CHAPTER-VIII

CONCLUSIONS

'I don't know whether Indian Constitution is unitary or federal. I am happy so long as it serves its purpose' said Dr. Rajendra Prasad, President of the Constituent Assembly. To a political thinker like Dr. Prasad, may be the character of Indian Constitution is not very important, since he is interested more in the content of the constitution. The character of the constitution, nevertheless, becomes extremely relevant in the context of centre-state relationship.

The most sensitive issue which makes or mars our prospects as a prosperous united nation is the provision of centre state relationship of our constitution which is a product of such a scholarship, and such an exercise that of all the constitutions in the world, we have taken only the good things. There are few problems which we are facing now. The provisions relating to centre-state relations is an important subject for giving full thought and weight from the point of national integration. Our constitution is under the umbrella of federalism. The next question therefore is, what is federalism?

Federalism is an application of the principle of utilitarianism...... in order to secure the highest possible utility. It is not confined to the political sphere of the state, but is the general basis of human organization.

India i.e. ‘Bharat’ is a vast country of multidimensional diversity. The nation is embedded in a heterogeneous culture, composed of sets of diverse traditions, customs, language and religion. The ancient empires like the great Mauryan regime attempted to meet its diversity by framing an organization in which autonomy of the various constituent regions was respected.
Our analysis in earlier chapters has clearly brought the fact that power has been continuously abused by the central government to serve its partisan ends rather than safeguard and strengthen national unity and integrity. Therefore, the crux of the problem in centre-state relations is how to restrain the central government from doing this. From this point of view the Sarkaria Commission’s recommendations have served a useful purpose as they generate a lively debate on the need for constitutional and functional changes. The commission sought to reinforce the country’s cohesiveness by allowing for greater consultation at critical level and for greater interaction at all levels.

It is pity that discussion on centre-state relations in India tend to get polarized into hostile camps and often the discussion is conducted in highly partisan terms. On the one hand, a demand for greater powers and autonomy by the states is regarded as anti centre and even anti-national, on the contrary there are people who accuse the centre of running the states as its ‘colonies’ or “Serfdoms”. This has led Mr. Inder Malhotra to remark: “the issue of centre-state relations is extremely complex but tends to be looked at in a highly simplistic manner because either illusions obscure reality or people allow their prejudice and partisanship to cloud their judgement.”

It is important to note that federalism calls for continuous adaptation and constant adjustment to the changing circumstances. As such, there is urgent need for periodical re-examination of the distribution of powers between the centre and the states and realizing the legitimate rights of the states and ensuring their effective participation. Attempts have constantly to be made to maintain a balance between the forces of centralization and those of decentralization which are inherent in any federal arrangement.
Before making suggestions for improving the centre-state relations, it appears to me necessary to dispel certain misconceptions which obstruct the growth of healthy centre-state relations.

Firstly, the demand for autonomy and decentralization is very often considered as something against national unity. But this conception is misleading as our country is based on the concept of ‘Unity in diversity’.

Mr. Ramakrishna Hegde, the then Chief Minister of Karnataka, while addressing a press conference at Bombay, in October 1986, had warned of the growing trend in sub-nationalism as a manifestation of regional aspirations and had emphasized the need for countering it through decentralization of power by granting autonomy to states. He felt that regional aspirations could never be suppressed as there is a danger of their growing into anti-national force. While addressing a press conference at New Delhi on July 30, 1986, Mr. Ramakrishna Hegde went to the extent of saying that the Punjab and Assam problem had originated because of the discontent and frustration caused by the concentration of powers at the highest level. He said, what was needed to halt this trend was to decentralize power. He recommended the introduction of a four-tier system consisting of Mandal Panchayats, Zilla Parishads, State governments and union government. He said, in Karnataka his government was trying to bring his new concept of federalism.

Historical and other factors have led to an undue concentration of power and functions at the centre, because of which there is at present a valid case for decentralization, not only to the states but also further down. But strategies of decentralization alone may become a receive for fragmentation unless they are counter-balanced by strategies of coherence.
Another misconception regarding centre-state relations is that strong states would act as rivals to the centre. The delegates at a seminar on “Centre-State Relations in India” held at Agra in March 1972 rightly argued that, “the tendency to consider a strong centre and strong states as antithetical to each other is a mistaken one. A strong centre and strong states, each functioning purposefully within their own respective spheres, can in fact, be of assistance to one another.”

An important cause of friction and tension between the centre and the states has been the fact that most of the state governments indulge in wasteful expenditure and populist schemes like a midday meal, distribution of subsidized rice, clothes etc. They not only draw overdrafts but use the funds in contravention of the guidelines given by the central government. While merrily incurring losses on populist schemes, the states are reluctant to raise revenues. Simultaneously, it is also essential on the part of the state governments to avoid confrontation with the centre. Unless we have stable and some federal relations, there can be no future for democratic politics.

Although, it is true that various aspects of the centre-state relations have a legal basis, however, these relations are essentially political. In other words, the federal government is legal and constitutional in its structure and political in its functioning. As such it is necessary to evolve political solutions rather than look for legal remedies.

Even if one accepts that the centre-state relations have been characterized by conflict, confrontation and tensions, it is illogical to demand the overthrow of the existing constitutional-legal framework. The problems of the centre-state relations are more because of political and economic dynamics and not merely because of constitutional provisions.
In the light of the foregoing analysis, it can be inferred that despite the centre's predominance over Karnataka both in the legislative and financial matters, the noteworthy spirit between the two has been that of co-operation rather than of competition. The legislative relations are cordial except the four time imposition of President's Rule, that is also due to the defections in the party and reports sent by the then Governors of the Karnataka State to the centre in those days. The centre and Karnataka relations worsened during the period of Chief Minister Ramakrishna Hegde, when he formed first non-congress government in the year 1983. At the centre was the congress party, therefore initially Chief Minister Ramakrishna Hegde faced many problems.

It would be of interest to note that the subsequent congress ruled centre adopted tactics for delaying Karnataka Panchayat Bill, 1983, which was passed by the non-congress i.e., Janata government of Karnataka State. The bill was kept for President’s assent. Opposing the centre’s delaying tactics, the then minister for rural development Nazirsab was forced to lead a delegation to New Delhi.

The Lokayukta was an institution for curbing corruption both in the administration and at political level and for cleansing public life overall. With the Hegde government it was a priority which received attention within few months of its career. The Hegde’s system of Lokayukta was something special in that Chief Minister himself brought his office under the jurisdiction of the watchdog body. The government of India, through the instrumentality of the Governor put spokes by finding technical faults in the ordinance that was sought to be issued or when it was issued and its regularization was sought.
Ramakrishna Hegde convened a conclave of chief ministers of the southern states on January 10, 1983 in the background of the need for submitting a joint memorandum to the Finance Commission, the issue of enhancing the level of financial devolution from the centre to the states and for a discussion on a variety of common problems of the region. Later, Hegde took credit for his initiative in convening another conference of the Chief Ministers of all the non-congress administered states in Bangalore in January 1988.

Ramakrishna Hegde had also conducted an all India conference on centre-state relations on 5th August-1983. All these events are the evidences that show the hostility of the centre dominated by congress towards the state of Karnataka led by Janata Party. When different political parties rule at state and centre, we find confrontation between them and as a result this leads to hostile relationship.

So far as the administrative relations between the centre and the state of Karnataka are concerned, apart from the role of the Governor, the Cauvery water dispute between Karnataka and Tamil Nadu and Border dispute between Karnataka and Maharashtra are burning issues which are yet to be solved. The centre is not keen on or taking the initiative to settle these disputes. The Karnataka government conducted a special session in Belgaum between 25th and 29th September 2006, to claim that Belgaum is a part and parcel of Karnataka and yet, no initiative is been taken by the centre to resolve this issue.

In financial relations, centre seems to have adopted a step motherly attitude. Even in the case of granting relief funds for natural calamities, the Karnataka state receives less amount than what it demands, in comparison to other states. The Deputy Chief Minister of Karnataka B. S. Yadiyurappa made a statement concerning centre-state financial relations that in the year 2006 the
Karnataka state demanded Rs.1585 crore from the centre in order to undertake relief measures for flood affected people. The centre adopted the delaying tactics in releasing the grants and by the by the centre released grants only to those states where congress party was ruling. The centre could release only Rs. 250 crores to Karnataka. Which was quite a meagre amount in the form of a relief fund for natural calamity. But the recent Twelfth Finance Commission (2005-2010) has sanctioned more funds to Karnataka for improving the general administration, youth services and sports facilities and improvement of police administration and health services.

As Karnataka state is already economically developed state, with the grants of finance commission its developmental activities will further to achieve their targets in future.

FINDINGS OF THE STUDY :

The following are the major findings of this study.

The analysis indicates that, if the constitution of India would not had provided us a federal form of government, then there would have been no issue of centre-state relations, which is always considered as controversial, delicate and sensitive issue.

1. It is the finding of this study that when there are different political parties ruling at the centre and in the state of Karnataka especially from 1983 onwards, the non-congress party government has faced many problems as the centre was ruled by the dominant congress party. Many bills that were passed by the state government were withheld by the centre during this period.

2. It is the finding of the study especially in financial matters that centre has a say over the states. The states have to depend on the centre for
funds for developmental activities and for mobilization of natural resources.

3. It is the finding of the study that Article 356 is the only weapon of the centre to control the unconstitutional exercise of state machinery and sometimes it is misused under the garb of the discretion of the Governor of the state on whose report president’s rule is imposed.

4. It is the finding of this study that, the strong political leadership in the congress led to one party dominant system and this in turn led to strained relationship between the centre and the states. As a result, congress started declining and gave birth to different regional political parties. During the first phase of the federal system (1950-67), the issue of centre-state relations was relatively dormant as the Indian National Congress dominated both levels of government. In the first general elections held in 1952, it won absolute majority in 18 out of 22 state assemblies and even in the remaining four states of Madras, Travancore, Cochin, Orissa and PEPSU it formed the largest single party. In the second general elections in 1957, the congress party secured absolute majority in 11 states out of 14 and in the third general elections of 1962 in 12 out of 14 states. The party also secured a comfortable majority in parliament in all three elections. With this dominant position, the party could enthusiastically support and propagate the strong centre concept reflected in the scheme of distribution of powers in the constitution. In the fourth general elections in 1967 for the first time, the dominance of the congress party met with a stiff challenge. On the contrary the 1977 march elections marked the end of single party domination in our federal
polity. The newly formed Janata party swept to power at the centre and in several states regional parties came to power.

5. It is also the finding of this study that, we must bear in our mind that conventions would be ordinarily adequate to resolve centre-state conflicts only under given circumstances, viz.,-

(a) good faith,

(b) the strength to resist the temptation to garner short terms political mileage,

(c) the humility not to treat conventions with contempt and to take pride in flouting conventions. The political dimension in the centre-state relations requires an approach of 'self-denial' by the parties in power, laying the foundation for healthy conventions.

6. It is also the finding of the study that the immediate task before the Karnataka state government is that it should rationalize its additional resource mobilization effort so as not to depend excessively on indirect taxes like sales tax and much less on simple revision of tax rates. There is need for serious thinking on ways and means of raising financial resources through new ways.

7. It is also the finding of this study that, Sarkaria commission on centre-state relations is itself an old commission, as 23-24 years are already lost. So its recommendations have become obsolete. Also the central government is not ready to implement the recommendations of the commission in toto. The appointment of a new commission on centre-state relations is indispensable to study the present political scenario.
8. It is also the finding of the study that even the Governor has become a glorified servant of the union—an omnipotent and omnipresent union that the present central government has grown into and withering states are the very negation of the democratic polity. Since, he holds a key position in the Indian federation for establishing a link between the centre-state relations, the centre should not treat the office of the Governor as a mere agency for fulfilling its objects, but it should be treated as a link to strengthen the better relations between the state and the centre. Moreover, he should be given an opportunity to make use of situational discretions in the best interests of the union and state relations.

9. It is also the finding of the study that the centre-state relations depend to a large extent upon the political party system. In fact, the political party system determines the level of conflict in centre-state relations. For instance, the level of conflict is low in case of dominance by a single party, on the other hand, the tension and conflicts are at the apex in the case of a multi-party system. We are well familiar with the fact of how the politics of confrontation with the emergence of new parties. The tragedy with the Indian political system is that there is a mushroom growth of political parties are likely to emerge in different states which might in the long run undermine the hold of the central government, therefore, it is necessary to pay attention to the reform of party system too.

Apart from this, the existence of large number of political parties is not conducive to the smooth functioning of democracy. The mushroom growth of parties leads for hung government that leads to
coalition governments. As no party emerges as the majority party then finally coalition governments are solution. But these coalition governments are usually not stable. As in Karnataka, in 2004 Assembly elections when Dharam Singh formed the first coalition government with the help of J.D (S) party, the government remained in power for fourteen months only. Again when the J.D.(S) members under the leadership of H.D. Kumarswamy withdrew their support from the government which led for the dissolution of the government and the emergence of another coalition government led by J.D. (S) and BJP parties in January 2006.

Under these circumstances, it can be suggested that if all the parties are made to realise that any time any party can be in power at the centre and in the states, the centre-state relations are likely to improve to a great extent.

10. When there are different political parties ruling at the centre and in the state of Karnataka especially from 1983 onwards, the non-congress party government has faced many problems, as the centre was ruled by the dominant congress party. The tactics which were employed by the congress dominated centre in delaying the Karnataka Panchayati raj Bill, 1983 is the best example for study.

Therefore the above findings state that the first hypothesis of this study i.e., Party politics has strained centre-state relations is proved.

11. The working of the financial provisions of the Indian constitution in the past is said to have resulted in the infringement of the financial autonomy of the states. The strong demands are being made to amend
the constitution suitably to correct the fiscal imbalance under the constitution which has led the states to the point of virtual financial starvation thereby compelling them to depend heavily on the central grants, loans and even to raise unauthorized overdrafts from the Reserve Bank of India. Union-state relations has now come under severe strain. Ever since the constitution was framed, the states have felt deprived more so financially than politically. All the Chief Ministers, past or present alike, have at one time or the another felt the crunch. But so long the congress controlled the union and state governments, there were occasional whimpers about the inadequacy of financial assistance given but no challenge to the centre’s authority or a demand for loosening its hold.

After the fourth general elections, when in nine states there were non-congress governments, a re-definition of federal financial relations was demanded by most of the states. The persistent demands have been made by the states to review the whole of the centre-state financial relations under the constitution to correct the fiscal imbalance revealed by the working of financial provisions of the constitution.

The significant feature therefore of union-state financial relations is that of fiscal inadequacy on the part of state governments to meet their own obligations to the people under the constitution, and the large extent to which they have become dependent on the centre for meeting their financial requirements for both revenue and capital requirements.

Such a situation does not make for a healthy state of centre-state relations in terms of self-reliance and the responsibility and efficiency that go with it on the part of state governments.
The Second hypothesis of this study is centre’s say over financial matters has had an adverse impact on centre-state relations is also proved.

FURTHER SUGGESTIONS:

The present study deals with the following suggestions for the successful working of centre-state relations in India with reference to Karnataka state, which are made by considering the past experience.

1. Though the problem of union-state relations has acquired much importance in the last decade, due to different political parties being in power at the centre and in the states, demand for adequate safeguards for ensuring proper and harmonious relations between the centre and the states has been voiced, ever since the constitution was framed in 1950. In the year 1983-84 the then Prime-Minister of India, Smt. Indira Gandhi appointed a commission to enquire into the centre-state relations, that was the Sarkaria Commission.

But in the changed political scenario, many recommendations of the Sarkaria commission, still remain pending before the government of India. Many recommendations are not at all implemented. So, it is better that the centre should take initiative to appoint another commission to study/inquire deep into the new aspects of centre-state relations. Since, Sarkaria Commission is itself an old commission. So its recommendations are obsolete. My feeling is that the central government should appoint a new commission taking into account present political scenario and social changes, that have taken place and impact of change, technology and globalization process on centre-state relations.
2. As far as the border dispute is concerned, the centre should take initiative to resolve this problem. It should implement the recommendations of Mahajan commission or to settle this disputes by having negotiations between the affected states.

3. As far as the Cauvery water dispute is concerned, the Ganga Treaty of 1996 between India and Bangladesh for Ganga river and the Indus Treaty of 1960 between India and Pakistan for Indus river could be successfully resolved at the international level. But, River water disputes at the domestic level have remained unsolved or have become a bone of contention mainly because we have forgotten to realize that we are Indians first and then Kannadiga or Tamilian etc, next. Our leaders also do not want the disputes to be solved sitting across the negotiating table. Natural resource is a national property, therefore we must solve these issues not as fanatics belonging to one particular state but as Indians in favour of national unity and integrity.

4. The institution of inter-state council should be brought into being. Article 263 of the constitution has made provision for this, but it has been put in cold storage largely because those who control the centre feel that such a council would result in the dimunition of centre's powers.

However, this study is not conclusive. It points to the need for a more extensive and intensive examination about the centre-state relations in India with reference to the state of Karnataka. Especially the role of the Governor of Karnataka in a changed political scenario and also the study about the changed aspects which are related to Legislative, Administrative and Financial relations. Let us hope that under the United Progressive Alliance (UPA) government, our expectations for better centre-state relations would be realized.
NOTES AND REFERENCES


