economic order. The study of the constituent governments’ activities in international arena provides for an interesting topic in the field of international relations. A study on the factors that prompt the constituent units to involve in international affairs and the causative factors for their increased influence on the union governments’
foreign policy decisions and negotiating behaviour provides for an in-depth analysis in this field. These activities of constituent states in a federal system can be mainly attributed to the increased autonomy of states and regional parties as a result of the requirements of politics and the changes in market systems.

The way in which different federations handle transnational issues has been an interesting topic in the study of federalism. By constitution itself certain federations have allowed states to involve in international affairs.

The degree of autonomy for the states to involve in international affairs varies from country to country. The constitution of countries like India and Malaysia authorize the union government to have exclusive powers on foreign policy decisions and the constituent states are not given any roles. On the other hand, the constitutions of Belgium, Germany and Switzerland have assigned greater roles for constituent units including power to make and implement treaties with foreign countries. Constituent units of some countries have been conferred the power to be consulted on the treaties signed by the federal government. The extent and degree of involvement of constituent units of federal countries in international relations exhibits a varying pattern across the world.

Globalization and its various facets like trade and financial liberalization, technological interconnections, migration, security interdependence and various other factors which has contributed to the shrinkage of world community has played an important role in the degrading the strong authority of nation states as sole actors in the international arena. The arguments on whether globalization has drained the sovereignty of nation states are important in this context. The increased involvement of constituent governments in international activities could be considered as an evidence of the eroding sovereignty of nation states. An alternative view to this argument is that the increased involvement of constituent units in the international affairs could be seen as a manifestation of the positive advancement of federal ideas and maturity. Federal countries realising the exigencies of the changed political and economic environment is reacting wisely by allowing the constituent units of federations to involve in international activities. The constituent units will be able to reap benefits out of the increased interactions with the external world which in turn would be beneficial for the welfare of the whole country.
Federalism

By definition, a federal government is one in which powers are divided between the national government and the state governments by constitution itself, and both operate in their respective jurisdictions independently. The term federal is derived from the Latin word foedus which means covenant. Thus a federal arrangement is established and regulated by a covenant and signifies partnership between the parties involved. In a federal system, there will be at least two orders of government whose existence is engrained in the constitution. Federalism is multi dimensional in character and it has constitutional, legal, political, social and cultural aspects. Federalism as a form of government is based on mutual recognition, tolerance, respect, obligation and responsibility. So it is considered ideal for multicultural and multiethnic societies like India. Federal system works in a way that all can have a say in the process of decision making and policy implementations. Hence, it helps to preserve internal diversities and at the same time provides security and economic advantage for the country concerned. According to Duchacek, a federal system means a constitutional division of powers between one general government which has authority over the entire national territory and a series of sub national governments that have independent authority over their own territories.\(^2\)

Federal principles are concerned with the combination of self rule and shared rule. Even though the political discourse regarding the role of the 'federal units' in the making of foreign policy is a recent one, the phenomenon of provinces taking part in international activities is neither new nor particular to any specific country. The union government in a federal system seems to be apprehensive about including states in foreign policy decisions mainly because of the fear of disintegration. However, it can no longer keep the states away from foreign policy decisions because of the changes in the political and economic scenario in recent times.

Regional political parties have become important actors in national politics leading to the formation of coalition government at the union level. This places them in a favourable position to influence the country’s foreign policy decisions which are in the interest of their respective states. The international economic cooperation as a result of globalization is also an important reason for the increased role of states in the foreign policy arena. Economic policy decisions are so vital for a country that foreign policy is, nowadays, synonymous with foreign economic policy. Multilateral trade and foreign direct investment have forced the union government to let the states have some degree of external authority.
Constituent Diplomacy

The involvement of constituent units of countries in international affairs is generally referred to as paradiplomacy or constituent diplomacy or sub national diplomacy. There are different names to denote constituent units in different parts of the world like Lander in Germany, Provinces in Canada and States in India. These constituent units participate in international affairs in the following ways:

Opening trade and cultural missions abroad.

Signing treaties and agreements with foreign states and non-state actors.

Influencing the official foreign policy of the union government.

The study on international activities of constituent units started in the 1970s and was mainly concentrated on the countries in North America. Rather than studying constituent diplomacy as a new phenomenon, the studies in 1970s and 1980s considered it as a by-product of federalism research. Scholars in the field of constituent diplomacy have used different terms to signify the regional governments that are involved in international activities. Ivo Duchacek and Brian Hocking prefer the term ‘non central governments’ to denote constituent governments whereas Soldotos uses the term ‘federated units’. Another term ‘subnational units’ is used to denote the regional government by authors like Michael Keating and Francesco Aldoca. The term constituent diplomacy was first used by the American scholar John Kincaid to denote that states are not subsidiary or secondary actors, but constituent units of federal polities. The activities undertaken by constituent units that cross international borders were analyzed carefully by Kincaid. These include an array of activities from the regional governments’ investment promotion initiatives abroad to the constituent governments’ influence on the foreign policy formulation of the union government. Kincaid states that an impetus to this global provincial interaction is made possible by the increased autonomy enjoyed by the constituent governments from their national authorities in their interactions with foreign entities including governments and international organizations. Though the constituent governments in a federation cannot carry out external relations with the same authority as the sovereign national governments, their presence in the international arena has shown a flourishing effect in recent decades.

The activities undertaken by constituent units that cross international borders were analyzed carefully by Kincaid. Even though constituent diplomacy is studied from different dimensions, it is more articulated in the context of federalism and international relations. The
1990s were crucial in the study of constituent diplomacy due to the end of cold war and the acceleration in the integration process in Europe. With the twin forces of globalization and liberalization, the international economy became more integrated and the constituent units started competing with each other to reap the benefits of increasingly integrated economy.

**The linkage between Federalism and Constituent Diplomacy**

In a federal system of government, there is a clear demarcation of power between the union government and the constituent units. Traditionally, the division of powers between them in a federal system was based on the idea of the so called ‘high politics’ and ‘low politics’. High politics are matters on the national and international level that are important for the sustainability of the whole state like national security and foreign affairs. Low politics are those matters in the jurisdiction of regional authorities like education, environment, healthcare, etc. Foreign policy, which is a subject of high politics, was considered as a field of exclusive dominance of sovereign states but not the constituent units. In a globalized world with fading boundaries, the clear distinction between high and low politics has become vague and the constituent units have been trying to reap the benefits from an interdependent world. For instance, with the concept of “soft power” becoming a key tool of global governance, the issue of education can no longer be considered as low politics. The union government in a federal system is not in a position to keep the states away from foreign policy decisions because of the changes in the political and economic spheres in recent times. The neoliberal economic policies adopted world-wide combined with new developments in the political party systems have hastened federalization tendencies in various countries. This acceleration of federalization tendencies demands structural changes of federal-provincial or union-state relations in these countries.

The increased international activities of the constituent states in India can be clearly understood from the viewpoint of economic motivations. Political leaders and government officials travel abroad to promote exports and tourism and to seek investment. States have raised demands to be consulted in international trade negotiations. Many states try to attract foreign investment by offering better infrastructure conditions and tax breaks. Certain states in India might be having expertise on issues in which the union government consult them especially the matters in Border States. States try to engage in cultural diplomacy to promote their culture and traditions abroad and to attract more tourists to their respective states.
Federalism: The Indian context

The constitution of India provides for a federal system of government in the country. However, the term federation has nowhere been used in the constitution. Instead, Article 1 of the constitution describes India as a ‘Union of states’. According to B. R. Ambedkar, the phrase Union of states has been preferred to ‘Federation of states’ to indicate two things: the Indian federation is not the result of an agreement among the states like the American Federation; and, the states have no right to secede from the federation. The constitution of India has incorporated a large number of unitary or non federal features, including single constitution, single citizenship, integrated judiciary, etc. thus tilting the balance of power in favour of the union. It is because of this reason that K. C. Wheare described the constitution of India as “quasi-federal”. He remarked that ‘Indian union is a unitary state with subsidiary federal features rather than a federal state with subsidiary unitary features’.

The framers of the constitution adopted the federal system of government to preserve its “Unity in Diversity”. Part XI of the Indian constitution elaborately defines the power distribution between the union and the state governments. This part is divided into legislative and administrative powers. The Seventh Schedule of Constitution created three lists of subjects: union list, state list, and a concurrent list. Foreign policy is included in the union list, on which the parliament has exclusive decision making powers.

In India’s federal system, the constitution entrusts the union government to manage all the foreign relations of the country. Despite the powers enjoyed by the union, states are extremely important actors in the Indian political system. In India, dominance of the Congress Party in the early decades after independence resulted in a strong parliamentary centralism headed by Jawaharlal Nehru. Tendencies towards party pluralism at the state level in 1967 and at the union level in 1977 gave a boost up to the forces of federalism. However, it was the 1989 Lok Sabha elections that acted as a turning point in party system configuration when India made a definite transition from one-party dominance to multiparty system.

With the advent of coalition politics at the union level in India, the influence of states and regional political parties in national politics became more prominent. Regional leaders and regional parties have become important and the union government or national parties are no longer in a position to ignore them. The economic liberalization policy adopted by India since 1991 has provided the states with trade and investment opportunities which are
internationally oriented. With this development, some of the states have become more assertive in decisions regarding foreign direct investment and promotion of foreign trade in their respective territories. Thus, they play an important role in foreign economic policy decisions.

**Significance of the study**

With the recent trends of constituent units’ increased activities in the international arena, constituent diplomacy has become an important variable in examining contemporary international relations. The study of constituent diplomacy helps to understand the problems related to interpretation of sovereignty and the process of decentralisation taking place in federal system of governments today. The opportunities provided by globalization have opened up new possibilities for the states in the economic arena, making them more vocal in expressing the foreign policy preferences to the union government. Constituent states have become active internationally and have increased their influence on the foreign policy decisions of the country. This aspect of foreign policy has not received adequate attention in foreign policy studies, especially in India.

Though constituent diplomatic activities of Indian states are very limited compared to other federal countries, a study on constituent diplomacy provides a fresh perspective into the changing nuances of union-state relations and the nature of federalism in the country.

**Statement of the problem**

Along with the sovereign countries, the regional governments have become important players in the international arena. They have become active by signing treaties with foreign countries and opening trade and cultural missions abroad. The increased international activities of the constituent states in a federation have influenced the union-state relations in the country. In recent decades in India, there is an increase in the influence of state governments and regional parties on foreign policy decisions of the country. The question whether these international activities act as accentuating factors for the development of federalism and intergovernmental relations in the country or whether it negatively affects the national interest of the country requires in-depth analysis. Constituent diplomacy deals with the increased international activities of constituent units and their influence on the foreign policy decisions of the country. West Bengal is a state which is active internationally with the state governments’ attempts to attract more foreign investment to the state and seeking foreign collaboration in addressing various issues faced by the state. West Bengal is also an important factor in India-
Bangladesh relations and has a significant influence on India’s foreign policy towards Bangladesh. Thus, West Bengal presents an interesting case in the study of constituent diplomacy of states in India.

**Review of Literature**

A comprehensive review of the literature was undertaken to understand the concepts, constructs, theories and issues discussed in the thesis. The review, in-turn, has helped in giving a theoretical and conceptual structure to the work. A brief report of the review of literature is given below.

Michael Burgess’s book *Comparative Federalism: Theory and practice*\(^8\) deals extensively on the theory and practice of the concept of federalism. It tracks the development of the federal idea since its beginning and analyses the changes that has happened over the years and the current trends and issues in the realm of federalism. The author vividly examines the constitutional, economic, political, legal, cultural, philosophical, ideological and social aspects of federalism emphasizing its multidimensional character. He explains why a single wholesome theory of federalism is impossible due to its multifaceted nature. The book which starts off by explaining the basic concepts and ideas on federalism goes on to explain the developments in federal idea and provides a comparative analysis between different federal systems. It concludes by explaining the current trends and issues in federalism, the success and failures of the federal idea. The book provides a deep understanding on the basic concept and ideas on federalism.

Daniel J. Elazer in his book *Exploring Federalism*\(^9\) provides a detailed account of the different dimensions of federalism. He explains how federalism can be used as an instrument to accommodate diversities in a political system. He also throws light on how federalism as a system of government can facilitate conflict resolution and political integration. He emphasizes the existence of federalism as a system of government based on choice and design rather on accident or force. This gives a special character to the idea of federalism. The book gives a great emphasis to the plural and democratic dimensions of federalism and helps in gaining a deep insight into the basic concepts and ideas of federalism.

*The Ashgate Research Companion to Federalism*\(^10\) by Ann Ward and Lee Ward provides a detailed explanation on the origin and development of the federal idea. It tracks back the origin of federalism to the ancient Greece from the writings of Thucydides and Herodotus. The book then goes on to give a detailed account on the origin of modern federalism and its
development. It also talks about the contemporary theories on federalism focusing on the Indian, Australian and Latin American models of federalism.

The book *Defunct Federalisms: Critical Perspectives on Federal Failure*\textsuperscript{11} by Emilian Kavalski and Magdalena Zolkos, focuses on the aberrations or deviations from the general model of federal success and tries to find the reasons for the failure of the federal arrangement in different countries. It identifies various factors such as lack of liberal democracy, institutionalization of federal identity and forceful imposition of federalism contributing to the failure of federalism in various countries. The authors provide examples from the failed federal experiments across the world and look into the factors responsible for the failure of federalism in these countries.

David Criekemans’ book *Regional Sub-State Diplomacy Today*\textsuperscript{12} provides an insight into the status of sub-state diplomacy at present by providing examples of federal countries across the world. The involvement of sub-state units in diplomatic activities is studied from economic and political perspectives. The book provides examples from the experience of Quebec, Scotland, Catalonia and Mexico. It provides a clear view of the sub-state diplomatic activities from various federal countries.

S. Gopakumar in his book *Foreign Policy, Federalism and International Treaties*\textsuperscript{13} analyses different dimensions of federalism in India and the recent changes incurred to it. The changes in the international arena especially the phenomenon of globalization had a profound impact on the structure and functioning of Indian federalism. The issues affecting the border states of India like illegal migration, illicit trade and drug trafficking affect their relations with the neighbouring countries which in turn affect India’s relations with those countries. The book provides a clear picture on the art and practice of ‘New Federalism in India’.

*Foreign relations in federal countries*\textsuperscript{14} by Hans Michelmann deals with the practice of ‘constituent unit’s federal relations’ by carrying out a study of the federal practice in twelve countries across the world. The impact of geography, economy and political structure on the practice of constituent diplomacy is carefully examined. The author observes that most of India’s troubled relations are with its neighbouring countries which in turn have an impact on the border states’ relations with those countries. In some cases, problems in the border states or constituent states might be the source of conflict between India and its neighbours. The book provides a picture on how foreign policy is practiced in different federal countries and the extent of constituent diplomacy carried out in these countries.
Smruti S. Pattanaik’s book *Four Decades of India -Bangladesh Relations: Historical Imperatives and Future Direction*\(^{15}\) brings out the various aspects of bilateral cooperation between India and Bangladesh. It has dealt with the major problems in the relations between both the countries as well as the solution to those problems. The book states that the relationship between India and Bangladesh that is bound by historic socio-cultural ties could be enhanced by greater bilateral engagement.

The article *Challenges to India’s Centralized Parliamentary Federalism*\(^{16}\) by Mahendra P. Singh and Douglas V Verney talks about the peculiar characteristics of India’s federal system and its effects on the functioning of Indian polity. It addresses the decentralization demands that India had to face and its journey towards parliamentary federalism. The proliferation of political parties and their impact on Indian federalism is detailed in the article. It explains how federalism has influenced India’s secularism and the country’s ability to handle sectarian violence.

Kripa Sridharan’s article *Federalism and foreign relations: The nascent role of the Indian states*\(^{17}\) examines the reasons behind the involvement of Indian states in external relations and the way in which they conduct their relations with external actors. The increased involvement of states in foreign policy decisions happens not only in federal countries but also in unitary system of government. Even countries like China are not insulated from increased sub national activities. As markets acquire more power, the control of union government on foreign policy is visibly shrinking. Sreedharan identifies the process of coalition government formation and increasing number of regional political parties as contributing factors to the federalization tendencies in India.

Rafiq Dossani & Srinidhi Vijaykumar in their article *Indian Federalism and the Conduct of Foreign Policy in Border States: State Participation and Central Accommodation since 1990*\(^{18}\) describes how India’s relation with its neighbouring countries is affected by actions of the border states and the impact of coalition government formation on the foreign policy formulation of the country. It gives a special mention on India- Bangladesh relations where the state of West Bengal plays an important role. The porous borders, illegal migration and insurgent activities in the border areas in West Bengal have clearly had its impact on India-Bangladesh relations. The article also mentions the impact of Kashmir factor in India-Pakistan relations.
The article *The Paradox of Federalism: Some Practical Reflections* by David Cameron deals with the contradictory character of federalism. Federalism which is usually considered as the ideal system of government for multiethnic communities sometimes fails to unite them. The author takes examples from Iraq, Sri Lanka, Quebec and Canada. The institutional efficiency of federalism as a unifying force for heterogeneous societies is contested in the article.

Amal Ray in his article *From Consensus to Confrontation: Federal Politics in India* provides an analysis of India’s federal system from the perspective of transformed role of political parties in the system. It analyses the reason for a balanced union-state relations during the early decades after independence. It also looks into the reason why this balance was shaken after the 1960s and how it impacted the structure and functioning of Indian federalism.

Rjashekara’s article *The Nature of Indian Federalism: A Critique* provides a detailed account of the growth and development of federalism in India. It also deals with the current issues pertaining to the functioning of Indian federalism. The article describes in detail about the ups and downs in union-state relations and the constitutional dimensions of Indian federalism.

**Objectives**

Following are the objectives that are focussed in the study:

1. To focus on the relevance of federalism and its functioning in the Indian context.
2. To find out the extent and direction of involvement of constituent units in international affairs.
3. To analyze the role of states in India on foreign policy decisions.
4. To evaluate the increased role of constituent states of the Indian federation in international affairs, especially West Bengal.
5. To analyze the impact of constituent diplomacy on the future of federalism in India.

**Hypotheses**

There are three formulations, which are tested during the period of study. They are:

1. States and regional political parties have increased their influence on the foreign policy decisions of India.
2. States have become more active internationally in order to reap the benefits of the changed economic and political environment.

3. The constituent diplomatic activities of the states have its impact on the federal structure of India.

**Methodology**

This research is a qualitative study and it adopts a descriptive analysis method. The primary sources used include government documents and publications. The secondary sources constitute books, articles and newspaper reports. The thesis tries to analyse the phenomenon of constituent diplomacy from a federalist perspective in which international activities of states are examined closely from different dimensions.

The research is carried out in different stages. First, it tries to analyze the existing theoretical literature. Through this dimension, the activities of regional actors in the international arena are studied and its impact on the structure of federal system is analysed. The factors that motivate the constituent units to involve in external activities are identified and the case of West Bengal’s increased international activities is analysed with the help of these factors. The causative factors for the influence of West Bengal on India- Bangladesh relations and the extent of influence is also discussed.

A qualitative methodology is undertaken because the inclination of states to become active internationally and be assertive in foreign relations cannot be measured quantitatively.

**Chapterisation**

The thesis is divided into the following six chapters:

1. Introduction
2. Federalism and Constituent Diplomacy: A Theoretical Overview
3. Constituent Diplomacy and Federalism in India
4. Constituent Diplomacy of West Bengal: An Overview
5. West Bengal as a factor in India- Bangladesh relations
6. Conclusion

**Chapter One An Introduction to Federalism and Constituent Diplomacy** provides a brief introduction to the concept of federalism and constituent diplomacy. It explains the various dimensions of federalism and constituent diplomacy and the methodology involved in the
study of it. It also touches upon the previous literature in the field of federalism and foreign policy and the chapter divisions.

**Chapter Two** *Federalism and Constituent Diplomacy: A Theoretical Overview* provides a theoretical framework for the concept of constituent diplomacy and federalism. Various theories on the concepts of federalism and constituent diplomacy are analysed to present a theoretical background for the present study. It explains the connection between democracy and federalism and the issue of sovereignty in the division of power between the union and the constituent states. The chapter discusses in detail the causative factors for the increased constituent diplomatic activities. It also discusses about the positive and negative aspects of constituent diplomacy.

**Chapter Three** *Constituent Diplomacy and Federalism in India* analyses the scenario of constituent diplomacy and federalism in the Indian context. The chapter discusses in detail the origin and development of federal system in the country and the recent changes in the structure of federalism in India. The constitutional setting of federalism in India and the power distribution between the union and the states are detailed in the chapter. It talks about the constituent diplomatic activities of various states in India and its impact on the federal structure. The role of regional political parties and coalition politics in the development of federalism in India is discussed in the chapter.

**Chapter Four** *Constituent Diplomatic Activities of West Bengal* discusses the various international activities carried out by the state of West Bengal. The historical prominence of Bengal and its economic decline and partition are discussed in the chapter. The impact of globalization and liberalization on the state’s economy and how it contributed to the increased international activities is detailed in the chapter. The state’s cultural and trade missions abroad and the initiatives to attract investments are also discussed here.

**Chapter Five** *West Bengal as a Factor in India- Bangladesh Relations* analyses West Bengal’s role in India- Bangladesh relations. The cultural and historical linkages between both the countries are discussed in detail especially with respect to West Bengal. Major issues in India-Bangladesh relations like water sharing, border issues, illegal migration, smuggling and drug trafficking are discussed in the chapter. The role of north eastern states of India in the relation between both the countries is also discussed.

**Chapter Six** *Conclusion* contains the summary of all chapters and analysis. It is found out that constituent unit’s involvement in external affairs is not a matter of temporary fashion but
it represents a change in the practice of diplomacy. It requires some change in attitude on the part of states and regions, to accept the new realities of shared powers and interdependence.

**Notes and References**


