CHAPTER - II
ORIGIN AND BASES OF DEMANDS FOR
GREATER STATE AUTONOMY

INTRODUCTION:

In Indian federal system, the demand of state autonomy has often become:

a) A cover for ideological strategies against centre as by the communist led united front Govts. in Kerala and West Bengal after 1969. or


The demand for state autonomy has assumed the character of "States Rights". Although, the cry of SECESSION is not yet muffled, the states frequently gird themselves up to frustrate the functioning of the Central Government, and whip up local movements and pressure groups.

There are also "Sons of the Soil" movements in different parts of the Country such as -

2. Shiv Sena against South Indians in Bombay.
3. Telangana Separatist movement 1969.
4. Anti migration movement in Assam and

These factors whether - Economic, social, cultural regional or political in character, are bases of the demand of state autonomy.

The nature of a federal system is the result of a kind of synthesis between organized centrifugal and organized centripetal forces. In Indian, the centrifugal forces, immediately after independence were in total nakedness. Prior to 1947 and immediately after independence, there were types of centrifugal forces such as communal, regional and linguistic.

These forces had been asserting themselves prior to independence to protect their particularistic interests, but within the broad framework of Indian Unity. In face of the dawning separatism of Muslim league, they had merged themselves in the congress. Thus, they had lost their distinct organized identity. But, they did exist, though in an unorganized form. So, when some members of the congress party representing these particularistic interests disagreed with the party leadership, they had no organized power to support them.¹

If we go through, the speeches made in the constituent Assembly, two different conclusions emerge about the demand of state autonomy:
1. In the case of Assam and Orissa states (which were relatively backward) there was a strong region oriented bias.

2. Muslim minority was mostly in favour of a strong centre and the sikhs who constituted a minority in the country as a whole, but constituted a sizeable number in Punjab, were in favour of a weak centre and strong states.

The demand for state autonomy has socio cultural bases and political economic determinants. India social system is very complex system because of various types of diversities such as georgraphical, cultural, linguistic, adminstrative, religious etc. The reason of these diversities is Indian's old civilization and history.

India is a vast country with several religions, where several languages are spoken and where several cultures and traditions are found. India consists of several sub nationalities made by cultural pluralism. Hence, it was quite natural that a federal constitution was adopted.

Cultural pluralism manifests itself, among others, in regionalism, linguism, religion and caste.
Regionalism, in itself, has three major components -

a) Geocultural which includes - (1) geographical boundaries, (2) cultural heritage, (3) history, (4) caste, (5) language and (6) religions.

b) Politico-economic and

c) Psychic

According to Rasheeduddin Khan there are 10 grounds of determining a socio cultural sub region in India:

1. Language dialect
2. Social composition
3. Ethnic regions
4. Demographic features.
5. Area (geographic) contiguity
6. Cultural pattern.
7. Economy and economic life.
8. Historical antecedents
9. Political background
10. Psychological make up and felt consciousness of group identity.

The working of Indian federal system has been determined by either. Socio cultural bases or politico economic factors or by an amalgamation of the two, despite the imposition of a really very strong centre by the constitution of 1950.
States in India were re-organized on the basis of language, as per recommendations of S.R.C. in '56 - '57'. Later on in 1960 Maharashtra and Gujrat were created out of Bombay on linguistic basis and then Punjab was divided into Punjabi Suba and Haryana in 1966 because of two languages Punjabi and Hindi. Nagaland was created because of a distinct and culture, language, religion and life of that region.

As for demand of autonomy by sub regions within a state, there has been agitation for -

1. Separate Telangana state in Andhra Pradesh
2. For Jharkhand in Bihar.
3. For Hill and East U.P. States in U.P.
4. For vidarbh in Maharashtra
5. for saurashtra in Gujrat
6. For Gorkha land in West Bengal..

D.M.K.'s politics is an expression of its concern to preserve and promote its distinct South Dravidian culture as against North Aryan Culture.

Akali politics is the story of Siksh's struggle to keep their distinct identity intact and to save it from absorption by Hindu Culture.
The demand for state autonomy is the reflection of mainly regional sentiments based on generally language, culture and religion.

REGIONAL SENTIMENTS:

For regional sentiments to emerge - it is essential that several variables must be in operation ..., over a very considerable period, which, then set a particular territory apart from other areas as as - GEOGRAPHY, RELIGION, LANGUAGE, CULTURE, CUSTOMS AND TRADITIONS, POLITICAL AND ECONOMIC STATE OF DEVELOPMENT, MAY OF LIVING, COMMONLY SHARED HISTORICAL EXPERIENCES. Regionalism needs all these ingredients and much more.

REGION

Regionalism:

Regionalism needs all these ingredients and much more. A region is characterized by widely shared sentiment of togetherness from a variety of sources like -

1. Common prosperity
2. Comarderie
   developed in a common struggle.

At the centre of regionalism is intense sense of identity which is not less real to the people than feeling of belonging to a
state, or nation, or to a language group.

A feeling that one belongs to Vidarbha means that he is marking himself out from the Maharashtrian.

Feeling of regionalism are cultural realities and they cannot be finished by our wishes only un intelligent attempt to finished them is to invite resistance and agitations.

The existence of regional or sub regional or sub regional consciousness is a prelude, a pre-requisite of genuine national sentiments.

Regionalism and sub-regionalism are basic to the concept of federalism and demand for Autonomy is demand by regions and sub regions for greater powers for the fulfilment of their "Psycho cultural Aspirations".

A close study will reveal that language and many other factors have played a role in the composition of Indian federation for example.

1. Ethnic and economic considerations
   NAGLAND, MEGHALAYA, MANIPUR, TRIPURA
2. Religion, Script, and sentiments
   HARYANA AND PUNJAB
3. Languages and culture
   MAHARASHTRA AND GUJRAT
4. Historical and political factors

UTTAR PRADESH AND BIHAR

5. Integration of Princely states and needs for viable grouping

MADHYA PRADESH AND RAJASTHAN

6. Language and Social distinctiveness

Tamil Nadu, Kerala, Mysore, Andhra Pradesh, Assam, Bengal and Orissa.

All these factors have played a decisive role in the composition of Indian federation. Demand for more autonomy from the centre is neither strange nor irrational. They demand greater powers for fulfilment of their "Psycho Cultural Aspirations."

FACTORS WHICH AFFECT DEMANDS FOR AUTONOMY

1. Geography and History of the Area:

The demand for autonomy by the states and within the states has its origin growth in history and geography of the area.

There is the factor of geographical boundaries to which the people usually relate their identity for EXAMPLE: memories of old geographical boundaries of princely states still haunt and are exploited in Rajasthan, M.P. and Orissa.
The factor of History also influences or produce regionalism, and subsequent demand or produces regionalism, and subsequent demand of autonomy by way of cultural heritage, folklore, myths and even symbolism. The rise of D.M.K. in Tamil Nadu is its best example.

States like Maharashtra and Andhra also had cultural identities pre-dating the formation of present state boundaries which would, in turn, split them on regional lines even after the creation of new states for example, 3 or 4 sub-regions in Maharashtra Western, Maharashtra, Vidarbha, Bombay city and at least two in Andhra Pradesh - Telangana and Andhra.\footnote{2} LANGUAGE

The language is an important trait of socio-cultural life. It has been the most important factor of all socio-cultural bases of demand for autonomy in Indian federation. Linguistic homogeneity forges regional identity and cultural affinity. Language, is the thread which binds people emotionally and is an expression of shared life. It has the power to unite people emotionally to work for improving their lot and to add to their bargaining position. Creation of Gujarat & Punjab Suba on linguistic basis illustrates this point.

3. **ECONOMIC COMPONENT:**

According to Iqubal Narain economic component is the crux
of regionalism and hence if demand for autonomy by states and within states. Indian is under developed economically. The resources are scarce and demands disproportionately heavy and ever growing in the wake of population explosion. There is, thus, acute competition among states and among individuals, groups and regions within a state.

The tensions between states over the location of steel plants and other heavy industries, and charges of partisanship levee against centre in this regard is another instance in point.

The current controversy about state autonomy and democratic decentralization. States are financial poor and look always to the centre for relief. States' deficit budget, their loans from market and overdrafts and their debt to centre have compelled them to clamour for greater financial autonomy. States find it almost impossible to implement their socio economic programmes with their limited resources of income. If one reads between the lines - The memorandum submitted by West Bengal C.P.M. led government and Anandpur Sahib Resolution of Akali Dal, it becomes clear that their main fight is for fairer deal in financial resources and for fiscal autonomy.
4. **POLITICO PHYSIC DETERMINANTS**

Demand for autonomy also has politico psychic determinants. Politicians consolidate and enlarge their mass base by their persistent demand for more autonomy for states for regions within the states.

This is more so, particularly in case of regional parties - National Conference in J and K, Akali Dal in Punjab, D.M.K. and A.D.N.K. in Tamil Nadu, Telugu Desham in Andhra Pradesh.

Because of economic compulsion whenever there is erosion in the mass support base of these parties, they resort to the demand for more state autonomy and sometimes for secession even. Akalis for example are more vocal and communalize the issue of state autonomy when in opposition and take moderate postures when in government.

There is psychic phenomenon also, the roots of which lie in the minds of men. Individuals and groups have split personality and divide their loyalty between the National and subnational socio cultural groups to which they belong. In the minds of individuals belong to smaller socio cultural groups, there is always an apprehension of their being dominated or absorbed by the bigger socio cultural groups.

5. **Demands for state Autonomy has to cope with the demand for Autonomy for sub region within the states:**

First, it may be stated that most of the demands for
constituting new states were primarily based on unfair and unequal
distribution of developmental benefits and expenditures on multi
lingual states, for Example: TELANGANA MOVEMENT.

There are neglected and economically backward regions in
most of the states -

Jammu & Ladakh in J & K.
* Hill region and Estern Uttar Pradesh
* in Uttar Pradesh, Telangana in Andhra
* Saurashtra and Kutch in Gujrat.
* Vidharbh in Maharashtra
* Jharkkhand in Bihar, are some of the examples.

Because of frustration caused by economic under
development and scant attention paid to them, these regions
frequently resort to agitations. There has been recently such an
agitation in Jammu area of Jammu and Kashmir, and in Telangana
there have been number of agitation, so far.

So long as the aspirations of the people of sub-regional
social cultural groups within the states remain unfulfilled and so
long as their economic under development persists, there will be
no end to such agitations. So the states clamouring for autonomy
should also provide autonomy for sub region within the state for
an over all proportionate development of all the regions within a
state. To quote few examples -
Abohar Fazilka area has been neglected in Punjab. Hill region and eastern Uttar Pradesh have suffered at the cost of Western and Central U.P. The story of neglect of some regions within most of the states is almost an unending affair of Indian federalism.

6. **Question of Democratic Decentralization:**

The states, particularly those governed by REGIONAL PARTIES, have been demanding decentralization of powers of the centre. But what states have, themselves done in the direction of democratic decentralization within the states. What are the powers given to Panchayati Raj institutions and municipalities. We find little democratic decentralization so far as the local bodies are concerned. There are hardly any economic and political powers with municipal bodies elections are postponed every now and then.

7. **Problem of Minorities**

It is simple most important problem before the states and also before the centre. Minorities feel alienated with the system. This leads to frustration and it leads to politics violane i.e. communal riots.

Hindus are in minority in two states in North - in J & K and Punjab. But Muslims are in minority in almost every state of India. Their loyaltities are doubted. States should reserve special funds for protection and progress of minorities should do
more than mere reservation. Win their confidence, do alienate them. Bring them in mainstream of political life of the country.

UNITY AND NOT UNEFOMITY

The demand for state autonomy is not at all incompatible either with the process of nation building or with national integration. Rather it is essential.

The need of the hour is unity and not uniformity. Unity in diversity can not be maintained without permitting diversity in unity. Attempt to crush diversity is fraught with dangerous consequences and may lead to disintegration.

In India, there are many reasons, not only for existence, but also for the desirability for the autonomy of regional and subregional socio-cultural groups where culture and languages have developed for centuries, giving them an indelible stamp of homogeneity.

National unity can genuinely flower out a healthy reconciliation or regional and subregional socio-cultural identity with nationalism.

Rasheed Uddin Khan has pointed out that "unhealthy regional or subregional patriotism is concernous and disruptive,
both of creative regionalism and also of syncreti nationalism.\textsuperscript{10}

We cannot sleep over NAGA and MIZO problem. Without resolving such problems the process of national building and national integration will remain incomplete.

Some people think that demand for autonomy by regional and sub regional socio cultural homogenous groups is divisive, fissiparous, ad dis integrative and may lead to balkanization of the country. In fact, there is no dichotomy between the two. They are complimentary rather than contradictory.

\textbf{SUGGESTIONS OR CREATIVE APPROACH:}

Thus, the demand for more autonomy by the states is highly justified and the centre should concede it at the earliest.

At the same time, the states, themselves, should be -

a) Provide autonomy to sub regional socio cultural groups within the state.

b) Should remove regional imbalances and

c) Should tackle problem of minorities at priority level.

There is necessity of creation for a new more states out existing states.\textsuperscript{10A}
d) The process of democratic decentralization ought to be accelerated to take the benefits of freedom to the common man.
e) State government should improve the lot of the downtrodden, the exploited and the helpless people.
f) With the resources they possess or they get from centre, states should implement the socio-economic plans or programmes to give relief to the poor, the landless, the unemployed and the weaker section of Indian society.

REGIONALISM - AS BASIS OF DEMAND FOR GREATER STATE AUTONOMY:

The problem of regionalism and national integration in India have assumed serious proportions and all for serious attention. Growing assertions of regional claims resulting in demands for creation of more states or greater autonomy have posed a serious challenge to the stability and integrity of Indian political system.

The rising trend of regionalism assumes a great importance in the light of current debates on centre-state relations. We have a full throated cry for greater autonomy for the states on one hand, and growing violence and lawlessness deriving support from regional interests, on the other. These problems make it imperative not only to recognize their seriousness, but also calls for a solution at an early stage.
The founding fathers foresaw the possibility of regionalism and similar developments roping up in due course, and provided adequate safeguards by developing a federation with a strong centralized tendency. India is a vast country with different religious, races, languages are castes. Underlying all the diversity, one can discern a thread of unity in multifaced culture of India, to which historically all sections of the population have contributed.

The concept of - NATIONHOOD:

The concept of nationhood envisages - not only a common territory but also a measure of common kinship and interaction. It also implies - common interests and problems and common institutions to satisfy these interests and solve these problems.

The concept of nationhood can survive only if the constituent units can rise above parochial considerations and are prepared to make reasonable sacrifices for the community as a whole. On the other hand, there should be no scope for 'Region' to entertain a sense of deprivation or discrimination. There should be genuine commitment to the nation concept and an understanding of its broader perspectives.

Indian constitution tried to create such an understanding, but now we find dangerous cracks in the edifice so labourously built.
REGIONALISM

A fast growing tendency (in India):

The task of analysing regionalism is, complicated by a number of difficulties. Regionalism has acquired different meanings in different context, hence defies any broad conceptual agreement. No uniform definition could be given to it. Generally speaking, regionalism is regarded as a decisive trend detrimental to a national unity.

In popular sense, it is synonym of provincialism which breeds loalism, isolationism and sepratism and its meaning differs from situation to situation.

The subject of regionalism, hence, involves many kind of problems.

1) Socio cultural
2. Economic
3. Political

Ignoring or belittling any one of them may aggravate or deepen the gravity of the situation.

Any study of the problems of regionalism thus, falls within the purview of many fields of enquiry either in their pure or applied form.
The following traits Regionalism are pointed out aspects of regionalism:

1. **DECENTRALISATION OF ADMINISTRATION** on a regional basis.

2. **Socio Cultural Movement:**
   Against imposing of national unity by imposing a particular political ideology, language of culture to foster national integration.

3. **Political Counter Movement**
   To achieve greater auto of sub cultural regions through greater self government.

4. **Separatism to fulfil Political Aspiration:**
   Of a regional group of sub cultural region.

**THESE ASPECTS OF REGIONALISM HAVE MANIFESTED IN:**

1. Demand for secession
2. Demand for separate statehood
3. Demand for greater state autonomy
4. Centre state disputes

Regionalism, as we see it today in India, first emerged in Tamil Nadu.
EMERGENCE OF THE TENDENCIES OF REGIONALISM IN SOME STATE OF INDIAN FEDERATION

Tamil Nadu:

Regionalism first emerged in Tamil Nadu as aftermath of an entirely different phenomenon the non Brahmin movement started by Justice party and D.K. for equitable distribution of edl. and job opportunities to the non Brahmins of the state who were 95% The movement slowly transformed itself into one language. Tamil Vs Sanskrit (of Brahmins) and then Hindi (of the North). The division of states on linguistic lines further accentuated the developing problem considerably. On the crest of language fanaticism and language riots, regional parities like D.M.K. and A.D.M.K. come to power in Tamil Nadu and stayed on.

Absence of rapport between centre and state left many needs of the state unfulfilled and projected regionalism as the major issue of the centre state relationship.

Andhra Pradesh:

Regional party Telugu Desam led by N.T. Ramarao is in power this state. It is phenomenon of regionalism resenting excessive central interference in state affairs.

Assam:

The problems of Assam have compelled the emergence of acute regionalism, there:
1. Distant location from the centre
2. Poor transportation facilities
3. Inadequate investment have been their grievance.
   Situation was further aggravated by
4. Blacknisation of Assam and
5. Continuing influx of foreigners and other in the state rendering local residents into a minority in their own land.

Matter came to a head in 1979-80 with the agitation spearheaded by A.A.S.U. and A.A.G.S.P.

There have been many parleys and many confrontations, but no solution on the main issue which relates to cut off date for deciding on foreigners states. At present there is an uneasy quiet. 22

West Bengal:

When regional issues are taken with the centre, West Bengal lines up with regional parties.

Jammu and Kashmir:

Article 370 of the constitution provides separate status for J & K. Because of this and historical background, a certain measure of regionalism is inevitable there.

Because of the interplay of international developments, because of the manipulations of Pakistan, such regionalism has
পরিচিতি বর্ণেলীয় গোরক্ষালেন্ড

গোরক্ষালেন্ড কর্তৃক লেকর শুরু করা হয় যে আন্দোলন সম্পন্ন রাখা হয়। পর্যাপ্ত বিকাস পরিষদ কের গঠন পর হোনে বাস্তবে লেকর, লেখিক যা প্রতিষ্ঠিত পরিষদের গঠনের বার দাবিতিক ক্ষেত্রে শাসিত স্থাপনা কর বিষয়ন পূর্ব হয় সকল। যথে এক ঐক্য শাসন প্রস্তাব হয় যা সবগুলি কন্ধে করা হয়। আক্ষর যা পর্যাপ্ত বিকাস পরিষদের প্রস্তাবের আন্দোলন কর কথা তক গোরক্ষালেন্ডের নাম কর্তা, উনাকি প্রাচীন, ভাষা আরিক উন্নতি ও আরামে ভিত্তি বেদ করে উনাকি গুরুত্বকাংশ কর পূর্ব করে যথে পরিষদের।

প্রথম ব্যাপারে বোধ করা যে ঝগ্ধা গ্রহণ করবে যা গোরক্ষার রাষ্ট্রীয় মুদ্রিত মোটরের নেতৃত্বে চলাচল গোরক্ষালেন্ডের জন্য প্রস্তুত হয়। হিমালয় থেকে পূর্ব প্রাচীন কার্যকর যে নেতৃ স্বীকার মুদ্রিত ক্ষেত্রে প্রতিষ্ঠিত হয এখানে হলেন কিছু কিছু বাণী যা মুদ্রাতে ব্যক্ত হয। প্রথমে এক প্রশ্ন যা গোরক্ষালেন্ডের কথা অবহেলা করে ও দৃশ্য ও উনাকি নেপালী ভাষা কর মন্তব্য করে বলা হয়। ক্ষুদ্র ছোটো মাদাবে এখানে জুড়ে গিয়ে।

পরিচিতি বাণীক শাসনের মধ্যে দাবিতিক ক্ষেত্রে গোরক্ষার অপনে কর অলম্ব-প্রতিষ্ঠাতার মহাভারত করে বাণী ও উনাকি হরদম এই মহাভারত প্রস্তুত হয যার ভাষার কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার কর হিসাবে যা কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার কর হিসাবে যা কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার।

গোরক্ষালেন্ডের সাধারণ ক্ষেত্রে দাবিতিক ক্ষেত্রের গোরক্ষার অপনে কর অলম্ব-প্রতিষ্ঠাতার মহাভারত করে বাণী ও উনাকি হরদম এই মহাভারত প্রস্তুত হয যার ভাষার কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার কর হিসাবে যা কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার কর হিসাবে যা কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার কর হিসাবে যা কর গোরক্ষালেন্ডের কথা যমুনার জন্য কর বাণী তথ্য ও মাধ্যম ভাষার কর প্রতিষ্ঠাতার।
इस आन्दोलन के प्रति पश्चिम बंगाल सरकार का रवैया शुरू से ही विपरीत था। ज्योतिर्मित्र की बमपथी सरकार ने इसे विपक्षकारी राष्ट्र विरोधी हरकत बताया तथा पुलिस और केन्द्रीय रिजर्व पुलिस बल के द्वारा इसे कुचलना चाहा। राज्य सरकार और गोरखा फूट के बीच यह शर्त परीक्षण काफी लम्बे समय तक चला। पुलिस व सीआरपीएफ ने दमन चक्र के सेंकड़ों परिवार प्रभावित हुए, अनमोल माम संदिग्ध तथा न जाने कितनी मात्राओं की गोद सुनी हुई। उन गोरखा युवकों को जेलों में भूना दिया गया तथा लाठी और बॉलियों से उनकी आवाज को दबाने का प्रयास किया गया लेकिन जब कोई आन्दोलन किसी एक वर्ग के अपने अहिंसक के लिए शुरू होता है तो वह शर्त से दबाया नहीं जा सकता और ठीक ऐसा ही गोरखा आन्दोलन के आन्दोलन के साथ हुआ। पश्चिम बंगाल सरकार ने ज्यों-ज्यों शर्त की, गोरखा और ज्यादा समझ खोते रहे। इसी बीच प्रधानमंत्री श्री राजीव गांधी ने कलकत्ता में अपने भाषण के दौरान स्पष्ट किया कि गोरखा फूट का आन्दोलन राष्ट्र विरोधी नहीं है। इसे मिल बैठ कर सुलझाया जाना चाहिए।

प्रधानमंत्री के इस बयान से गोरखा आन्दोलन में एक नया मोड़ आया। हालांकि पश्चिम बंगाल सरकार विपक्ष की होने के कारण इस बयान से केन्द्र व राज्य के बीच टकराव की स्थिति पैदा हुई लेकिन केन्द्र ने अपने दृष्टिकोण में परिवर्तन नहीं किया और इस बात के प्रस्ताव किये कि इस समस्या का हल बातचीत से निकाले। यह बातचीत विकृतिपूर्ण हुई। इसमें केन्द्र की ओर से प्रतिष्ठित गृहमंत्री श्री बुधा सिंह ने जबर्न कि गोरखा राष्ट्रीय मुक्ति मोर्चे के अध्यक्ष श्री सुमान पीरसिंह और पश्चिम बंगाल के मुख्य मंत्री श्री ज्योति बसु ने भी बातचीत में हिस्सा किया।

कई दोरों में हुई बातचीत का निष्कर्ष दाजिलिंग, कार्तियां, कलिमपों और सिलीगुढ़ी व दोआसं से कुछ हिस्से को मिला कर एक पर्याप्त विकास परियोजना के रूप में मिला।
आज जब स्थिति यह है कि पर्वतीय विकास परिषद पर कभी भी समझौता हो सकता है तो एक वहम सवाल यह उठा जाऊँ है कि क्या गोरखाओं को वह सब कुछ मिल गया जो वे चाहते थे।

पर्वतीय विकास परिषद का जो महत्व है उसमें स्पष्ट रूप से गोरखाओं की ओर से वे मांगें हैं जिन्हें पूरा करने में सरकार को अनेक कठिनाइयाँ होगी। पिछले दिनों इस मसले की एक महत्वपूर्ण मांग पश्चिम बंगाल के मुख्य मंत्री श्री ज्योतिराचू ने तुकड़ा दी है। जिसमें पर्वतीय विकास परिषद गठन करने की मांग थी। समझौते के प्रस्तावित मसले में प्रस्ताव नंबर 6 में कहा गया है कि एक अन्तर्राष्ट्रीय पर्वतीय विकास परिषद कठिन की जाय जिसमें गोरखा राष्ट्रीय मुंबित मोर्चे के द्वारा नामाकरित 24 सदस्यों तथा 2 या 3 सदस्य राज्य सरकार के होंगे।

श्री सुभाष चंद्र बंसाली का कहना है कि जम्मू अर्थात तक हिंसा की आग में जलने वाले दार्जिलिंग क्षेत्र को पर्वतीय विकास परिषद के गठन हेतु चुनाव कराए जाने के लिए तैयार करने के लिए, जल्द ही कि चुनाव का माहौल तैयार किया जाए और इसके लिए अन्तर्राष्ट्रीय पर्वतीय विकास परिषद का गठन जारी है और जबकि पश्चिम बंगाल के मुख्य मंत्री श्री ज्योति बसु ने इस मांग को यह कहकर तुकड़ा दिया कि इसकी कोई जल्दत्त नहीं है। उन्होंने कहा कि विपश्चित वालों में भी इस समबन्ध में कोई जल्दत्त नहीं है। उन्होंने कहा कि विपश्चित वालों में भी इस समबन्ध में कोई निषेध नहीं लिया गया था तथा मैं अपने आपके केंद्रीय गृह मंत्री श्री बुद्धि सिंह के समर्थ रखूँगा।

बहराहाट दिल्ली में हुए विपश्चित वालों का पर्वतीय विकास परिषद के रूप में निष्कर्ष, सामने आ रहा है उसके बारे में अभी भी उम्मीद नहीं है क्योंकि इस समझौते के होने के बाद दार्जिलिंग क्षेत्र में शान्ति स्थापित हो जायेगा। यह इस बात पर
निर्देश करेगा कि समझौते का क्रियान्वयन तीनों पक्ष के और से कितनी ईमानदारी के साथ हुआ है।

यह जानने के लिये यह क्रियान्वयन ईमानदारी से होगा कि नहीं यह जानना बहुत जरुरी है कि केन्द्र सरकार, गोरखा राज्यीय मुक्ति मोर्चा और परिवार बंगाल सरकार के बीच प्रस्तावित समझौते के मतलब में आखिर हैं क्या जाते। तो आईए एक नजर डाले इस प्रस्तावित समझौते के मतलब पर। मतलब की एक अमूल्य प्रौद्योगिकी मुख्य स्वयं श्री सुभाष फोसिंग ने दांरिंग में दी थी। समझौते का पूरा मिसालिया इस प्रकार है :-

1. प्रस्तावित परिषद का नाम 'दांरिंग गोरखा हिल कोसिल' अथवा गोरखा हिल कोसिल दांरिंग में रहेगा।

2. प्रस्तावित परिषद और विपक्षीय वातां में तय हुए मुद्दों के क्रियान्वयन की गारंटी केन्द्र सरकार को लेनी होगी।

3. प्रस्तावित परिषद में जिन क्षेत्रों को शामिल किया जाना है, उसके बारे में निर्णय समझौते पर हस्ताक्षर से पहले लेना होगा।

4. प्रस्तावित परिषद के अधिकार -

वे अधिकार इस प्रकार है :-

अ- प्रस्तावित परिषद के अन्तर्गत आने वाले क्षेत्र, जिनमें वन, जल, कर्नल और खेती, भूमि है, के किकार और टकराव की जिम्मेदारी।

ब- कोई भी वन आर्थिकता नहीं होगा।

च- कृषि की पूरी जिम्मेदारी।

द- किसी भी नहर का पानी कृषि कार्य के लिए प्रयोग करने का अधिकार।

य- जन स्वास्थ्य, अस्पताल और हिस्पेन्सरी की देखभाल।
र- पर्यटन का पूरा काम ।
ल- रोजगार परक प्रशिक्षण ।
व- सार्वजनिक कार्य, विकास व योजना का पूरा काम ।
स- सभी सड़कों (राष्ट्रीय राजमार्गों को छोड़कर) निर्माण व रखरखाव की
भागीदारी ।
श- यातायात व उसका विकास ।
श- अन्यज्ञात स्थलों की देख-रेख ।
ह- पशुओं की देख-रेख उनकी विशेषता व गर्भाधान के काम ।
घ- तालाबों व जल के अन्य संसाधनों का काम ।
ङ- जल आपूर्ति सिंचाई तथा नहरों व नालियों का निर्माण व रख-रखाव ।
च- मत्स्य पालन ।
च- बाजारों व मेलों का पूरा काम ।
छ- शिक्षा-प्राथमिक एवं माध्यमिक ।
ज- भवन निर्माण ।
झ- लघु व ग्रामीण उद्योग ।
ञ- बाहर से आने वाले सामान पर टेक्स्ट लगाने और उससे के खरीदने व
जबने पर टेक्स्ट लगाने का पूरा अधिकार ।
ट- सड़क मार्ग से आने वाले यात्रियों व माल पर कर ।
ठ- पशु-पक्षियों पर कर ।
ट- बेलों पर कर ।
ठ- धड़ों, व्यापार व रोजगार पर कर ।
ठ- पंचायत, टाउन एरिया और नगर पालिकाओं पर फूल नियंत्रण ।
ट- भूमि-राजस्व ।
ई- माइक्रो और मिनी हाइड्रोल प्रोजेक्ट्स ।
5. 6 मह की अवधि के लिए अंतरराष्ट्रीय विकास परिषद का गठन।

6. अंतरराष्ट्रीय विकास परिषद में 24 सदस्य गोरखा राष्ट्रीय मुक्ति मोर्चे के द्वारा नामांकित होंगे तथा 2 या 3 सदस्य पश्चिम बंगाल सरकार के होंगे।

7. पर्यावरण विकास परिषद में कुल 42 सदस्य होंगे।

8. मुआवजा समझौते के प्रारूप में मुआवजे का भी हिस्सू व्यौहार है :–

अ— गोरखा राष्ट्रीय मुक्ति मोर्चे की सभी इकाइयों के जो नेता, समर्थक या कार्यकर्ता पुलिस व केंद्रीय बोर्ड के साथ मुठभेड़ में मारे गये हैं, उनके परिवारों को पूरा मुआवजा देना होगा।

व— पुलिस व सुरक्षा बलों ने जिन गोरखाओं को नामांकन किया उन्हें भी पूरा मुआवजा मिले।

स— आन्दोलन के दौरान पुलिस व सुरक्षा बलों ने जिनके घर तबाह कर दिए तथा आगजनी की उन्हें भी पूरा मुआवजा देना होगा।

9. जिन गोरखा नेताओं, कार्यकर्ताओं व समर्थकों को आतंकवादी विरोधी कानून के तहत तथा अन्य दफ़ाओं में मिसालकार करके जेलों में रख छोड़ा गया है उन्हें किन्हीं अवश्यकी कार्यवाही के छोड़ दिया जाय।

10. जिन राज्य व केंद्रीय कर्मचारियों को आन्दोलन के दौरान निलम्बित अथवा निष्काशित किया गया, उन्हें पुनः पूरे केंद्र व भलतों के साथ दोबारा बहाल किया जाय।

11. समझौते पर हस्ताक्षर के समय से ही गोरखा राष्ट्रीय मुक्ति मोर्चे के सभी नेताओं व कार्यकर्ताओं के ऊपर लगायी गयी एफएस व आम बाधी विरोधी कानून को बाप्स समझा जाए।
अब सवाल यह पूछा होता है कि प्रस्तावित पर्यावरण विकास परिषद के माध्यम से केन्द्र सरकार और गोरखा सरकार में शिक्षा के बीच जिन-जिन किन्नों ने समन्वय में आया है तथा उन्हें पूरा किया जा सकना सम्भव है और क्या वे अधिक कुछ किये जायेंगे?

जहाँ तक प्रस्तावित पर्यावरण विकास खण्ड परिषद के माध्यम से मानव उपनाम स्थिति का प्रश्न है, तो यह बात बिलकुल साफ है कि अलग गोरखालेण्ड राज्य की मांग को लेकर संघर्ष की मांग को लेकर संघर्ष पर उत्तर देने वाले गोरखालेण्ड ने इस प्रस्तावित परिषद में यह मान गए तथा मनस्तात होने के लिए उन्हें अलग संस्कृति हो। सभी समानाधीन किए गए। गोरखालेण्ड के बिना अदालती कार्यवाही का ठोंक देना, सभी प्रमाणों के उपरिवर्त समाधिवार और दार्जिलिंग पर्यावरण क्षेत्र के मानस्तात भौतिक सम्पत्तियों का व्यवस्था लेने जेसी मान मानने देते हैं। यहाँ नहीं इस बात की भी संभावना है कि पर्यावरण विकास परिषद के माध्यम से अधिक समझौते की जरूरत के मुद्दों गोरखा मनस्तात टक्कर बसूं जूत कर दें तथा राज्य और परिषद के अधिकारों के बीच टकराव की स्थिति बनाई हो जाए। वैसे यह बात किसी भी दिशा में नहीं भूल सकते जाने है कि जब दार्जिलिंग के पूरे क्षेत्र की आर्थिक स्थिति गोरखालेण्ड की परिषद के हार्मोनियम में होगा तो पश्चिम बंगाल सरकार की बहुत बड़ी आर्थिक शक्ति तो होगी और ऐसी स्थिति में पश्चिम बंगाल सरकार और गोरखालेण्ड के बीच टकराव आज नहीं देखा जा सकता है।

वैसे कुछ मिलाकर कहा जाए तो प्रस्तावित पर्यावरण विकास परिषद पर होने वाला यह समझौता गोरखालेण्ड की समस्याओं का स्थायी निदान नहीं है और यह सरकार करने के बाद भी यह नहीं कहा जा सकता है कि दार्जिलिंग क्षेत्र में अब शान्ति हो जाएगी।

दार्जिलिंग क्षेत्र अब पुराने शान्ति की ओर अग्रसर है समझौते का क्रियान्वयन
प्रारंभ हो चुका है। अगस्त 1988 के अन्त में गोरखाओं को नागरिकता प्रदान कर दी गई है।

गोरखा पर्वतीय विकास परिषद का चुनाव नवम्बर के अन्त में पूर्ण हो जायेगा। नेपाली भाषा की संविधान की आठवीं अनुसूची में शामिल कर लेने के लिए समझौता हो गया है।

अतः, इन सब विवेचना से हम यह निष्कर्ष निकाल सकते हैं कि भविष्य में दार्जिलिंग क्षेत्र पुनः शान्त हो जायेगा और गोरखा विकास परिषद के माध्यम से जो स्वयंसेवक प्रांत हुं के उसका उचित दिशा में विकास होगा और वह क्षेत्र प्रगति के पथ पर अग्रसर होगा।
been more pronounced from time to time in Jammu and Kashmir.\(^\text{23}\)

**Punjab:**

It is unfortunate that Punjab has so many vicissitudes in the last few decades and its brave people have suffered so much.

1. The partition of Punjab and its tragic aftermath.
2. Merger of Patiala with East Punjab
3. Fall out of the Linguistic division of country.

The states of Punjab, Haryana, Himachal Pradesh were formed. The New state of Punjab became Home land of Sikhs in the main.

4. Sikh felt that their state was treated badly. i.e. Their territorials, social, and religious grievances were not being removed. This formed the platform of regional Akali Dal.

5. Later, these demands were specifically spelt out in Anandpur Sahib Resolution and actively perused by Akali party.

6. Against this background appeared Khalistan movement.

In such a context, Akali demand got mixed up with extremism of Khalistanis.\(^\text{24}\) All these, constitute one extreme form of regionalism.
The fact is that regionalism is part of centralism and can reinforce the centre if properly utilized.

Some Akalis object to the Sikhs being clubbed with Hindus - article 25 which deals with a right to freedom of religion.

But its sub section 2(5) and exp. II states - Hindus include - Sikh, Jain, or Buddhist religion.

AKALIS IGNORE 3 THINGS:

1. Sub section 2(b) is limited to throwing open.
2. Explanation I acknowledges separate identity for Sikhs by recognizing religious right to wear "Kirpans"

JHARKHAND MOVEMENT IN BIAHR - WHY?

1. The struggle for separate Jharkhand state within Indian territory, is years old. Whenever the natives used to live free life, are attacked to abolish their customs and traditions, they have rebelled before freedom. Jharkhand Movement aimed at a Jharkhand state, but after freedom the demand is stopped into a state within Indian republic.

   After freedom, there is sufficient provision to save the good of Scheduled castes and tribes. In the fifth sub section of the constitutions Janjatiya Samiti has been formed.
Every province, particularly West Bengal, Bihar, Orissa and Madhya Pradesh, has been instructed to conduct projects for the good and progress of the natives. The money allotted so far for the welfare of the natives has been shared majority by the agents and mediators, consequently the natives remained deprived of their share. The number of natives went on reducing in Santhal Paragana and Chhota Nagpur the population of the natives was 80%. According to latest census it has reduced to 35% to 30%.

In this way the natives are reducing the minority on one side and on the other side they are forced to live in the Primitive stage. Seventy percent of Bihar revenue is earned from the mineral wealth of Santhal Paragana and Chhota Nagpur but unfortunate people of the area are deprived of even 5% of it. In the name of development in Bihar, there are 20 kmts out of 100 kmts of dammered roads in general areas but in backward native areas dammered roads are only 8 Kmts out of 100 kmt. In Jharkhund only 5% of the villages have been electrified so far only 5% of the total land has been provided with irrigation facilities. In government services No. of natives is less than 5%.

Natives have to go from 15 to kilo meters for a hospital and school to avail medical and educational facilities.
In the name of development this is the picture on one side and on the other side natives feel that their customs and traditions are being abolished. Natives had their rules for justice, revenue and social order. In Nagpur, in Kalhan area, Wilkinson Rule was observed. In Santhal Pargana, "YULE SYSTEM" prevailed made wilkson rule was a type of pact made between British rulers and natives chief in 1830. In Kalhan English or British rulers could never impose their authority upon the natives. Under this law Munda Manki system was applied. Munda had been hereditary chief of the village was chosen out of four or five village. He was called Manki. Muda and Manki were authorised to collect revenue. They were paid a certain percentage in it.

Similarly in Santhal Pargana "YULE RULE" was formed in 1856. According to this rule the village Chiefs were authorised to collect revenue and penalised the guilty in minor affences. One leader was elected out of several chiefs after freedom, Panchayat system was imposed here also. Leaders lacking in force sightedness, let the "MUNDA MANKI" system survive besides election of Sarpanch in Panchayat system with the passing of time, the adminisitrative impact of leader an sarpanch increased. It caused fraction among native on one side and made them feel that their tradtional rights were being siiged even to day, natives are so much devoted the Mundas Mankies that they
approach them for justice. When Mundas and Mankies tell them their helplessness to help them they are filled with hatred and anger against the administration. The grief of being made minor and dual rule is suffocating to the natives besides the fear terror of deforestation has been succumbing them to nothingness. Native life is supported by the jungles. It is the integral part of their faith and culture.

But the forest Department under forest act has started the deforestation. There are boards of reserved area everywhere. The basic cause of native rebel is the depriving the ones of the jungle from it.

In 1969, Dehever commission appointed to study the problems of the natives, clearly declared in the report.

'The jungles must not be cut!' But ignoring the report, the Government has been going on deforestation. Another important issue, responsible for the pitiable condition of the people here the usherping of the land by the rich men of the plains against the loans lent to the natives. According to Tenuney act of 1956 in chhota Nagpur and Santhal Paragan and of natives land was formed still most of the land is in the possession of money lenders. Who are being supported and patronized by the police. In Bihar "Bajahi Murder" was based on such a disputed land. Inspite of this, native are grieving with the assault of outsiders on their culture. Christian Missionaries have also effected their culture very much.
Annoyed with all these circumstances the native, anger is expressed in the form of the demand for a separate Jharkhand Province from time to time. The attitude and initiative adopted by the Government has thrown the natives from frying pan to fire. The Government knows only one way of firing to crush the native agitation.

On 12th March, 1985, when Vindeshwari Dubey became the Chief Minister in Bihar, there was police firing on three places within two months and all of them were in Jharkhand area. On 26th March, 1985 one native youngman was shot in goel case firing. Exact after five days on 1st April, two natives died of police firing on a procession. Third firing caused the death of 13 more natives at Banjhi. In native areas, money and provocation are being given for separatist movement. It was ascertained when on 8th August, 1981 when self declared president of Kolhan state Mr. Narayan Jokon and Legal adviser Christ Anand Toyano reached England and gave memorandum to the secretary of state for commonwealth on behalf of free Kolhan state. Intelligence organisation's have found out that there is the mental backing of some enemy nations behind these anti national activities. The fact has been proved that behind the separatist movements of Khalistan, gorkhaland etc. there is foreign interference.
similarly, this is foreign diplomacy and financial help behind the Apexratist movement of Jhaarkhand State.

It is a crucial hour. The facts in Assam, Punjab and Mizoram have positively suggested to the common man that government is willing to solve the problems with negotiations instead of suppression on one side while negatively it provokes agitations to assert the cause the people believe in violence and bloodshed to push their purpose to the government. This is one of the basic reasons for the abrupt advancement in the Jharkhand movement after Gorakhaland agitation. Is there any project with the Government to free the natives from exploitation, backwardness and torture and make them share the progressive life like other Indians.

DEMAND OF UTTARAKHAND STATE:

Touching the North East frontier of the nationa region has been popular for ages for its cloud touching show capped peaks and piosest places of Hindu pilgrimage like Badari Nath Kekar Nath Gangotri and Yamunotri the origin places of Ganga and Yamuna the greatest sources of water that is life in upper Indias. Unfortunately today this pleasant and peace providing past of the motherland has become the ground or political game of different political parties and the men of vested interests.
Uttarakhand Kranti Dal came into being on 25th July, 1979. Its president is M.L.A., Kashi Singh Airie, Ram Nagar, Nainital conference of the party gave remarkable motion to the demand of the formation of Uttarakhand State.

The people of Garhwal and Kumyan region have been demanding Uttarakhand state peacefully and constitutionally for several years.

This region has been exploited for last 40 years. No means of job have been developed so far. There is higher an engineering college non Medical studies centre here. Property of the jungles has been destroyed. No trust of the money allotted to development corporation or Hill areas has been invested for the good of common man of the are so far. Millions of rupees earned from the pilgrims and tourists are enjoyed by Hotel owners and transporters. Uttarakhand Kranti Dal, according to the president Mr. Kashi singh Airei Government activities are limited only upto collecting datas. Lime stone piraiet phosphate and kesbles of white marble are the providing the income of millions of rupees to the province and centre government. Still we are deprived of our necessities.
Kranti Dal has organized a new party of Youngesters Yuva Kranti Dal. Its conveniant is Swami Darshan Bharti, who has converted himself from saint to householder. He is stanch supporter of Uttarakhand state. He had been Switzerland with Mahesh Yogo.

Darshan Asser to on uttrakhand state. Refering to formation of Punjab, Haryana and Himachal Pradesh for med on the basis of Nehru recommendatery committee of 1928 and the recommendations of other commission of 1948 he said provincial progress in possible earlier with small states - He kept fast for 19 days in 1979 when he had just come to Dehradun.

Yuva Kranti Dal Believes that the good of the people of the mountain is possible with C.P.M. leftist government and progressive feelings thoughts and actions the members of hill the parties including Uttarakhand Mukki Sena Uttarakhand Sangharsh Samiti and Himsena, in fact Uttar Pradesh is the biggest of the provinces with the view of area and population, hence its division is necessary with the view of administration and economic progress. It should be divided into three states eastern Western and Northern Uttar Pradesh to provide opportunities for development.
REGIONALISM

POSSING GRAVE DANGERS FOR NATIONAL UNITY IN INDIA:

Extreme regionalism is anti thesis of nationalism. To check the effect of extreme regionalism, the framers of Indian constitution gave a unitary bias to the federal system, because, they thought that a strong centre was a paramount necessity to safeguard against the threat posed by fissiparous tendencies and the danger of disintegration if the centre was left in a weak position.

To strengthen the national unity in India, our constitution has adopted certain integrative elements.

1. Preamble
   That India is a "Sovereign, socialists, secular, democratic, republic. This forms the core of policy, premises that permeat our system. There is no disagreement with respect to preamble and all states - congress, non congress, have endorsed the value part of the constitution. This is a plus points in favour of integration proess.
   1) Endorsement of unity of the Nation.
   2) Individuality of the country.
   3) Secularism.
   All the three being pivotal to any analysis or regionalism.
2. **Single citizenship:**

For the whole country it is not so in U.S.A., U.S.S.R. It inculcates a sense of unity which is the common thread running through cultural diversities.

3. **Distribution of powers between Centre and States:**

A developing nation like India to move rapidly for building a socialist society, needs coordinated and concentrated action to cope with all threats to the country's sovereignty and integrity, internal or external.

There were also keen to keep alive the spirit of national unity and homogeniety.

4. Single integrated Judiciary
5. Single Auditor General
6. Single Election commission
7. Common All India Services
8. Single attorney General of India.

All these provisions help building up unity and national integration in India. But, fast growing regionalism in the country is posing grave dangers for the national unity in India.
The constitution also creates strong links between the centre and the states, through a single integrated judiciary, a single agency comptroller and Auditor General to supervise the financial administration of the states as well as of the centre, a single election commission to conduct and supervise elections to state legislatures and parliament, common All India Services and Attorney General of India.

Some Akalis object to the Sikhs being clubbed with the Hindus - Article 25 which deals with "a right to freedom of religion". Few are however, aware that its sub section 2(5) and Exp. II states that "the reference to Hindus shall be construed as including a reference to persons professing Sikh, Jain or Buddhist religion.... "The Akalis ignore three things, First, sub section 2(b) is limited to throwing open religious institutions. Second, Exp. I of the article acknowledge separate identity of sikhs by recognising their religious right "to wear Kripans". Third, a separate identity or Sikh Harijans. Harijans among other religions are not entitled to privileges or reservations.

The demand for Khalistan essentially sprang from a desire among the Akalis to rule their home state. Clearly, it is for the Akali to inspire confidence and carry with them all sections of the people in the state.
From the foregoing discussion, the conclusion emerges that defilement of the constitution is a dangerous trend of regionalism which threatens the integrity of the nation. No one should question the bonafides of the framers of the constitution who provided for a strong centre to serve as a pivotal in governance of free India. They were as a whole men of unimpeachable integrity. Being seasoned patriots, they have nothing but the good of country at heart. They were very conscious of the need for investing the centre with sufficient power to enable it to cope with all threats to the nation’s integrity and sovereignty, internal or external. But today the constitution has become a convenient alibi for non-performance. Therefore, it is difficult to prescribe a solution for this problem except to say that the laws of the land and the constitution should be strictly observed. Further, it may be said that the demand for amending the constitution to accord greater autonomy to states also does not seem to be anyavail. Because, even if the proposition for amending the constitution is put forth, it would neither be within the competence of parliament to amend the basic structure of the constitution, nor can there be any guarantee that there would be no further demand for autonomy.

RAJAMANNAR COMMITTEE REPORT AND STATE AUTONOMY

The D.M.K. party came to power in Tamil Nadu in 1967. It adopted a realistic policy in its relations with the
Centre. Its two aspects are noteworthy:

1. **ON THE ONE HAND**

   It spoke of co-operation and co-ordination to advance state interests with the centre, as an example we see that unhesitatingly it evolved an electoral understanding with congress after its split in the presidential election in 1969.

2. **ON THE OTHER HAND**

   It pressed the theory of states rights and powers under the constitution. As an example we see that it raised voice against the mounting central interference in the state affairs for example in the shape of president's rule.

   D.M.K. put forth a demand for restoration of real constitutional powers of a state Govt. which had been eclipsed by the centre.

**Main points of D.M.K. Demand of State Autonomy**

1. There is no onfotation between the centre and the state of Tamil Nadu.  
   State Government is responsible to the legislature.

   There is no provision in the constituion to make the Chief Minister or the State Ministers accountable to the Centre. So, it is subversion of the constitution and of the system of
responsible government it a state cabinet is subjected to commission of enquiry by the centre.

3. State legislature is "sovereign in all matters within the state list.

4. Recommendation of the A.R. for appointment of Lok Pal would impinge on state autonomy as planned in the constitutions.

RAJAMANNAR COMMITTEE

Purpose

For articulating the demand for state autonomy. The government of Tamil Nadu appointed an inquiry committee in 1969 for articulating the demand for state autonomy. (Herein after referred to as the Rajamannar Committee.)

Report Submitted


IMP RECOMMENDATIONS

Legislative field

The committee devoted full chapter IV to legislative field and noted that:
1. **Union List**

"Had stolen a number of items" from the provincial list and the concurrent list of the VII Schedule of Govt. of Indian Act. 1935.

The arrived at the conclusion that -

i) State's legislative powers were curtailed under the constitution.

ii) Hence, legislative lists of VII schedule should be modified on the lines suggested by them.

iii) Redistribution of legislative powers should be reexamined by a high power committee consisting of eminent lawyers, jurist, statemen.

iv) Also that certain entries of the union should be transferred to the state list.

v. Concurrent list should be cut down to reinforce the state list.

2. **Concurrent List:**

1. Concurrent list should be cut down to reinforce the state list.

ii) Concurrent list should be confined to entries of the the interest of the country as a whole or of an all India base.
iii) and the other entries of concurrent list should be transferred to "State list".

iv) They thought that concurrent list matters were essentially state matters, so states should be closely associated with the legislation in this field.

v) They suggested that state Government of the concurrent list matters, and their views should be ascertained in respect of the clauses of Bill.

vi) They wanted that the Bill be referred to Inter State Council.

vii) and recommended that a statement reciting the fact of such reference should be appended to the Bill.

3. Residuary Legislative powers:

i) Residuary legislative powers should be vested exclusively in the states.

ii) For this, they suggested that entry 97 of list I should be transferred to list II.

iii) and article 248 should be amended accordingly.

4. Provisions where under Union Legislation is permitted in State List Matters:

i) There provisions were wholly unwarranted without any
precedent. Wholly derogatory to the conception of federation and serious inroad into state authority.\(^{36}\)

ii) So, they recommende repeal of Article 249 which permitted union legislative initiative in state list matter in the national interest, if the Rajya Sabha has declared by resoluting that it is necessary or exigent.

iii) They found it to be radical deviation from the accepted norms of federalism and an undoing of the principle of distribution of powers recognized and implanted in a federal constitution.

iv) They, also objected to Article 252 in its present form\(^{37}\) and recommended an amendment so as to enable a state legislature to amend it if it might think fit to Report the union legislation.

CRITICAL COMMENT:

This recommendation, if accepted, must frustrate, the very purpose of having a uniform legislation on certain matters. e.g., estate duty law in respect of agricultural land with prior consent and for the advantage of the states.

5. Provisions for Reservation of State Bill for Consideration \(^{38}\) Previous Sanction \(^{39}\) Or Assent \(^{40}\) of President:

These provisions were particularly criticise by the
committee. They termed the Reservation provisions - as needless superfluity and recommended repeal of Article 31(3); Second provison to Article 200, and the proviso to article 304(B).

FINANCIAL RELATIONS

Financial relations Chapter in Rajamannar Committee Report is comparatively comprehensive and properly written.\textsuperscript{41}

1. The committee observed that the scheme of Chapter I of part XII of Indian constitution was "Not fair to the states".

i) Because, it forced states to depend largely upon discretionary grants or over drafts.

ii) This further caused impairment and erosion of their political and constitutional autonomy and

iii) generated a tension in their relations with the centre.

2. Committee observed that the framers of the constitution could be not fully realise the implications of a future developing society, although they were fully aware of the need for planned economic development.

3. They felt that not only the scheme was 'not fair to
the states, but also it was not without discrimination in treatment of states by the centre.

4. They recalled that Corporation Tax should be made a shareable tax and be treated at par with the tax on personal income for the purpose of article 270.

5. They also found no reason for state not sharing export and custom duties and recommended their compulsory distribution between the centre and the states.

6. They recommended that wealth Tax should be deemed a tax which was lived and collected by the centre, but the whole net proceeds were given to states as was done in case of estate duty proceeds.

7. They also suggested that Article 272 be amended to make excises compulsorily divisible.

8. Thus, their idea was that revenue devolution should be enlarged so much so that the need for grants in aid under Article 275 "either disappears or is minised."

CHAPTER ON GOVERNOR

1. Raj committee recommended that it should be made obligatory that Governor was appointed by the president on
the advice of the State Council of Ministers in stead of on the advice of union council of Ministers.

2. Or, else, he should be appointed on recommendation of an expert body of eminent jurists, lawyers and administrators.

3. Government should discharge his functions as head of the state and not as an agent of Centre.

4. For this purpose, president should issue him an Instrument of Instructions - laying down guidelines as to the matters in which he should seek instructions from the central government.

5. Neither he should seek any instructions for ministry making nor, he should have much of discretion in the selection of Chief Minister.42

i) He must call upon majority party to form Government.

ii) Or if the situation demands, he must let state assembly elect a person to be the Chief Minister.

6. He should have no discretion to dismiss Chief Minister of for unmaking of a state council of Minister.
7. In case of (DOUBT) -
Let the majority be decided by a meeting of the Assembly.

8. He should have only one term in office and should be disqualified from any future appointment.43

RAJ COM REGARDING POWER OF PRESIDENT UNDER ARTICLE 356

1. Raj committee expressed the view that power of president under Art 356 was "being used to deprive the states of their autonomy."

2. They expressed disapproval of its use except on occasions on which the government of the state cannot be carried on in accordance with the provisions of this constitution.

3. The necessity for this should be felt not only by the centre, but by the concerned state as well.

4. They thought that any action at the instance of Union cabinet might bring out an "inherent conflict between centre and states".

5. They, thus recommended out right repeal of Articles 356 and 357.

6. Alternatively, they suggested appropriate amendments in these articles, which should ensure that state Governments function "without fear" of being toppled over.
7. They insisted that present should not act exclusively on recommendations of the Governor. Governor's report should be referred to the assembly for expressing its view.

8. The suggested that the "Word Otherwise" should be dropped from clause (1) of Article 356, thus making any unilateral action under it impossible.

**OTHER RECOMMENDATIONS OF RAJ COM**

1. **ABOUT SUPREME COURT'S JURISDICTION:**
   
   Supreme court's jurisdiction should be limited to constitutional issues and not extended to civil or criminal appeals.

2. **EQUAL REPRESENTATION FOR ALL STATES IN RAJYA SABHA:**
   
   It wanted equal representation for all states in Rajya Sabha.

3. **INDEPENDENCE FOR FINANCE AND PLANNING COMMISSIONS:**
   
   It recommended independence for the finance commission and for planning commission.

4. **FOR CONSTITUTIONAL AMENDMENTS:**
   
   Rajamannar committee suggested a number of secondary
and consequential proposal for constitutional amendments.

**CRITICAL APPRAISAL OF RAJ COMMITTEE RECOS**

1. Thus, Raj comm. recommendations, are yet the most comprehensive and they reveal a desire to maintain the essential framework of constitution and not jeopardise the integrity of the country.

2. The intention of the committee, thus was not to "grasp this sorry scheme of things entire" and to "shatter it to bits and "then remould it nearer to the hearts desire" but to effectuate such changes as would make the constitution truly federal.

3. The D.M.K. Leader Chief Minister, Mr. Karuna Nidhi of Tamil Nadu said in 1969 -

   In our view, the surest way to ensure the implantation of socialist ideals in a large country like India is-

   to endow the states with greater autonomy. If we give plea for greater powers to the states, it is only because of our earnest desire that a strong centre should emerge, under-inned by prosperous and powerful states."
CRITICISM:

1. Report has failed to attract much attention of centre because it expresses one sided narrow thinking of D.M.K. party which is a regional party.

2. If the recommendations of the committee are implemented:

The money will fall the constitution completely in favour of the states.

ANANDPUR SAHIB RESOLUTION AND STATE AUTONOMY

The importance of political determinant in the federal compact is rightly highlighted by Riker, when he says that one crucial factor that controls the federal compact is "the structure of the party system". It is further said that the centralising and decentralising tendencies in a federal system depend upon the degree to which the parties (or party) operating the central Government control parties in the constituent Governments.

Moreover clearly, it may be stated that the centralizing and decentralizing tendencies in a federal polity depend upon the nature of party system, the internal organization of parties, their ideology, leader's commitments and situational factors.
1. State autonomy demand of Punjab reflects the changing attitudes of Akali Dal towards the question of state autonomy.  

2. Akali Attitude has gradually changed from the moderate position it took at Batala conference in 1968 to the extremist call at Ludhiana conference on Oct. 28-29, 1978 known as Anandpur Sahib Resolution.

3. Anandpur resolution demands a radical change in the federal system for preserving and safeguarding the being and self identity of the nations and nationalities that collectively make Indian people.

4. Akali Dal dissatisfaction with the distribution of powers between centre and states can be traced back to fifties when it passed a resolution and demanded that centre's powers be limited to Foreign affairs, defence, and communications.

5. But, serious attention to autonomy demand was given after the reorganization of Punjab State in 1966.

7. Master Akali Dal Sought (demanded) "Self determined status in a Sikh home land within Indian Union".

8. The resolution demanded for Punjab 'Same status and powers which are given to Jammu and Kashmir" under Indian constitution 55 of 1950.

9. Historical development of the Sikh Demand from Moderate stance or soft approach of sant to radicalization of Akali position after merger of sant and Tara Group in October, 1968.

1) SANT SOFT APPROACH objected to the following:
   i) Central discrimination against Punjab.
   ii) Demand in 1967 for 'more powers to provinces

1) To maintain territorial integrity of country.
2) To secure more smooth and friendly centre state relation. 56

iii) Soft approach of (Sant Dal) in Batala resolution (sept. 1998) which demanded:

After the death of Master Tara Singh in 1968, Master Akali Dal merged with the more powerful Akali Dal of Sant Fateh Singh - The moderate stance taken by sant Akalidal was again reflected in the BATALA resolution (Sept. 1968).
1) Correct federal basis
2) States should have greater autonomy
3) Central interference in internal affairs of states and obstacle placed in proper functioning of state machinery are detrimental to the unity and integrity of the country.

iv) So, necessary changes should be made in constitution.

v) State government should raise their voice to protect and safeguard their rights. So that country may go smoothly on federal system.  

2) RADICAL AKALI STAND AFTER MERGER IN OCTOBER 1968.

1. Sant Dal soft approach of Batala Resolution September 1968 was the correct approach to counter the slogan of "Self determined Political status of Sikhs in India Federalism."

And it was line with demands of several non hindi states like Kerala, Tamil Nadu, West Bengal and other who had suffered at the hands of the centre.

The merger agreement defined the political goal of "Panth" as follows:

"The order of the Khalsa is a sovereign people by birth and a sovereignty oriented party sui generis...."
A Sovereign Sikh people, with a free country, to achieve this goal within a free India, as the birth right of the Khalsa to be established within the framework of a well demarcated territory, enjoying a constitutional autonomous status is the very foundation of the constitution of Shiromani Akali Dal. 58

3. This declared goal of Akali Dal is a close proximation to the demand of "Self determined political status for Sikhs within the Union of India." raised by Tara Singh.

4. In 1971 parliamentary Elections and in 1972 assembly Elections demands were pressed and said for example.

Country's constitution needs fundamental charges. It must be given a true federal form." and states should have more powers in economics sphere and in the field of legislation. 59

A similar demand for state autonomy was reiterated in the party's Manifesto for 1972 Assembly election. 60

ANANDPUR SAHIB RESOLUTION October, 1973

1. Akali Dal State autonomy demand has the main thrust on fundamental restructuring of Indian federal system. This is clear from "histroi Shiromani Anandpur S. resolution."
2. This resolution has a resemblance with the more rigid Sikh Homeland demand raised by Master Tara Singh in 1960s.

3. Anadpur Sahib Resolution Stresses on-
   i) Special protection of Sikh Interests and Sikhism in Punjab.
   ii) Inclusion of excluded Punjab Speaking areas in the state
   iii) In this new Punjab, along with other states - centres Jurisdiction should be limited only to -
   DEFENCE
   FOREIGN AFFAIRS
   POST AND TELEGRAPH
   RAILWAY
   CURRENCY

   Administration of all other subjects should vest in the state and the state should have full right to frame its own constitution."

   The Akali Dal has reiterated this maximal autonomy demand on several subsequent occasions also. Latest at Ludhiana in 1978.
5. Gurcharan Singh Tohra, S.G.P.C. President moved the political Anandpur Sahib Resolution on "autonomy of the state and said 62.

"The restructuration of centre state relationship and decentralization of power accordingly is essential for:

1. For preserving and safeguarding the being self identity of nations and nationalities that collectively make the Indian people.

2. For protecting the rights and interest of minorities.

3. For realizing the imperatives and demands of democracy, democratic system and functioning.

4. For removing impediments in the way of economic growth and progress caused by lopided over centralized monoplistic planning.

In other words, what is needed is "Basic change in organisational pattern of political power, that is, a radical transformation of the system as a whole."

6. Tohra says - India is "POLRATIONAL SOCIETY" with different religious, ethnic groups and languages. Such a society requires a polity which would "ensure oneness of the country while giving the constituent sufficient autonomy that they
flourish according to their ethos and preserve their identity, i.e. unity in diversity."^63

7. Without actually demanding right of secession for the states he (Tohra) referred approvingly to the provision for secession - right in the U.S.S.R. constitution and in that context said that -

"The historical experience of other countries shows that federal polity U.S.S.R. ensures unity, integrity, and progress on an enduring basis......

The concept of autonomously strong states is in no way opposite of the nation of a strong centre. Both the centre and the state have to grow in strength in a co-ordinate manner and not at the cost of each other.

So, federalizing our polity (Policy) would provide a natural and genuine basis for a strong centre.^64

CRITICAL APPRAISAL

Now, we shall consider to what extent this demand of state autonomy is justified and how more autonomy can be given to states without posing a threat to national integration.
Answer is that-

1. Demand for financial autonomy is highly justified
2. Demand for political autonomy is neither feasible nor acceptable as it may lead to disintegration of the country. Despite Akali Dal's contention that the concept of autonomously strong states is no way opposite the nation of a strong centre.65

3. Political autonomy demand is a 'camouflage' for a campaign for the achievement of a Sikh State.66

4. Not only Hindu groups doubts resolution's motives

But even Punjab state scheduled castes convention (at Jullunder February 4, 1979) has expressed concern of minorities and weaker sections caused by the autonomy demand which is a 'veiled damend for independent Sikh State.'67

WEST BENGAL MEMORANDUM AND STATE AUTONOMY

The demand for more state autonomy has always been one of the most controversial issues of Indian federation.

Greater autonomy demand became instistent since 1967. D.M.K. government in TAMIL NADU was most militant among them.
In recent years the lead has come from government in West Bengal for state autonomy demand. West Bengal has presented a 2500 word memorandum in December 1977 suggesting that the constitution of West Bengal is now, attempting to move in a more radical scale what Sri Anandurai and his government did in 1969.

The West Bengal Memorandum wants the states to get more autonomy, but does not at all want the center to be weak.

Mr. Jyoti Basu claims that he and his party want a weak center and that the concept of strong state is in contradiction to that of a strong center. If their roles are clearly marked out.

1. Defence, (2) Foreign affairs, (3) Foreign Policy, (4) Currency, (5) Communication, (6) Eco Coordination

Thus if the constitution, till in favor of the memorandum swings in favor of states completely.

Most of the recommendations of memorandum appear to have been modelled on Raj Recommendation. For Example:

1. Article 80 - composition of Rajya Sabha.

2. Article 200, 201 - President's powers to assent Bills.
3. Article 248 - Residuary powers legislation.
4. Article 302, - Parliaments power to legislate for inter state Trade.
5. Article 356, 357, president' rule in the states.
6. Article 360, declaration of financial emergency.
7. Financial Devaluation between centre & States.
8. Status of planning commission.

The Rajay Committee traced the growth of unitary trends in Indian federation of the above noted constitutional provision to one party rule at the centre and the state, to financial dependence of the states on the centre, and to the role of development planning and the planning commission. Thus, W.B. memorandum concurs with the Rajay Committee although there is a charge in emphasis.

Since 1950, persistent efforts have been made to erode even limited powers of the states.

Memorandum says - All manners of pressures have been used -
1. Sometimes formally, through the power of the centre.
2. Sometimes indirectly, by denying finances & other resources etc to non-congress gopts.
3. By applying pressure on Chief Ministers of Congress party through the organization and leadership.

4. During the last few years, centre's tentacles have spread to the states even in the sphere of law and order (a state-subject) through the creation of central reserve police. Border security force and Industrial security force etc.

5. By 42nd amendment education-a state subject was transferred to concurrent list.

The process has now reached a stage when it threatens to reduce the states to the status of subordinate departments of the centre under the aegis of the central home ministry.

Comments -

1. There is some truth in this charge that centre is weakening the states & there is much interference in state matters by the centre.

2. But the remedy lies not in wholesale or fundamental change in the constitution, but in making suitable adjustments in the light of past experience, in the constitutional provisions.

3. West Bengal's basic design is to remove wholly the constitutional tilt in favour of the centre and make the states
wholly Suprem in their fields and limit the centre's powers to the minimum.

4. Thus, acceptance of W. Bengal's demand for more autonomy, to the states "must lead to a steady weakening of the union of India." 75

5. The fact that demands for greater autonomy have been come from parties with greater regional appeal has unfortunate effect prejudicing national opinion against them.

6. Central authority had been all powerful for 200 years & people accepted this as the India norms.

7. Tendency of Co-operative federalism should be accelerated a federation tends to become-either more unitary lime U.S.A. or less so as in Canada.

8. India's historical experience persuades people to err in favour of more centralization rather than less. And so, there is no popular demand for greater autonomy.

9. Whenever, a party or region asks for greater autonomy public opinion, being inclined to view it as a potential challenge to country's unity and integrity, sides with the centre.
10. Thus, any proposal or demand that tends to alienate the country from its chosen path, needs to be discourage by creating the right public opinion.

FOUR SOUTHERN CHIEF MINISTER'S CONFERENCE

ANDSTATE _ AUTONOMY

Council- first meeting at Bangalore on March 24, 1983

Recently the four Chief Minster (Non-Congress 1) of Southern states -

1. Ram Chandran of Tamil Nadu
2. N.T. Rama Rao of Andhra
3. Ram Krishna Hegde of Karnataka
4. D. Ram Chandran of Pandi Cherry.

established a council-which held its first meeting at Bangalore on March 24, 1983 to discuss problems of mutual interest affecting centre-state relations.

2. Their Demands -

1. They want a fiscal commission the ensure more funds for the states.
2. They demand state legislatures be given necessary powers to enact laws in the state and concurrent lists of VII schedule without waiting for president's permission.
3. They demand High Court Judges should know the language of the states in which they are posted.

3. Two consideration were main for them -
   1. The question of revenue-sharing and raising between centre and states.
   2. The Question of inter-state matters such as power, water movements of food-grains etc.

4. The question of revenue-sharing Raising -
   1. These discussions will permit eacy co-operation between like-minded states.
   2. It could also result in an immediate join - approach (by like-minded chief ministers) to approach the eighth finance commission with concrete proposals for reducing inequities of apportionment and expending the base of distribution from the central pool to the states.

5. The question of Inter State Matter in vital subjects as power, water & foodgrains. These matters have never been seriously negotiated between concerned govt.

Comment - This council of Chief minister would be an institutional Device.
1. For co-operating each other in interstate matters (of vital importance) relating to all vital subjects. It may be noted here that neither Andhra Pradesh nor Karnataka is asking for the Kashmir type of autonomy.

2. "Opposition conclave has demanded for maintaining state-autonomy suitable amendments be made to Article 356 which enable president to dismiss state-Govt. or Dissolve a legislative assembly in case of a constitutional-breakdown.

3. Autonomy of the kind of Jammu and Kashmir is out of question in our federal system.

1. Jammu-Kashmir type-autonomy is out of question in our federal system. This should be made clear to all the states demanding greater & D.M.K. Tamil Nadu support and welcome Kashmir-type autonomy.

**REVIEW**

1. From the discussion of socio-economic and cultural bases of demand for state-autonomy regionalism as basis of demand for state-autonomy jarmannar committee report awanddpur Sahib resolution west Bengal memorandum for Southern Chief Ministers conference resolutions.
The conclusion Emerges that -

1. Over centralization as much as excessive autonomy both would lead to fissiparous tendencies and hamper national integration.

2. The recommendations of Raja Mannar committee, West Bengal memorandum & Anandpur Sahib resolution recommend for excessive state-autonomy which may lead to grave consequence.

3. India history reflects that more autonomy is likely to lead to disunity of India we see, warring states in the past (i) caused suffering to the people and it also

2. Attracted foreign invaders.

4. A talk of a strong centre and strong states in the same breath by the champions of state of state autonomy sounds like a contradiction in terms.

5. Newly liberated country with vast regional imbalances required A centrally planned development thrust. This was the reason that constitution includes long concurrent list with residual and overriding powers with the centre.

6. The Unitary trends were strengthened because of:-

1. Single party congress-voted to power at the centre & in majority of states for a long period.
2. State to gain popularity failed to raise their quota of plan-resources and depended on over drafts from reserve bank of India.

7. Economic consideration are the main crux of the demand for greater autonomy:-

1. PUNJAB - Claims that if feeds rest of the nations so it must recieve more consideration.

2. BENGAL AND KERALA - point to the foreign exchange which they earn from cash-rops e.g. cashew Nut, pepper, Tea & Coffee. The demand special privileges sue to providers.

3. BIHAR - Asks for increased central allatments to develop its reserves of Miniral Weath.

COMMENT:-

1. Giving in to these claims will skew the efforts to achieve regionally balancer development and result in - "the states getting poorer and richer states getting richer."

2. Spirit of cooperative federamlism would be encouraged there should be mutual discussions & exchange of ideas to develop co-operations to the maximum.

3. Decentralization more and more - to be encouraged states should also give more powers to local bodies.
PRESSING DEMAND OF STATES FOR GREATER FFICIAL AUTONOMY

FISCAL AUTONOMY

INTRODUCTION

The most ticklish and controversial problem between the centre and the state which a federal system had to face is that of the financial relations. The union state fiscal relation in Indian federal polity are much more complex than in any of the three older federations of the world the U.S.A. Canada and Australia. Actually the federal financial relations reflect the equations of power and influence between the centre and the states and among the states inter se.

Further more, federalism has its own special and particular problems in this area like the problems of multiplicity of taxing and spending authorities, the imbalance as regards financial resources between the centre and the states and the imbalance between different regions of a federation. It is also a true fact if the legislative and administrative authority of the constituent units is to be maintained they must be financially autonomous. However, this principle of a federation has not been fully implemented even in any of the existing federations of the United States, Canada and Australia.
The demand of the States for greater fiscal autonomy has now become one of the most controversial issues of the India Federation. There has been much talk for and against autonomy. With different parties at the centre and in the states in power autonomy is asserted and is necessary. In their case, autonomy should be real, but in present practice this fact is being completely forgotten. State legislative parities are subjected to log-rolling, and almost all state Ministers are nominated by the centre. This in itself detracts from autonomy and discouraged it.

The compulsion of planning have also made the states more dependent than they are required to be under the constitution. Thus unless the States are given more sources of revenue instead of being allocated shares in divisible or indivisible pools they would be lift to the mercies of finance commissions, planning commissions and the vagaries of party politics.

CRITICAL ANALYSIS OF THE ENTIRE PRESENT SITUATION TAXING POWERS OF THE CENTRE AND STATES:

The framers of Indian constitution made their best
efforts in Part XII of the constitution which includes Articles 264-300 to distribute various taxes and duties between the centre and the states so that both of them may have their independent sources of income. In the divisions of the taxing powers, generally speaking the taxes that have an inter-state base are under the legislative jurisdiction of the centre, while those that have a local base fall under the legislative jurisdiction of the states, not many taxes fall under the concurrent jurisdiction.

**CONCURRENT TAXES ARE**

Taxes on mechanically propelled vehicles and stamp duties other than duties or fees collected by means of judicial stamps, but not including rates of stamp duty. The residuary taxing authority is assigned to the centre.

**THE CENTRAL TAXES:**

Union taxes are of several types (1)

1. There are some taxes such as stamp duties which are imposed by the union but are collected and taken by states.

2. Secondly, Taxes such as succession and estate duties (except on agricultural land), taxe on railway fare and freight, etc. are imposed and collected by the union, but the entire
proceeds are distributed among the stages.

3. Thirdly, there are some taxes such as tax on non-agricultural income (and the union excise duties which may be shared with the states) which are levied and collected by the union, but the proceeds thereof are shared between the union and states.

4. Fourthly, there are certain taxes such as corporation tax, custom-duties are levied, collected and appropriated by the union.

5. Besides, the union parliament is authorised by the constitution to increase any of duties or taxes mentioned in Articles 269 and 270 by surcharge for exclusive union purposes.

THE STATE TAXES:

Within the jurisdiction of states are more taxes concerned with land, as 1) land revenue 2) agricultural income and 3) land succession taxes 4) estate duties in respect of agricultural land and also the 5) excise duties on alcoholic liquors and callings, and taxes on vehicles, 9) on passengers travelling by roads or in land waterways, and 10) on luxuries and amusement.

Thus, if we critically examine the distribution of taxes between the centre and the states as provided in the union and
state lists, then it will be found that most of the flexible sources of revenue have been assigned to the centre and the most of rigid sources of revenue have been provided to the states.

EPRENDENCE OF STATES ON THE CENTRE

The founding father of the constitution keeping in view the multifarious responsibilities of the states knew well in advance that this would result in the dependence of the states on the centre for funds to discharge their responsibilities.

This seems to be intentional so that the centre may remain strong vis-à-vis the states and thus the centripetal forces may dominate the centrifugal forces. Hence the union Government was empowered not only to levy taxes for itself but also to levy taxes exclusively for state under articles 268 and 269. One fails to understand why the state legislatures were not empowered to levy some of the taxes mentioned in these two articles unless the purpose was to increase the dependence the states upon the centre in the name of uniformity.

Even the provisions regarding shared and sharable taxes including the provisions of grant-in-aid in the same direction. Thus taking the totality of the centre's resources (tax, non-tax and
capital), the states, share there of came down from over 40 percent to 31 percent between the first and fifth plan periods, clearly revealing a downward trend in the share of the states.

As a portion of the total resources raised by the centre on revenue and capital accounts, the total amounts transferred to the states through the budgets for the period 1951-52 to 1974-79 work out as shown in Table 1.

<table>
<thead>
<tr>
<th>Period</th>
<th>Aggregate amount raised by the centre (Rs. crores)</th>
<th>Aggregate transfer from the centre to the states (Rs. crores)</th>
<th>Amount Transferred as percentage of the resources raised at the centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951-56</td>
<td>3,412</td>
<td>1,431</td>
<td>43%</td>
</tr>
<tr>
<td>1955-61</td>
<td>8,080</td>
<td>2,868</td>
<td>36%</td>
</tr>
<tr>
<td>1961-66</td>
<td>17,654</td>
<td>5,600</td>
<td>32%</td>
</tr>
<tr>
<td>1966-69</td>
<td>16,714</td>
<td>5,343</td>
<td>32%</td>
</tr>
<tr>
<td>1969-74</td>
<td>41,380</td>
<td>15,101</td>
<td>36%</td>
</tr>
<tr>
<td>1974-79</td>
<td>82,422</td>
<td>25,578</td>
<td>31%</td>
</tr>
<tr>
<td>1979-84</td>
<td>-</td>
<td>-</td>
<td>34%</td>
</tr>
</tbody>
</table>
DEVELUTION OF RESOURCES

The controversy about devolution of financial resources had three aspects:

THREE ASPECTS ARE:

There aspects of federal financial transfer the centre of controversy between the centre and the states are:

1. The total quantum of transfers vis-à-vis central & state revenues.
2. The role of various kinds of transfers that is, the shared taxes, grants, and loans and
3. The criteria of transfers, particularly, the nature and weight of equalising criteria in the total scheme.

THEY OWE HEAVY DEBTS TO THE CENTRE

In March, 1952, the total debts of the states to the centre were 448.68 crore and in March, 1978, the states were to pay 16283 crore to the centre which means an increase of over 34 times and in March, 1982, Loans and Advances by the centre to the states have added up to 19565 crores.

STATES ARE HAVING OVER DRAFTS

In June 1982, the total amount of overdrafts was 2006
crore and generally, these overdrafts are transformed into a long-term-loan. For example at the end of 1981-82 the centre transformed a record overdrafts of 1974 crore into a long-term-loan.

CENTRE Vs STATES

Though the dependence of the states, upon the centre in financial matters was expected as provided in the constitutional scheme of division of tax resources between the centre and the state, yet the gap between state revenue and their expenditure has crossed the reasonable limits because of certain subtle central twists on the one hand and the pressure of the public on the state governments and public utility services on the other. At present all the state governments are in red and they have heavy debts to the centre.

In addition to it the states are having overdrafts of hundreds of crore with the Reserve Bank of India. If the market borrowing by the states are calculated, then the financial position of the states would be still worse. Moreover, the practice of the centre in unilaterally; coming to the decision of enhancement of employees emoluments has further increased the fiscal problem of the states because this generates a corresponding demand in the states with the result that their
effect of depriving the states of a share in the income tax paid by the companies and created a legitimate feeling of grievance among the states, in 1952-53 Rs. 143 crores was collected as income tax (80% was distributed among the states) and Rs. 42 cores as tax on company profits (wholly used by the centre). In 1982-83 the figures stood at Rs. 1,678 crore and Rs. 2,339 crores respectively.

2. In the last few budgets, the union government has been declaring various concessions in income tax and at the same time raising the surcharge on income tax for central purpose alone, thereby reducing the states share of income tax.

3. It is obvious that the taxes and duties which are levied by the union, are collected and utilised by the states, have been placed in the union list for enforcing a uniform rate of taxation. It is, therefore, that the proceeds of these taxes would be available to the states only if the union decided to make a levy. The rates at which the taxes are to be levied would also be a matter for the decision of the centre. Thus, in regard to this source of
revenue to the states, the states are, to a great extent, dependent on the centre.

4. The position, however, is different in respect of duties and taxes which are levied and collected by the centre and the proceeds of which are wholly assigned to the states. Out of the six categories of such taxes, the only tax of this nature which is being levied and collected is the Estate duty, on property other than agricultural land. The total receipts from such estate duty have been comparatively very small.

One of the taxes mentioned under Article 269 is the tax on railway fares. Such a tax was levied by the centre in 1957 and it was abolished later on in 1961. While abolishing the tax, the railway fares were increased and in substance the tax was merged with the basic fares. The centre, instead, decided to make an ad hoc fixed grant of Rs. 12.50 crore per year for five years to the states, then this was increased to Rs. 16.25 crore in 1966-67 but it had not been revised ever since.

It may also be pointed out here that, out of a large number of taxes which are enumerated in Article 269, only two taxes are being levied by the centre. Thus the states, which are in burning need of more resources
of revenue by the omission of the centre to levy taxation under all heads of Article 269. This appear to be against the spirit of the constitution.

Furthermore, the substitution of an ad hoc fixed grant in place of tax on railway fares has also deprived the states of a potential and elastic source of revenue which would be constantly increasing as is shown by the increase of passenger fares since the abolition of the tax. This action of the centre illustrates how the centre can effect the receipts of the states from a particular source of revenue by making mere terminological change. In spite of the legality of the action of the centre, it shows how, even in respect of revenues, assigned to the states but leviable and collected by the centre, the state are in a manner dependent on the centre.

5. In 1956 under Articles 269 and 268 of the constitution, the power to impose taxes on inter state sales was conferred on the centre and the rate of tax was fixed at 4%. The centre is now planning under 46th amendment of the constitution to merge the state sales tax with the central excise, thereby making the states more dependent on central allocation of funds. Thus by surrendering their constitutional right to impose sale tax, the states loss
their most elastic source of revenue. For example, in 1971-72 to 1976-77 West Bengal share of additional excise duty increased only 67% whereas states sales tax was increased by 135%.

By surrender the constitutional Right to impose sales tax in lieu of share in central excise the states lose their most elastic source of revenue.

During 1975-76, even Sales Tax constituted 54% of total tax revenue of the states. The percentage contribution to the total tax revenue being highest in -

<table>
<thead>
<tr>
<th>State</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tamil Nadu</td>
<td>67.63%</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>64.25%</td>
</tr>
<tr>
<td>Punjab</td>
<td>42.00%</td>
</tr>
<tr>
<td>Haryana</td>
<td>38.00%</td>
</tr>
<tr>
<td>Himachal</td>
<td>28.20%</td>
</tr>
</tbody>
</table>

6. The centre accumulated Rs. 1000 crore by way of the bearer bonds, of which the state got nothing.

The Union Government is earning crores of rupees simply by raising the prices of coal, petroleum, etc without imposing any excise duty.
8. In addition to this the share of the states in the central revenue has been constantly decreasing. For example, until the fourth plan this share of the states in the central revenue was 61% but this was brought down to 39% in the fifth plan period.

This shows that the centre has to bulk of resources and it has the discretion to allocate, prune them and supervise their utilisation.

STATUTORY DEVOLUTIONS VERSUS DISCRETIONARY GRANTS

The system of central grants to the units is a characteristic of modern federalism. The grant in aid system remedies the undesirable consequences of competitive trends in federalism. Similarly, in India the centre gives grants in aid to the states for the following purposes.

1. To compensate the loss of shares of some items revenue which they once had:

2. To compensate for additional expenditure imposed on certain states on account of new obligations arising under the constitution.
3. To induce the states to undertake schemes for welfare of Scheduled Tribes and for raising the level of administration and
4. To help to poor and necessitous states to come on at par with states which are more fortunate.

The first two (1) and (2) are statutorily compulsory on central government while (3) and (4) are within the discretionary powers of the Union. Statutory grants are made on the basis of the recommendations of the finance commission, while discretionary grants are given on the basis of the recommendations of the planning commission. Discretionary grants involved state dependence on the centre, while obligatory central grants to the states promote cooperative tendency. Thus the states have strongly questioned the need for the centre to wield heavy financial clout in the shape of discretionary grants. There are justified misgivings about the inherent danger of their being used as a political weapon against a state that happens to be out of favour with the centre.

The states want more resources to be remarked for statutory devolution so that the trend of increasing allocations through discretionary grants can be curbed. Certainly, the funds distributed among the states through discretionary grants have greatly increased over the years. For examples, between 1951-74
in all a sum of Rs. 31866 crore was transferred. Out of which Rs. 10053 crore were transferred through planning commission and Rs. 10704 crore through discretionary grants by finance Ministry.

Furthermore at present all in all, only 38 per cent of the total transfer of resources is regulated by the finance commission. The reminder, thanks to Article 282, is at the discretion of the centre, which is transferred through planning commission and ministry of finance. For the period from 1969 to 1979:

Finance commission provide 38% of the total transfers.
Planning commission provided 40%
Central Government 225

The relative roles of the finance commission, the planning commission and the central government in the total transfers for the period from 1969 to 1984 are given in Table II.

**TABLE - II**

ANNUAL AVERAGE RELATIVE TRANSFERS

<table>
<thead>
<tr>
<th>Period</th>
<th>Finance Commission</th>
<th>Planning Commission</th>
<th>Central Government</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1969-74</td>
<td>10842</td>
<td>9460</td>
<td>9898</td>
<td>30200</td>
</tr>
<tr>
<td></td>
<td>36%</td>
<td>32%</td>
<td>33%</td>
<td>100%</td>
</tr>
<tr>
<td>1974-78</td>
<td>21135</td>
<td>17180</td>
<td>6260</td>
<td>44575</td>
</tr>
<tr>
<td></td>
<td>47%</td>
<td>39%</td>
<td>14%</td>
<td>100%</td>
</tr>
<tr>
<td>1978-79</td>
<td>27140</td>
<td>34810</td>
<td>17720</td>
<td>79670</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>44%</td>
<td>22%</td>
<td>100%</td>
</tr>
<tr>
<td>1979-84</td>
<td>46136</td>
<td>32765</td>
<td>6260</td>
<td>85161</td>
</tr>
<tr>
<td></td>
<td>54%</td>
<td>38%</td>
<td>8%</td>
<td>100%</td>
</tr>
<tr>
<td>State</td>
<td>Income Tax</td>
<td>Basic Excise Duties</td>
<td>Additional Excise</td>
<td>Grants Under Article 275</td>
</tr>
<tr>
<td>----------------------</td>
<td>------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td>SIXTH</td>
<td>SEVENTH</td>
<td>SIXTH</td>
<td>SEVENTH</td>
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<td>COMM.</td>
<td>COMM.</td>
<td>COMM.</td>
</tr>
<tr>
<td>1. ANDRA PRADESH</td>
<td>7.76</td>
<td>8.023</td>
<td>8.16</td>
<td>7.698</td>
</tr>
<tr>
<td>2. ASSAM</td>
<td>2.54</td>
<td>2.522</td>
<td>2.71</td>
<td>2.793</td>
</tr>
<tr>
<td>4. GUJARAT</td>
<td>5.55</td>
<td>5.959</td>
<td>4.57</td>
<td>4.03</td>
</tr>
<tr>
<td>5. HARYANA</td>
<td>1.77</td>
<td>1.891</td>
<td>1.53</td>
<td>1.77</td>
</tr>
<tr>
<td>6. HIMANCHA PRADESH</td>
<td>0.60</td>
<td>0.595</td>
<td>0.65</td>
<td>0.521</td>
</tr>
<tr>
<td>7. JAMMU &amp; KASHMIR</td>
<td>0.81</td>
<td>0.818</td>
<td>0.90</td>
<td>0.839</td>
</tr>
<tr>
<td>8. KARNATAK</td>
<td>5.33</td>
<td>5.442</td>
<td>5.45</td>
<td>4.887</td>
</tr>
<tr>
<td>9. KERALA</td>
<td>3.92</td>
<td>3.950</td>
<td>8.86</td>
<td>4.036</td>
</tr>
<tr>
<td>10. MYSORE PRADESH</td>
<td>7.30</td>
<td>7.356</td>
<td>8.15</td>
<td>8.727</td>
</tr>
<tr>
<td>11. MAHARASHTRA</td>
<td>11.05</td>
<td>10.953</td>
<td>8.58</td>
<td>6.633</td>
</tr>
<tr>
<td>12. MANIPUR</td>
<td>0.18</td>
<td>0.188</td>
<td>0.21</td>
<td>0.218</td>
</tr>
<tr>
<td>13. MEGHALAY</td>
<td>0.18</td>
<td>0.178</td>
<td>0.19</td>
<td>0.200</td>
</tr>
<tr>
<td>14. NAGALAND</td>
<td>0.09</td>
<td>0.085</td>
<td>0.11</td>
<td>0.097</td>
</tr>
<tr>
<td>15. ORISSA</td>
<td>3.73</td>
<td>3.739</td>
<td>4.06</td>
<td>4.682</td>
</tr>
<tr>
<td>16. PUNJAB</td>
<td>2.75</td>
<td>2.714</td>
<td>1.87</td>
<td>1.226</td>
</tr>
<tr>
<td>17. RAJASTHAN</td>
<td>4.50</td>
<td>4.364</td>
<td>5.00</td>
<td>4.313</td>
</tr>
<tr>
<td>18. SIKKIM</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>19. TAMIL NADU</td>
<td>7.94</td>
<td>8.050</td>
<td>7.43</td>
<td>7.461</td>
</tr>
<tr>
<td>20. TRIPURA</td>
<td>0.27</td>
<td>0.258</td>
<td>0.30</td>
<td>0.373</td>
</tr>
<tr>
<td>21. UTTAR PRADESH</td>
<td>15.23</td>
<td>15.429</td>
<td>17.03</td>
<td>18.293</td>
</tr>
<tr>
<td>22. WEST BENGAL</td>
<td>8.89</td>
<td>8.018</td>
<td>7.79</td>
<td>8.028</td>
</tr>
</tbody>
</table>

| TOTAL                | 100.00     | 100.00              | 100.00            | 100.00                   | 100.00                 | 100.00   | 2509.61 | 1173.12 |
|                      | 436.79     |                     |                   |                          |                        |          |        |

TRANSFER OF FUND TO STATES BY WAY OF SHARE OF TAXES AND DUTIES AND GRANT UNDER ARTICLE 275 OF THE CONSTITUTION
(As recommended by the SIXTH, SEVENTH FINANCE COMMISSIONS)
It is worthwhile to mention here that only one out of these three agencies dealing with the financial transfers has a statutory status and it is the finance commission. Though a statutory body, it functions in a discontinuous fashion but its recommendations remain creative for a period of five years. The other two agencies namely, the planning commission and the central government acting through their various departments, operate on the annual budgetary basis but within a political decision making framework.

Besides the danger of a political use of funds, discretionary transfers are not necessarily made in accordance with a rational scheme of resources that would ensure their optimum utilisation. Because of other availability of large surpluses with the center, several centrally sponsored schemes are floated on an ad hoc basis regardless of the priorities of the state plans. The beneficiary also hastily draws up a scheme just to use someone else's money that is available. The financial scrutiny of such schemes is lax and this leads to wastage. Thus the states' demand for more resources to be earmarked for statutory devolution deserves consideration.
The most controversial issue in sharing of income-tax revenue relates to the principles on which income tax pool is to be distributed among the states inter se. There have been put forward two criteria for this purpose viz., population and collection.

The populous states, like Bihar, Gujarat, West Bengal, Maharashtra and Tamil Nadu, where about 60% of the income tax is collected, prefer more weightage to collection. But the finance commissions have failed to maintain a steady practice and have altered the relative weightage to both these factors. The first Finance Commission gave relative weightage to population and collection as 80% and 20% respectively. The second finance commission expressed the view that collection is not proper index to distribution and, therefore, it should completely be abandoned in favour of population. The commission, however, could not go radical and, therefore, it reduced the weightage assigned to the factor of collection from 20% to 10%. Third finance commission endorsed the recommendations of the first finance commission and increased the share assigned to the factor of collection again to 20 per cent. The fourth finance commission did not enter into the dispute and made no change. The fifth finance commission again reverted to the position of the
second finance commission reducing the share of factor of collection again from 20% to 10%. The sixth and Seventh finance Commission did not make any change. The Eight Finance Commission...... Thus a dispute is going on even between the experts in this field.

So far the finance commissions have been using criteria which lay a much greater emphasis on considerations of need and equality than a performance in terms of both mobilisation and efficient employment of resources on the part of the states. In overview, the demands made by some states like Gujarat that the sharing formula also be taken into account performance is quite justified.

This brings us to the question of the relative performance of various states in the matter of raising their own resources and their efficient deployment. Table III gives the per capital state domestic product, per capita development by the seventh finance commission per capita tax revenue collected by the states and tax revenue as percentage of state NDP for selected states.
TABLE-III

<table>
<thead>
<tr>
<th>State</th>
<th>Per capita devolution</th>
<th>Revenue of tax collected</th>
<th>Per capita finance by the state (SDP(Rs.) commision)</th>
<th>Per capita NDP (1977-78)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra</td>
<td>919</td>
<td>381</td>
<td>85</td>
<td>8.56</td>
</tr>
<tr>
<td>Gujrat</td>
<td>1195</td>
<td>402</td>
<td>124</td>
<td>10.13</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>1330</td>
<td>372</td>
<td>141</td>
<td>9.74</td>
</tr>
<tr>
<td>Karnataka</td>
<td>785</td>
<td>357</td>
<td>102</td>
<td>9.11</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>887</td>
<td>377</td>
<td>87</td>
<td>8.76</td>
</tr>
<tr>
<td>West Bengal</td>
<td>1062</td>
<td>404</td>
<td>87</td>
<td>7.65</td>
</tr>
<tr>
<td>Bihar</td>
<td>596</td>
<td>425</td>
<td>40</td>
<td>5.78</td>
</tr>
<tr>
<td>Orissa</td>
<td>785</td>
<td>493</td>
<td>38</td>
<td>4.45</td>
</tr>
</tbody>
</table>

Three Eastern states, namely, West Bengal, Bihar, and Orissa top the list in terms of devolution whereas they are the bottom of the list both in terms of per capita tax revenue and percentage of tax revenue to state NDP. In terms of per capita NDP West Bengal is ahead of Andhra Pradesh and Tamil Nadu, whereas Orissa is at par with Karnataka. This confirms the points we made earlier that allocations from central funds through finance commission bear little if any relationship to the states.
own efforts in mobilising resources.

To give some weightage, to the factor of collection, seems to be quite justified; because relatively advanced states have to spend more on law and order problems and industrial peace. Even as a matter of Policy the advanced states should not be penalised for its prudent fiscal managements.

When the population is given higher weightage then the non industrial populations states are benefited and they also become reluctant in mobilizing additional resources of their own. For example, Bihar which has been benefited the most had the lowest per capita tax revenue of 13.91 against the all states average of Rs. 23.97 in 1967-68. The next state to be benefited in Uttar Pradesh which had per capita tax revenue Rs. 14.36 in the same year.

On the other hand, Maharashtra, which suffered most as a result of higher weightage to the population, had the highest per capita revenue of Rs. 43.49 which was almost double to all states average in the same year. Thus, giving more weightage to the population criteria means, in result, punishing the states which have observed the line of fiscal prudence. This had been termed by one of the Chief Ministers of prudent states as "while submitted memorandum to the seventh finance commission."
Equally important is the argument that higher weightage to population would effect adversely the states which are seriously planning for population control and thus it may also hinder the national policy of population control. Some of the states have sharply reacted to the favour given to the populous states and according to them, the criteria is "against the policy of population control.

Further more, the backward states not only get premium for their backwardsness but are also encouraged to indulge in financial indiscipline. This is because the centre comes to the rescue of the deficit states having large non plan revenue gaps. For example.

Madhya pradesh, Maharashtra, Tamil Nadu, Gujrat, Haryana, Karnataka and Punjab did not receive any grant in aid because of small non plan deficit, from 1974-75 to 1978-79 while the other fourteen states got about Rs. 2509.61 crore as grant in aid.

These states included
1. West Bengal (Rs. 234.86 crore)
2. Andhra (Rs. 205.93 crore)
3. Assam (Rs. 284.53 crore)
4. Kerala (Rs. 208.93 crore)
5. Orissa (Rs. 304.73 crore)  
6. Uttar Pradesh (Rs. 198.83 crore)  
7. Rajasthan (Rs. 230.53 crore)  

Hence, the devolution formula should be evolved in such a way that the transfer of resources should not only help backward states but also provide advanced states with adequate resources so that their progress was not impeded. Rather, advanced states should be given incentives for their fiscal prudence.

SUGGESTIONS FOR IMPROVEMENT TO ENSURE JUSTICE IN THIS FIELD

Due to heavy concentration of fiscal powers at the centre, there is a discontentment among the states, because all the states are always financially in a tight position, hence, all of them want the present financial relationship between the centre and the states to be changed suitably so as to enable them to discharge their social welfare obligations under the constitution. Hence, the following demands are made by the states to amend the constitution accordingly:

1. The scope of shared and shareable taxes should increase by:
a) Including corporation tax and surcharge on income tax in divisible pool with 60 per cent of the receipts accruing to the states. They want that for this purpose either the constitution should be amended for the finance commission should recommend to the centre that it should give over as grants as equitable quantum in lieu thereof.

b) Increasing the share of states in excise duties from 40 percent to 60 percent.

2. The devolution formula should be evolved in such a manner that the transfer of resources should not only help backward states but also provide advanced states with adequate resources so that their progress was not impeded.

3. The bulk of resources should be transferred on a statutory basis rather than on discretionary manner and the criteria of distribution of the discretionary resources should be decided by a proposed council of Chief Ministers of all the states.

4. The Central assistance pattern itself should be changed to reduce the debt burden of the states by reducing the loan component of such assistance. Hence the central plan assistance to states should be on the basis of 50% loan and 50% grant as against the present ratio of 70% loan and 30% grant.
5. Grants by the Centre Article 275 should be given on the basis of specific needs of each State rather than earmarking them for the States having revenue deficits.

6. There should be one single statutory agency covering the entire gamut of financial relations between the Centre and the States and the States want this function to be given to the Financial Commission which should be made permanent. At present the Centre transfers resources to the States through multiple agencies on highly questionable assumption that all plan outlays are developmental while all non plan expenditure is non developmental.

7. Loans and indebtedness should be referred to an independent and impartial authority similar to the Australian Loan Council. At present there is no set formula or agreed code of principles for the division of the loan proceeds or its terms between the Union and the States, all of which implies dependence on the part of the States. Hence the best way of dealing with the situation will be to set up a National Loan Corporation responsible for both loan raising and loan utilisation of all government loans raised within the country without either pressurisation of politicking influencing its operations.

The Reserve Bank of India should also be closely associated with the working both in the staffing of its secretariat and by representation on its board of Management. The National
Loan Co-operation (NLC) should be function under the mixed control of a Union State representative Board. It should have its own independent Secretariat, with managerial and financial experts, their recruitment, terms and conditions of service should be such that they are free from political regional or any other preures from the Union or State Governments.

A defined share of the amount raised say 50% should be earmarked for the totality of States, for distribution among the individual States being determined on the basis of a criteria o be evolved after an expert examination of the NLC and consultation with the Union and the States.

8. In repect of centrally sponsored scheme, it is suggested that instead of present arrangements under which the Centre provides resources on matching basis to the States the entire expenditure should be born by the Centre.

9. The Centre should make available in full through banking channels (that may be through Reserve Bank of India), without having to get its (Centr's approval), the required credit for market support activity and procurement of agricultural products by States and Food Corporation.

10. Regarding Bilateral assisstance from the World Bank and other international, lending institutions and counties, the total quantum of such financial assistance sanctioned should be passed
on the respective States on the same terms and conditions as avail of by the centre with the centre retaining only a nominal amount towards service charges.

Assistance from the World Bank and other international lending institutions... Since 1980, the emphasis has again shifted towards a greater reliance on external Aid. The total foreign debt of India at present has crossed the figure 15000 crore. The States argue that the aid replenishes the central resources but, leaves them (States) out except for that part which is given to them as loans, which further complicates their burden.

11. The centre should also fully reimburse the expenditure incurred by the states in connection with the responsibilities undertaken on centre's behalf, as for instance, providing police assistance for the railways.

12 The States should be delegated the power to periodically revise the rates of royalties on mineral as it could be an important source of revenue to certain states. The royalty on major minerals could be revised only by the centre and those revisions had neither been regular nor in proportion to prosperity in market conditions.

13. There should be a separate relief fund for each State to ameliorate distress arising out of natural calamities. At present the resources made available to the States on such occasions are adjusted against annual plan allocations.
14. The states must also be accorded more powers for imposing taxes on their own, and the determined the limits of public borrowing in their respective cases.

Planning Commission:

The present planning commission is an extra constitutional Authorith which virtually Emasculates the Staes' Developmental Autonomy.

15. The Planning Commission should be made an autonomous statutory body functioning under a restructured national development council. It should mainly concern it self essentially with the planning and financiang of investment and divest iself of the responsibility for all forms of grants. Some organised efforts should also be made to strengthen the planning machinery at the State level so that there is no mis match between autonomy and capacity to formulate and implement development programme there should be a continuous exchange of planning experience and information between the central and state planning bodies and among the states.

16. The finance commission should be made permanent and should deal with all assisance in the form of grants both plan and non plan from the Union to the States and with the interestate distributions of resources. The finance commission should bot be confined to the gap filling approach, as this
approach is no longer compatible with the growing scarcity of resources in the country. Hence it is recommended that the finance commission should also undertake a review of the expenditure of both Union and the state so as to ensure the effective use of resources and to provide the basis of the division of resources between the Union and the states.

17. A National Economic Council should be established to serve as a forum for consultation between the Union and the States in respect of all aspects of economic policies such as industrial development, commercial, fiscal, financial and monetary policies etc. The possible scope for the Reserve Bank of India credit expansion and its distribution between the government and other agencies should be the primary function of the Reserve Bank of India.

For enabling the Parliament to retain its overall control over national economic management. The annual reports of the National Loan Corporation and National Economic Council should be placed before it for discussion and suggestions. The reports could also be placed before the state legislatures for information and this would not only encourage a feeling of partnership with the centre but also make them conscious of their indissoluble and mutually beneficial economic links with the states in the union.
MEMORANDUM BY WEST BENGAL GOVERNMENT TO EIGHT FINANCE COMMISSION: has given various arguments about the need for centre to allocate larger funds for the states:

1. By including corporation tax under divisible pool like income tax.

2. By increasing the share of basic excise duties transferable to states.

3. By increasing excise and not price of commodities coming under central Public Sector (Like petrol, coal and so on.)

4. By giving the states right to impose Sale tax on goods which are imported/exported.

5. By giving states the right to tax sales in the course of inter state trade and commerce.

6. By removing the sales tax limitations of 4% of price on goods declared to be of special additional duties of excise (goods of special importance) Act 1957, (which restricts the states from taxing goods like sugar, tobacco, cotton fabrics etc if they want a share of the proceeds of the additional duties from the government of India.) All these goods are also of special importance and hence, states can only tax upto 4% of price)

7. By reviving the Railway Passenger Tax Act so that states
get larger share of Railway Revenue.

8. By imposing tax on Advertisements (on a possible tax on Newspapers) to utilize "neglected provisions" of Article 259.

SUGGESTION BY RAJA MANNAR COMMITTEE FOR FINANCIAL DEVOLUTION ARE:

1. Corporation Tax should be divisible among the states like income tax.

2. Customs and Export Duties should be compulsorily divisible among states.

3. Tax on capital value of Assets should be made divisible.

4. Excise Duties leviable by the centre should be compulsorily shareable between the centre and the states.
FOOTNOTES OF CHAPTER 3

1. See a paper by Dr. Shanti Swarup on "Social and Economic Determinants of Federalism" presented at the Seminar on "Political and Economic Determinants of Federalism" held at Chandigarh, January 20-31, 1976.

2. For details about "region" and "regionalism" see Srimaheshwari, Regionalism in India in K.R. Bomwall.

3. Iqbal Narain, "Cultural Pluralism, National Integration and Democracy in India" in K.R. Bomwall, P.188.


5. Sharma Maheshwari, Supra Note 2 at 82-83.


8. Ibid


10. Rasheeduddin Khan, Supra Note 6 at 117.


13. See constitution of India Article 242, 250, 200, 201, 356, 124, 149, 324, 248 and 242 etc.


15. Amalendu Guha, "Nationalism, Ram-Indian and Regional in Historical Perspective.

16. EMS Namboodiripad, "The Indian National: Need for Deeper Study.

17. A "Region" may be defined as a tract of country space, place or more or less definitely marked boundaries or characteristics" one of the distinctive of region is language. There are others like ethnicity, tradition, culture, geographical features and many more which distinguish one region from another.


20. The "Some of the Soil", agitation are: The ani Hindi Agitation of Madras, 1965, the Shiv sena Military against the South Indian in Bombay, The Telangana Separatist Movement, 1969, Antimigration Movement in Assam and
Khalistan movement in Punjab.


22. Amalendu Guha, Supra Note 5 at 53-63.


25. See Constitution of India, Article 124

26. Ibid, Article 149.

27. Ibid, Article 324.

28. Ibid, Article 312.

29. Ibid, Article 76.

30. See Kesavananda Bharti V.S. State of Kerala, A.I.R. 1973 S.C. 1461. In this case the supreme Court held that parliament cannot amend the basic structure or framework of the constitution. Further the court also held that the federal character of the constitution is a basic structure of the constitution.

31. See for example, Mr. Karunamidhi, the then chief Minister
of Tamil Nadu, said, "They are not the samethought both us (Sheikh Abdullah and me) Voice the demand autonomy, The D.M.K.'s demand different in many way's".

32. The Committee consisted of three members, P.V. Rajamannar (Chairman) A.L. Mudaliar and P. Chandra Reddy.

33. According to the terms of reference, "The committee was to consider the entire questions regarding the relationship that should subsit between the centre and the states in a federal set up." Further the Committee was called upon the suggest measure and methods of means, both formal and in formal including consitutional amendments which the commitee deem necessary to secure for the states fullest extent of autonomy with in the general frame work of the constitution, without in any way impairing the integrity of the country."

34. The Report of the centre State Relations Inquary Committee 25-56 (1971). Union list entries suggested to be transferred to the State list, 40 (State Lotteries), 48 (Futre markets), 53 (Miniral and oil resources), 54 (mines and minera), 55 (Labour regulation and labour safety in mines and oil fields), 67 (Historical monuments and records), 76 (State audits) and 84 (Excises on medicinal and toiled preparations). Thus the Rajmannar Committee recommend that trhe centre should only have powers over defence, foreign, Policy inter state communication and currency. See that Report, Supranote 34 a 28-32
36. Supra note 34 and 47.

37. Article 252(1) says: If it appears to the Legislatures of two or more states to be desirable that any of the matters with respect to which parliament has no powers to make laws for the States should be regulated in such states by parliament by law, and if resolutions to that effect are passed by all the Houses of the Legislatures of those States.

38. See second proviso to 200, Article 201, and Article 31, The constitution of India.


40. See article 200 and 254(3) the Constitution of India.

41. See the Report, Supra note 34 and 57-103.

42. The Report, Supra note 34 at 119-131 See also 43B. M.C.J. Kagzi, "Government".

43. The Report, Ibid.

44. Ibid.

45. See the report, Supra note 34 at VII, See also M.C. Kagzi, "A critique of the Rajamunnar Committee Report," An Alice Jacob(ed) Constitutional Developments Since Independence 254-281 (Tripathi, Bombay, 1975 S.Sahay "Bengal Piss up the Trends, Stateman, December 12, 1977, p.8
190


47. The DRIVDA MUNNETRA KAZHAGAM (D.M.K.) now the main opposition party in Tamil Nadu, has now reiterated its earlier stand in making the demand for state autonomy and has recently suggested that the centre should retain only four subjects, defence, foreign policy, inter state communication and states see the Tribune October 5, 1983, P.9


49. Ibid, page 56.


52. A 12 members sub committee was formed on December 11, 1972 by the Shiromani Akali Dal The Report of this sub committee was unanimously adopted at Shri Anandpur Sahib on October, 17, 1973 by the working committee of the Akali Dal by the General House of the Akali Dal on August 28, 1977, and by the open session of the 18th All India Akali conference on October 28-29, 1978 at Lucknow.


57. Quoted in Ajit Singh Sarahadi, Punjabi, Punjab Suba 466 (Delhi 1970)

58. Jawanti Singh Mann, Some Documents on the Demand for the demand for the Sikh Humeland, 75 (Chandigarh, 1967)


60. M.S. Dhami, op. Cit, at 156.

61. See the text of Anandpur Sahib resolution, Appendix V, in fra.


63. Ibid, at 6-8.

64. Ibid, it may also be noted here that a new English version of the Akali Dal's amimsand obejective behind the contentions Anandpur Sahib resolution has now been put
forward. This can help remove the current statement over Punjab. The main reason for this hopeful view is that there is no mention in the latest "English version" of the disputed claim that Sikhs are a "nation" a point on which a lot of controversy has raised ever since the Akali resolution on October, 1978. Instead, the emphasis is on the need to give a "real federal shape" to the Indian constitutional infrastructure by 'redefining central state relation'. Support for this stand is sought in Mr. Jaya Prakash Narayan's concept of 'total revolution which it is pointed out, was based on 'Progressive decentralisation of powers' See the Tribune November 13, 1982, Page. 4

65. S. Gurcharan Singh Tohra (Speech) "Federal Polity" The question of Autonomy" op. cit. at 7, 8.


68. The text of the West Bengal Memorandum adopted by the West Bengal cabinet on December 1, 1977 is found in Indian
69. S. Sahai, "Bengal Picks up the Trends" Statesman, December 12, 1977, P.8


71. Same were the views of some other states like Jammu and Kashmir, Tamil Nadu, Kerala, Punjab, and Tripura when all these states were ruled by Non Janta Party Governments while the centre was under Janta Party Rule.

72. Same is the view of Prof. Alice Jacob, See Alice Jacob, New Pressures on Indian Federalism: Demand for state Autonomy". op. cit. P. 373.


74. Memorandum, Supra Note 2, Clause 3.


76. K.K. Malkani, 'Long Arm of the centre: Reforms to restore the Balance, "the statement, November 2, 1980, P.8
77. The four Chief Minister are Mr. M.G. Ramachandran of Tamil Nadu, Mr. N.T. Rama Rao of Andhra Pradesh, Mr. Ram Krishna Hedge of Karnataka and Mr. Rama Chandran of Pondicherry.


80. Inderji, "Role of Southern Council the Tribune, March 30, 1983, P.4


82. The opposition conclave consisted of all opposition parties except LoK Dal and B.J.P.

83. Similarly the conclave also demand suitable amendments to Articles 200, 201, 248, 249, 250, 263, 269, 360 and 365 of the constitution for protecting the autonomy of the states see "conclave wants curbs on power to dismiss governments. The Tribune, October, 9, 1983, P.1

liabilities escalate.

Keeping in view the desperate financial position of the states through the successive finance committee recommended increase in the compulsory and permissive shareable taxes and duties and grants in-aid.

Under the OTTO NEIMEYER Award, the states used to get 50% of the net income proceeds which was revised upwards to 55% by the first finance commission and to 60% by the second finance commission. The third and the fourth finance commissions have revised it upward further to 66.6% and 75% respectively. The fifth finance commission has maintained the status quo. The sixth finance commission has increased it further to 80% and the seventh finance commission raised it to 83%. As a result of the increased share in income-tax proceeds, the volume of this transfer from the centre to the states has increased appreciably from Rs. 53.4 crore in 1951-52 to Rs. 1929.00 crore in 1978-79, which is an increase of 35 times, but the centre has devised ways and means to circumstent these recommendations. This has been done by adopting following ways and means:

1. By excluding corporation tax from income tax, the states have been deprived of Rs. 2,00 crore annually. Such an action, though competent under the constitution, had the