Indian federalism: the need to look beyond coalition politics

One of the major changes in Indian politics over the last decade and a half has been the ever rising relevance of certain regional parties – and thus states – in India's political landscape. Many believe the development has strengthened Indian federalism. The fact that no national party – whether the BJP or Congress – is in a position to form a government on its own, is often cited as the primary reason for such a situation. It has aptly been stated in this context, that "Since 1996, regional parties have become indispensable in the formation of government at the national level. They have been important partners in the coalitions that came to power after 1996. Besides, numerical strength of the regional parties has considerably increased, with a sizable vote share being captured by regional parties."

Tridivesh Singh Maini

THIS TREND HAS INCREASED even more over the past few years, with many believing that India's federal character has grown to a degree where there is a serious need to make changes to the Indian Constitution. Those advocating a re-look at the constitution recommend granting greater powers to state governments. Regional satraps, like Punjab Chief Minister Parkash Singh Badal, have been at the forefront in demanding such a reform.² This line of thought has been prompted by the fact that state governments have begun to influence decisions even on issues pertaining to foreign policy. There is no doubt that state governments, headed by dynamic leaders, have been carrying out economic diplomacy with foreign governments ever since India embarked upon economic reforms.³

No one could ever have imagined a few years ago that an international treaty like the Teesta River Water Treaty, which was to be signed between New Delhi and Dhaka in September 2011, would not go ahead because Trinamool Congress (TMC) Supremo and Chief Minister of West Bengal, the mercurial Mamata Banerjee, threatened to walk out of the Congress-led UPA coalition if the treaty went ahead. A year later, Banerjee did end up walking out of the coalition government, when the Central Government went ahead with the introduction of Foreign Direct Investment (FDI) in retail. Similarly, pressure from Tamil Nadu's two main parties (the DMK – an ally of the ruling alliance till very recently- and AIADMK) compelled India to vote for a US-sponsored resolution against Sri Lanka at the United Nations in March 2012. The resolution condemned Sri Lanka for its violation of human rights during counterterrorism operations against the LTTE.4 Recently again, India voted against Colombo, the DMK walked out of the coalition, accusing India of going soft on the latter and tabling a mild resolution in Parliament, while also voting for a watered down US sponsored one.⁵ This is especially surprising since the Constitution grants the central government all powers pertaining to foreign policy.⁶ The Union List (powers granted to the centre) categorically states: "Entering into treaties and agreements with foreign countries and implementing of treaties, agreements and conventions with foreign countries."7

While some believe that this increasing strength of state government denotes a strengthening of India's federal character, others argue it has weakened New Delhi, and has the capacity to harm India's national interests. It has been argued in this context that, "this new spirit of federalism is quite misguided... these states have blocked the Union government from creating the National Counter Terrorism Centre (an issue that affects many states), have interfered in foreign affairs (as members of Parliament from Tamil Nadu and the West Bengal government have done) and have demanded greater fiscal room. These are issues that are beyond their competence."

In addition to influencing policy decisions within coalition governments, allies even influence party decisions on issues such as the choice of Prime Ministerial candidate. Parties look to select an individual who is 'acceptable' to allies. There is no better example than how the BJP is being cautious in its projection of Narendra Modi as the party's Prime Ministerial candidate for the 2014 elections, precisely due to the fact that certain allies such as the JD (U) are uncomfortable with Modi's projection. Second, as a consequence of regional parties taking a strong stand on issues of relevance for their respective states, state units within national parties are compelled to do the same, and on many occasions are not on the same page as their leadership in New Delhi. Some strong examples of this point include how all parties in Tamil Nadu banded together to obtain amnesty for the killers of Rajiv Gandhi,9 and how majority pressure in Andhra Pradesh secured the creation of statehood for Telangana.

The focus here

While the above examples show the increasing power of regional leaders and state governments, this article focuses on two important issues that are, during discussions on federalism, most often relegated to the sidelines. Firstly, the text looks at how the numerical strength of a state, and the regional party representing the state, determines its potential impact on national politics. Secondly, while certain cantankerous allies take liberties in their relationships with national parties, states and regions must also at times conform to their senior partners in the coalition.

If one were to look at the first issue, while regional parties like DMK, AIADMK, TMC, SP (UP) and even BSP have a strong voice on most issues (with the first three even influencing issues pertaining to foreign policy), smaller regional parties, especially those from the North-East, carry less clout and are not able to influence issues pertaining to economic policy or foreign policy – unlike those from the Southern states and Bengal. In addition, states with larger numbers have a greater financial influence.¹⁰

With regards to the second point, national parties often force regional allies to toe the line on specific issues. Two clear examples that emerge are the Indo-US Nuclear Deal and FDI in retail. The Shiromani Akali Dal, a key ally of the NDA, was in favour of both the initiatives; it was forced to back out at the last minute, because of pressure from the BJP.¹¹

Reactions to the problems above

Firstly, of course, there is a need for greater dialogue between the Prime Minister, other Central Ministers, and Chief Ministers across parties – and to not only focus on the big states. This practice has always helped. For example, the big difference between the handling of the Teesta River Water Treaty, which was scuttled, and the Ganges Treaty, which was successfully signed between India and Bangladesh in 1996, is that in the case of the latter, West Bengal was involved already in the initial stages.¹²

Second, there is a dire need to give greater importance to organisations such as the Inter-State council, which was set up in 1990, for ensuring that differences between the centre and state can be amicably resolved. The last meeting of the council was held in 2006. It has very rightly been pointed out that, "The ISC's poor status is further reflected in the fact that it does not even have a full-time secretary." In spite of repeated recommendations to strengthen the ISC and for it to meet more frequently, as a tool for dealing with differences between New Delhi and the states, the government has not paid attention.

Third, Federalism needs to be looked at from a broader perspective than politics. The current Congress-led UPA Government is perhaps to be faulted for not being able to differentiate between genuine federal demands, and unreasonable demands of cantankerous allies, but the BJP too has been no better on this account. It may have spoken of Federalism whilst out of power, but whilst in office its own record was not particularly remarkable. While, along with certain Chief Ministers, the party criticised the UPA Government for the NCTC, it did not consult Chief Ministers while in office. A prominent example being the Prevention of Terrorism Act (POTA). This was one of the reasons for its break up with the DMK, which later joined the UPA. Some suggest that the opposition to NCTC was not out of any deep commitment to federalism, but a mere political calculation.

Conclusion

It is imperative for sustained dialogue between the centre and states on economic and political issues that may lead to friction, and to not politicize these differences. Apart from this, it is equally important to not confuse the rise of a few powerful regional satraps, and their tussles with the centre, as the strengthening of federalism. True federalism would involve smaller states with lesser representation also having a voice in policy making, and national parties genuinely understanding the viewpoint of states without the sole purpose of keeping alliances intact. Yet, while national parties need to be more sensitive to regional aspirations, it is important that regional leaders act in a mature manner and do not promote controversial politics with the centre for petty gains.¹⁶

Tridivesh Singh Maini is a columnist and independent policy analyst

Notes

(All websites accessed in March 2013)

- 1 Palshikar, S. 'Regional Parties and Democracy: Romantic rendezvous or Localized legitimation'. Democracy Asia website: http://tinyurl.com/ctg7bs8
- 2 'Frame New Constitution: Badal', *The Indian Express*, 28 March 2012; http://tinyurl.com/crq2hwr
- 3 Sridharan, K. 2003. 'Federalism and Foreign Relations: The Nascent Role of the Indian States', Asian Studies Review 27(4). Also see Rudolph, L.I. & S.H. Rudolph. 2001. 'The Iconization of Chandrababu: Sharing Sovereignty in India's Federal Market Economy', *Economic Political Weekly* [Bombay], 5 May 2001, pp.1541–1552.
- 4 'India votes for resolution against Sri Lanka', *The Hindu*, 22 March 2012; http://tinyurl.com/cjqaav3
- 5 Iyer, S. & K.V. Lakshmana, 'DMK walks out, UPA dependent upon BSP and SP', *The Hindustan Times*, 19 March 2013; http://tinyurl.com/cgaudcz
- 6 Srinivasan, K. 2013. 'The Centre cannot hold: New Delhi's dilemma over a Federal Foreign Policy', *The Telegraph*, 25 February 2013; http://tinyurl.com/c72ebej
- 7 See Seventh Schedule of Indian Constitution (Article 246, Union List); http://tinyurl.com/cvad9s8
- Singh, S. 2012. 'False arguments for Indian Federalism',
 Live Mint, 27 April 2012; http://tinyurl.com/cavsfno
- 9 Satyanarayana, R. 2011. 'TN assembly passes resolution seeking clemency for Rajiv's assassins', *The Times of India*, 30 August 2011; http://tinyurl.com/cvdj56p
- 10 Govinda Rao, M. & N. Singh, Assymetric Federalism in India,
 Santa Cruz Centre for International Economics (SCCIE), 2004.
 Working Paper, Number 4-8; http://tinyurl.com/blu8zwn
- 11 For SAD voting against nuclear deal see Ajay Bharadwaj, 'Heart with PM, head with NDA', DNA, 11 July 2008. http://tinyurl.com/btsdtr6. For SAD not backing FDI in retail see R.K. Bhatia, 'SAD rethinks FDI in Retail after alliance partner puts pressure', *The Times of India*, 2 December 2011; http://tinyurl.com/c6bl8vm
- 12 RehmanSobhan, M. 'A tribute from Bangladesh', *Mainstream weekly*, 22 December 2012. Also see Murti, M. 'German lessons for Indian Federalism', *The Hindu*, 11 June 2012; http://tinyurl.com/bp8xaeb
- 13 Kailash, K.K. 'Reluctant Federalists', *The Indian Express*, 21 April 2012
- 14 'BJP allies seek total revocation of POTA', *The Economic Times*, 25 April 2003; http://tinyurl.com/c3d9xrf
- 15 Mishra, S. 'The metamorphosis of Indian Federalism', *Millenium Post*, 6 March 2013; http://tinyurl.com/d8fn6th
- 16 Niraja Gopal Jayal, 'Regional threat to Federalism', India Today, 26 March 2012; http://tinyurl.com/c53l4dl

