

# FEDERALISM

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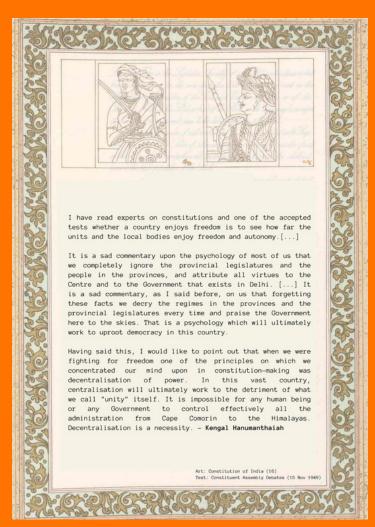




## Article 1 of the Constitution defines India as a Union of States, rather than a Unitary State. The idea of 'Federalism' is embedded in our Constitution.

"The basic principle of Federalism was that legislative and executive authority was partitioned between the Centre and the States not by any law to be made by the Centre but the Constitution itself."

"We must resist the tendency to make the Centre strong. It



cannot chew more than it can digest. Its strength must be commensurable to its weight"

- Dr B R Ambedkar

Over the last decade, we see that States are being reduced to administrative units that are implementation agencies for Union Government Programmes and Policies.

Their existence as independent entities, with distinct languages, cultures, histories, and indeed achievements, is under grave threat by the encroaching power of the Union Government. CLAIM

# COOPERATION BETWEEN CENTRE AND STATES IS VERY IMPORTANT FOR A NATION'S PROGRESS.

- Narendra Modi, 2021

# UNDERMINING OF FEDERALISM

Over the past ten years the Union government has made repeated reference to **'Double engine sarkar'** - or BJP governing both the Centre and the state - as an ideal. The implication that an opposition governed state government will be at a disadvantage is in direct violation of the principles of federalism enshrined in the Indian Constitution.

#### Central Schemes : Reduced role of states, increased credit for the union

Centrally sponsored schemes like NREGA or Awas Yojana are jointly funded by Centre and States with state and local administrations responsible for implementation. However, in the last ten years decisions are increasingly top-down, negatively impacting the functioning of local municipalities and Gram Sabhas.

For instance, post Covid the central government started the PM-SVANIDHI scheme to give loans to street vendors as they were in crisis. The scheme and its operation is controlled by the centre with no role for municipalities or state governments. Once again this is in violation of federal principles and undermines effective governance. Similarly for PM Janarogya Yojana, the Government of Karnataka contributes 77.97%, but the credit goes entirely to the centre\*.

• Presentation by Karnataka Revenue Minister , MR.Krishna Byre Gowda

#### Demonetisation

This policy, recently critiqued by Justice Nagarathna, severely hit state economies and should have been rolled out in consultation with states. The Centre took a unlitateral decision and the States had to deal with the damage to the economy.

#### **Covid Pandemic**

The imposition of a nationwide lockdown with no prior information to states was once again decided by the Centre with States left to deal with the fallout.

#### NIA Act Amendment

While the NIA was set up with cross party consensus in 2008, an amendment to the NIA Act in 2019 broadened its scope to include human trafficking, manufacture/sale of prohibited arms, cyber-terrorism and offences under the Explosive Substances Act. Often these offences have no implications for national security, and bringing them under NIA's purview further erodes the states' powers. The Chhattisgarh government went to court asking for the Act to be struck down as anti-federal. The Union government also misused the amended Act and unilaterally transferred the Bhima-Koregaon case from Maharashtra State police to the NIA.

#### Misuse of ED, CBI

ED and CBI have been used to selectively target opposition ruled states while the ED has been used to arrest two sitting Chief Ministers belonging to the opposition.

## Limiting States' share of taxes

In December 2014, the 14th Finance Commission submitted its report to President. It recommended a 10% increase in states' share of tax revenue from 32% to 42%. While the union government is bound by the recommendations, Mr. Modi tried to reduce the share of the states, unsuccessfully

## Technology that limits state governments

Usage of technologies such as Aadhaar has centralised governance. States have no control over the technology, are unable to address issues such as exclusion and are therefore limited in the design of their welfare programs.

### **CLAIM**

## **COOPERATIVE FEDERALISM**

"Growing prosperity augurs well for national progress. Undoubtedly, we are standing at the cusp of a new era of economic prosperity and are on course towards fulfilling our dream 'Viksit Bharat' by 2047"

Narendra Modi, Feb 2024

# CONFRONTATIONAL FEDERALISM

Over the last ten years a number of measures by the Union government have pushed State governments into a confrontation with the Centre.

#### INTERFERENCE IN STATE SUBJECTS AND JURISDICTION

- Education: National Education Policy(NEP), NEET, CUET have been introduced without the concurrence of States. NEET, CUET put State board students and poor students who cannot afford private coaching at a disadvantage. NEP proposes several central agencies such as the Higher Education Commission of India (HECI), National Research Foundation (NRF), etc. which encroach on the autonomy of states. NEP also gives the Centre powers to decide curriculums nationally!
- Agriculture: Despite agriculture being a state subject, the Union government passed 3 farm bills in 2020 without consulting the States, with far reaching consequences.
- **Cooperatives**: In 2021, the Union government introduced a ministry for Cooperatives (grassroots organisations formed to leverage the power of collective bargaining towards a common goal) despite it being a state subject.

#### **REVOKING OF ARTICLE 370**

In 2019, the special status conferred on Jammu and Kashmir was revoked without concurrence of elected state representatives while the state was under President's rule.

#### **ROLE OF GOVERNORS**

Despite the expectation that governors act on the advice of state governments, Union government-appointed governors openly play a partisan role in oppositionruled states.

- Tamil Nadu Governor R N Ravi has had run-ins with the state government, delaying the passage of bills (at one point 21 bills were pending with him!) and even returning bills such as the bill exempting TN students from NEET.
- In 2021, Maharashtra Governor BS Koshyari was <u>accused</u> of blocking 12 nominations to the Legislative Council for more than a year
- Kerala Governor Arif Mohammad Khan has clashed with the State CM P Vijayan on several matters including unilateral actions such as removing 15 senate members of Kerala University and seeking the immediate resignation of vice-chancellors of nine state universities.

## CONFRONTATIONAL FEDERALISM

 West Bengal Governor Jagdeep Dhankhar, sparred with Chief Minister Mamata Banerjee on the handling of Covid-19, political violence, law-and-order, going as far as summoning top Several non-BJP ruled States have approached the SC for recourse against Governors delaying the passing of crucial Bills, prompting Justice Nagarathna to recently remark "Governors must act as per the **Constitution so this kind of litigation** reduces. It is quite embarrassing for Governors to be told to do or not do a thing. The time has come where they would be now told, I suppose, to do their duties as per the Constitution."

#### **DELHI SERVICE BILL**

In 2023, the Union government passed the Delhi Services Bill which snatched power from the elected Delhi government to make recommendations to the Delhi Lieutenant Governor on matters of transfer of postings, vigilance and other issues, giving power to Centre-appointed bureaucrats and Lieutenant Governor to overrule the elected chief minister and senior officers .

#### FISCAL COERCION : REDUCED TAX DEVOLUTION AND FUND ALLOCATION

#### TO STATES

- 1. The **States' share of central taxes or the divided pool has gone down**. Since the introduction of GST in 2017, devolution of central tax revenue to the states has become a major bone of contention.
  - a. The union government now collects a greater portion of tax revenue in the form of cess and surcharges which do not have to be shared with states (8.6% in 2010 to 28% in 2021).
  - b.GST compensation due to States is not being cleared.
- 2. The Union government has not been receptive to demands for special assistance for drought or flood relief by opposition-ruled states. States such as Karnataka and Tamil Nadu have had to go to court for Drought Relief.
- 3.Conditionality imposed by the Union government -
- For instance, for availing the PM-USHA higher education scheme, states have to sign an MoU committing to embracing the NEP. The Union government has constrained borrowing by forcing states to agree to conditions imposed by the centre (such as increasing power tariffs), even during COVID. Kerala was forced to go to the Supreme Court for the same.

## CONFRONTATIONAL FEDERALISM

#### KARNATAKA

A high per capita income state like Karnataka which contributes the third largest proportion of taxes, and crosssubsidizes less well off states has seen a shortfall in its tax revenue share since the introduction of GST.

Despite 223 out of its 236 taluks reeling under drought, the Centre has not released a single rupee of the 17,900Cr sought for drought relief from the National Disaster Relief Fund.

In 2023, direct sale of rice and wheat to states from the central pool, was abruptly discontinued, making it difficult for the Karnatto implement its flagship Anna Bhagya scheme.

A special grant recommended by the 15th Finance commission for Karnataka has not been paid It has not received funds for projects such as the Upper Bhadra irrigation project, despite announcements made in the Union Budget. In effect, an economic powerhouse state, generating jobs and wealth, while also reducing its population, is being penalised!

### **CLAIMS**

## **COOPERATIVE FEDERALISM**

PM Modi has stressed on the need to leverage co-operative & competitive Federalism to achieve all round growth. "For a long time, we have seen a Big Brother relationship between the Centre & States. A 'One Size Fits All' approach had been used for years, not taking into account the heterogeneity of different states and their local requirements."

narendramodi.in

While the Prime Minister claims to understand the importance of a consultative approach, the actions of the government have been the opposite. The government has aggressively pushed centralisation as the path to 'progress' despite its impact on democracy.

The political project of 'One Nation' stands in direct conflict with aspirations of the states. Federalism is being positioned as an impediment to development.

#### **ONE NATION, ONE RATION CARD**

This project was set up to help migrant workers access ration from anywhere in the country. The scheme was made a precondition for higher borrowing limits for States but saw only 37,000 transactions nationally in 2021. On the other hand the scheme has hit States' borrowing capacity.

- 1. The Central government pushed the states to use the single authentication infrastructure maintained by the NIC (National Informatic Centre) rather than their own independent authentication infrastructure
- 2. The centralisation of consumption data of migrant workers would increase the Central government's role in decision-making on the PDS and reduce that of State governments.

Several regional parties such as DMK, AIADMK have opposed this scheme.

#### **ONE NATION, ONE REGISTRATION**

The 2022 budget proposed a One nation, One registration scheme as an option for uniform process for land registration and 'anywhere registration' of deeds and documents, ostensibly to facilitate ease of living and doing business. This will not only curtail the powers of the state but also hit their revenues

#### **ONE NATION, ONE ELECTION**

Though there has been little consultation with states or consensus on the matter, the PM has strongly advocated for simultaneous Lok Sabha and State Assembly polls ostensibly to improve governance and efficiency. With simultaneous elections, regional issues will have to compete for people's attention with national issues, impacting state level electoral outcomes. It will hamper people's ability to make independent choices at the union and state level, reduce state level autonomy and increase the chances of political alignment between the centre and states. Additionally if a Chief Minister decides to dissolve the house or if a state government loses confidence, there will be no elected government till the end of the term! Additionally this scheme presents serious logistical and financial challenges, requiring constitutional amendments, legal changes and political consensus - a complex and lengthy process. 12

### **CLAIMS**

## **COOPERATIVE FEDERALISM**

"I put my efforts to take everyone along and I believe it is the only path for the development of the nation. We believe in Unity in Diversity."

Narendra Modi, Feb 2024

The actions of the PM and his party demonstrate a strong belief in a monolithic 'One Nation' for which Indians must have a single dominant religion, culture, language, etc. around which the idea of Indian nationalism can be built. The political project of 'One Nation' stands in direct conflict, not only with the key constitutional value of secularism, but also with the aspirations of India's diverse populace. Indians who don't conform or agree with this are labelled as "anti-national".

#### **CLAIMS**

## **CCOPERATIVE FEDERALISM**

## "Hindi, Hindu, Hindustan"

-V D Savarkar

"Only Hindi Can Unite the Country" -Amit Shah, 2019

" ... those protesting violently against the
CAA could be recognised by their clothes ..."
-Narendra Modi, 2019

#### **ONE RELIGION/CULTURE**

The RSS and its political arm BJP have been promoting the idea of Hindu Rashtra. In such an imagination, all other sects are meant to be treated as second class citizens. India is a land of many faiths, cultures and practices with much intermingling between them. A Hindu Rashtra is a politically convenient construct but the majority of Indians have both shared as well as diverse histories, experiences, and aspirations that do not fit neatly in the unified 'Hindu majority' box. Hindus from a particular region often have more in common with people of other religions from that region, than Hindus from another part of India. A Dalit experience and perspective of Hindu society is quite different from other caste Hindu experiences of the same.

Muslims constitute the largest minority in India and are facing a disproportionate assault through hate speech, bulldozing of their homes, being beaten and even killed. The aggressive push for CAA and NRC is a means to legalise discrimination. Anti-Christian violence too is increasing across the country.

#### **ONE LANGUAGE**

Prime Minister Narendra Modi is pushing for Hindi as the country's 'national language'. In 2019, Home Minister Amit Shah remarked "Today, if there is one language that has the ability to string the nation together in unity, it is the Hindi language which is the most widelyspoken and understood language in India." The projected narrative is that in order to be a true Hindu and a true Indian, you must speak Hindi. The IBPS exam which used to be conducted in several Indian languages before 2014 was conducted only in Hindi and English recently, thus depriving several people form non-hindi states of access to jobs. Hindi Diwas is compulsorily celebrated in non-Hindi speaking states as well India is a multilingual society with a total of total of 1,652 native languages with 121 major languages spoken by more than 10000 people. For this reason, the country does not have any national language. Instead India has two official languages at the national level and 22 scheduled languages recognized at the state level.

BJP's attempts to introduce mandatory Hindi in schools nationally in 2022 were later withdrawn due to the backlash. Imposing a single language on the whole country will cause chaos. What would that single language be?

#### **DEATHS DUE TO ANTI-FEDERAL POLICIES**

Several major policies and laws in the last 10 years have been passed in haste and with little discussion, debate or consultation with states. The table shows deaths attributed to such hasty policy measures.

Policy/Law without consultation	Number of civilian deaths
Demonetisation	Over 100
Abrogation of Article 370	131 between 2019 and 2022 (civilian deaths only)
Citizenship Amendment Act (CAA)	Over 35
First National Lockdown (non Covid deaths)	989 from March 2020 to July 2020 (23% due to financial distress & 21% due to accidents (deaths due to lockdown, not the virus)
Farmers' protests over farm laws	At least 702
Imposition of Aadhaar in welfare schemes	27 deaths between 2015 and 2020

#### THE LOOMING SHADOW OF DELIMITATION

A nationwide delimitation exercise (the redrawing of parliamentary constituencies on the basis of changes in population) is on the anvil following the next census in 2026. Different states have achieved different levels of wellbeing (education, health, employment, etc.). Southern States like Tamil Nadu, Kerala, and Karnataka have done well, reducing fertility rates and controlling their population. Unfortunately, rather than being appreciated and commended, delimitation will punish them. In a serious distortion of the principle of federalism as envisaged in the Indian Constitution, states that have limited their populations will lose seats in parliament, while those who have not will be rewarded with more seats.

#### **INCREASE IN ORDINANCES**

Ordinances bypass discussions in Parliament and are a shortcut to institute legislation as an emergency measure. For instance, the <u>three controversial farm</u> <u>laws</u> in September 2020 were passed through executive ordinances and with a voice vote in Rajya Sabha, where the BJP does not have a simple majority. Between 2014 and 2023 there were about 10 ordinances passed per year compared to 6 per year between 2004 and 2013. Repeated ordinances mean that there is no discussion in the Rajya Sabha, which is the house which represents all the states. This move is thus anti-federal.

The government talks of cooperative federalism, but we are fast moving towards vastly reduced the relevance of States, where non-Hindi speakers will have little to say in the running of the country, and where non-Hindus will cease to matter.



## FEDERALISM

Email bahutvakarnataka@gmail.com Facebook Bahutva Karnataka Instagram @bahutvakarnataka Twitter @BahutvaKtka

