ROLE OF INTER-GOVERNMENTAL AGENCIES
IN INDIAN FEDERALISM

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ABSTRACT
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Abstract

A federal constitution has two sets of governments - federal and regional which are constitutionally allocated exclusive as well as shared jurisdictions, to say nothing of residual powers. For this reason, inter-governmental agencies are an essential mechanism to negotiate, regulate and formulate common policies at least in the policy areas of shared jurisdictions. Besides, such agencies may also be necessary for exclusive jurisdiction for the obvious reasons that in the era of cooperative federalism the federal government often use its generally larger revenues to initiate centrally sponsored schemes of development and social policies with the consent of state government. Such schemes may be fully or partly funded by the union and implemented by the states.\(^1\) One particular aspect of the institutional working of federal system is the role of inter-governmental agencies that facilitate a policy making by the Federal and Regional Governments.

"The founding fathers gave India a union model of federalism, which critically blends the best features of all the important types of federation. The emerging Indian model reconciles the imperatives of a strong centre with the need of state autonomy. It distributes power, yet does not effect a rigid compartmentalization. Functionally, it is an inter-

dependent arrangement, where centre and states collectively aspire and work towards the welfare of the people. Working aberrations have caused functions in the centre-state relations, therefore demands for decentralization. This, however, does not require major changes but functional modifications in the constitution. Necessity of autonomy needs to be balanced with the imperatives of integration."

The Indian constitution was framed when the idea of co-operative federalism was prevalent. Therefore, the constitution framers were aware of the need for such forums and thus incorporated Article 263. This Article in our constitution was borrowed from a similar provision in the government of India Act 1935, providing for the creation of an Inter Provisional Council. However, Article 263 was rarely used before the V.P. Singh Government set up a regular Inter-State Council (ISC) in 1990 by a presidential ordinance. But there has been another inter-governmental forum in India that is Planning Commission, which is set up outside the framework of the constitution by a cabinet resolution of the Nehru Government in 1950 that has been very significant in many ways in the field of economic–policy making and planning than the Inter State Council has been in the political field. "The Planning Commission is neither a constitutional body nor a statutory one. It owes its existence to an executive order of the central government. Its influence on the

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deliberations of the Central Government as well as on union-state relationship has, however, steadily grown and it now wields decisive influence on both centre and states.\(^3\) The planning Commission is a bone of contention between the centre and the state since its inception from 1950. It has assumed the stature of parallel government. "On the suggestions of the Planning Commission, another inter-governmental agency called National Development Council was constituted on August, 1952 to serve as a highest reviewing and advisory body in the field of planning."\(^4\)

Besides, Planning Commission, National Development Council and Inter-State Council, other Inter-governmental forums in India are the Chief Minister's Conferences, Governor's Conferences, Inter-Governmental Ministerial Conferences, Chief Secretaries Conferences, Zonal Councils, Inter-state Tribunals and National Water Resources Council.

"Indian Federalism is historically a product of traditional as both under the ancient Indian empires and during the Mugal regime, the constituents units were enjoying a certain degree of autonomy. According to M.S. Setalvad, "the founding fathers favoured a strong centre because they felt that "having regard to the diverse nature of the population, the number of religions and sects which divided it and the fissiparous


\(^4\) *Ibid*, p.572.
tendencies which it had a number of occasion shown, on any emergency arising affecting either the country or the states by the breakdown of its constitutional machinery, the central Government should have power to take over its administration."\(^5\) It was on pragmatic consideration, provided that only those powers, concerned with the regulation of local problems, should be vested in the states; the residue, especially those which tend to maintain the economics, industrial and commercial unity of the country was to be left to the union. While disturbing powers, unconsciously, the foundations of a cooperative federalism were being laid. This new spirit was to depend not so much on institutional devices but, "on the harmonious working of the federal power structure, in the stability and effectiveness of the centers, in a just system of resolution of centre-state and Inter-state conflicts and in adequate institutional system for consultation, coordination, interchange and integration."\(^6\)

"All there Inter-Governmental forums are playing an indispensable role in the harmonious working of a federal power structure by making successful and effective economic policies, by providing a platform to resolve the conflicts among the states and within the states and by bringing co-ordination and co-operation. These agencies provided a


forum for all discussion of some India’s most pressing federal problems.”

If the present trend of the mushrooming of regional political parties gives way to a more structured set of federal political parties and the federal cabinet functions more as a representative of the Union Government rather than as an agglomeration of regional, parties, the need for Inter-Government forums like National Development Council and Inter State Council may be acutely felt. This has already been acknowledged by National Commission to review the working of the Constitution (NCRWC).

The Commission while endorsing the recommendations of the commission on centre-state relations (Sarkaria Commission), recommends that in resolving problems and coordination policy and action, the union as well as the state should more effectively utilize the forum of inter state council. This will be in tune with the spirit of cooperation federalism requiring proper understanding a mutual confidence and resolution of problems of common interest expeditiously. According to Rekha Saxena, "National Development Council is a useful instrument of intergovernmental relations. It is a unique forum, which brings together the executive heads of the two orders of government in the country of sub-continental, plural and federal diversities. Instead of establishing it under Article 263 of the Constitution or under a parliamentary statue, It was set up by a cabinet resolution. Despite its

hacking in constitutional status, it has been more functional than the ISC". Like the other agencies, the Chief Minister's conference is a summit meeting of the chief executives of the Central and State Governments. According to Shriram Maheshwari, "the Chief Minister's Conference is potentially an important forum for the discussion of issues and harmonization of relationship between the centre and the states. Although it may not always produce a set of agreed decisions, it may be helpful in reducing the mental distance between the union and the states as also among the states themselves. It is the only forum where the consensus of the states on the emerging problems may be ascertained."

"So to sum up we can say that the contribution of various intergovernmental forums is not only unavoidable but desirable also. They provide a sense of participation to both centre and states. By augmenting inputs in decision-making, it makes for the harmonious functioning of the federalism. These inter-governmental agencies as an integral part of the machinery of government acquires on attribute of indispensability in view of the fluidity which presently marks the country's politics a situation we should learn to live with for quite some time to come."  

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9 Rekha Saxena, "Role of Inter-Governmental Agencies", The Hindu, January 29, 2002.


11 Ibid, pp. 35-36.