

# DIMENSION OF NEW FEDERALISM : PROCESS OF COLLABORATIVE AND COHABITATION



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## Introduction:

The collaborative model is characterized by collaborative arrangements among the levels of government. This type of federalism is often characterized by “forced cooperation” (e.g., the cooperative federalism of the Congress-dominant era in India). Under this model, the national government places its superior resources at the disposal of state and local governments for management of national priorities. All levels work within an intricate framework of cooperative relationships while the national government plays the role of leader and facilitator. Collaborative federalism can tilt towards the coercive type if the higher level of government coerces the lower level to action in the name of the national interest or welfare of the citizens. It can lean towards uncooperative federalism if lower levels resist national intervention and assert autonomy. Theoretically, the collaborative framework preserves the structural integrity of each level of government while enabling them to exercise their autonomous powers “in a cooperative manner.” However, what remains behind the veil is the “assumption” that states are cooperative servants and allies of the federal government. The hierarchical relation as envisaged in executive federalism persists because the task of states is not to assert autonomy but to carry out federal programmes and implement federal mandates. Any assertion of autonomous policymaking makes them outsiders and challengers, giving rise to the so-called uncooperative federalism.<sup>1</sup>

The collaborative model is based on four premises:

- (a) A relationship based on partnership and relative parity exists between the national and subnational governments rather than a hierarchical type.
- (b) Responsibilities and interdependence among government levels significantly overlap, which calls for joint decision making and collective action.
- (c) Transparency and accountability towards people can be improved through deeper engagement of civil society, non-governmental organisations (NGOs), and other actors/stakeholders in intergovernmental policy deliberations.

- (d) Solutions to intractable problems can be worked out through learning and innovation in the complex and dynamic world of intergovernmental interactions.

Collaborative and cooperative federalism both represent interdependent relations and are concerned with the management of these interdependencies. The difference is that cooperative federalism manages interdependencies within a framework of hierarchical relations, whereas collaborative federalism entails joint management of interdependencies on a non-hierarchical basis. Furthermore, the collaborative model advances to a direct engagement with non-state stakeholders in a collective decision-making process as equal partners.

The study is based on the theories of collaborative federalism and process of cohabitation and their application in the Indian context.

#### **A] Collaborative Federalism:**

India is a larger democracy in the world. Federal set up of Indian political system is conducive for the democratic environment. Federal set up accommodates all the sections of the society including minority. The implementation of social justice is possible only in federal system. In India diversity in culture, language, religion, and caste is not a challenge to political system because of federal system. Post 1989 era of coalition was the beginning of cooperative federalism in which various regional parties and states participate at national level decision making process and identify themselves as an actor in making of India. In 1977, Rajasthan State Govt, Vs. Union of India, CJI Mr. Beg advocates the concept of cooperative federalism. According to him Constitution create the centre and according situation and need of time nature of centre can become either federal or unitary. In S.R. Bomai Vs. Union of India case, CJI Ahamadi narrates Indian Federalism as a “Pragmatic Federalism”.

The central government in the new federalism phase has been primarily composed of regional and state based political parties who have always stood for greater devolution of powers to the states. The powers that controlled these parties did not lie at the national level as in policy wide parties but at the state level. Hence, decision-making necessarily involved greater interaction with the states. Secondly, some of these parties supported the government from outside but not join it directly and also stayed out of the coalition coordination mechanism. These supporting members needed to be “paid off” to put it very cynically. The involvement of the states through their high level interaction with the national government in a way helped satisfy the necessities of coalitions.

The economic development policy framework of independent India may be divided into two types, one state led development and the other characterised by economic reforms. The first phase of development was primarily central government directed with the states playing little or no role as such. The second phase of economic reforms however required the involvement of the states for the reforms process to succeed. This phase of development was primarily central government directed with the states playing little or no role as such. The second phase of economic reforms process to succeed. This

phase of new federalism coincided with the changed policy framework. Consequently, there was a higher level of interaction between the central government and the states.

Under new federalism, there was a revitalizing change, the states have not only been recognized as equal and important team players but there is also a greater interaction and synergy between the federal government and the states. Most importantly, this collaboration has been able to breach the traditional animosity that existed between the center and the states when headed by different political dispensations. In other words, federal relations were depoliticized to a large extent. Following is the journey of cooperative federalism in India which shows post 1989 era was the beginning of cooperative federalism in India.

### **Collaborative phases in Indian Politics**

#### **Collaborative in the 1990's: Economic Reforms**

The reforms of 1991 during the Narasimha Rao phase focused on issues like industrial and trade policy, delicensing, removal of restrictions, foreign direct investment, financial and capital markets and prudent monetary and foreign exchange management. The next wave coincided with the formation of federal coalitions. The areas that received attention were infrastructure development, trade liberalization and agriculture. The management of reforms in the early '90s had a lot of similarity with the state led planning model of the past. It was primarily led and controlled by the central government. The states were secondary and often unwilling partners to the whole process.

In Narsihma Rao Government National Integration Council has given more importance than Inter Governmental Agencies like NDC & ISC. In 1992 73<sup>rd</sup> & 74<sup>th</sup> amendment was executed in all over India by implementing three tier panchayat raj systems. This period was a turning point for the Indian Political System and Economic System because policy of liberalization and privatization was executed. This move was so benefited for the states rather than center.

Following the introduction of economic reforms in the country, there has been a shrinking of the share of the public sector investment. States acquire the right to directly mobilize foreign private investment and resort to market borrowing. However, Plan transfers have become more tied to schemes and projects. There has been a quantum jump in allocations for Centrally Sponsored Schemes, leaving States with reduced space to address their priorities.<sup>2</sup> At the same time greater autonomy for States is seen as an impediment towards the realization of the goal of a common market for the entire country. Other distortions crept in as private sector investment has gone mostly to the States endowed with better infrastructure facilities, thus, accentuating the regional imbalances in the growth of the economy.<sup>3</sup>

The period of 1996 to 1999 was less considered in point of view of political stability and collaborative federalism. But some positive outcome has been come during this short period. Regional dominance in central ministry, participation of states chief minister and regional leaders in decision making process at national level, adoption of inclusive methods instead of traditional in case of Finance

Commission working, Post of Prime Minister was occupied by regional leader etc. were the positive achievements as far as Collaborative Federalism in concern. This period experienced with the real beginning of Collaborative Federalism than past era.

### **Collaborative in the 2000's: Era of Consensus**

The collaborative nature of federalism was grown during the period of NDA. In March 2001, Conference of Chief Ministers under the chairmanship of Prime Minister was organized. Chief Ministers from seventeen states took part in this conference. From this emerged a "shared vision" on the basis of which a comprehensive Action Plan that laid down the imperatives of a time bound reform programme was chalked out. The Action Plan covered a wide gamut of areas, which included Complete Electrification, Distributional Reforms, Generation Reforms, Tariffs and Subsidies, and Energy Conservation and Demand Side Management. Learning from the 1991 experience, it did not stop merely by including the state level it went further, right down to the district and village levels. Besides this, it also laid down the nature of support that the Government of India and the central generating stations would provide. This Action plan also decided to set up a High Level Empowered Group comprising of Chief Ministers, the Deputy Chairman (Planning Commission), Union Finance Minister and Union Power Minister to coordinate, monitor and review the implementation of Reforms. On the basis the consultations not only with the states, but also with political parties, opinion makers, industry, agriculture, and so on, the Ministry of Power drew up a blueprint for power sector development in January 2002 with the slogan "Mission 2012: Power for All".

### **B) Process of Cohabitation:**

'Cohabitation', means staying together with some compulsion. Cohabitation has commonly been used most often in semi-presidential system of government like France and Sri Lanka where there could be split executive government, when the Prime Minister and the President are from different parties and are pitted against each other. The President may have to cohabit with a Prime Minister from another party when the majority in the house is different from that of the President's party.<sup>20</sup> Cohabitation is a process where coalition works not only because of any compulsion but in a coordinator manner. Going beyond the usual election, it highlights the fact that coalition dynamics does not end merely with elections for forming governments or for any power game but is a more complex process. In this process different coalitions forms at multiple level in a parliamentary federal system. One party at a level play as a opposition role and at another level it becomes a part of alliance or at different camps at another level. Cohabitation theory analyze the multiple role of parties played at different level in parliamentary federal system. Cohabitation system fulfill the demands of power sharing of different sections and groups in government at different levels.

The Ninth general elections in 1989 decisively ended the long period of one-party majority governments and push India into a phase of multiparty or minority governments at the national level.

Since then all governments at the center have been coalition and/or minority governments. This period also coincided with a major change in the nature of Indian federalism. From a situation of confrontation, which prevailed during the 1970s and 1980s, today the relationship between the different levels of government is marked by greater cooperation, collaboration and even consensus on many issues.

The 1990s can be viewed as a defining period of transition for India's polity; they paved the way for a political system which was potentially more federal. New modes of participation and decision making emerged through the mechanism of federal coalitions, to which, the parliamentary system and the Constitution have yet to adapt in a formal sense.

Two main factors can be flagged as the driving force behind this transition. First, the globalization has added a new dimension to the polity, with economic reforms assigning new roles and responsibilities to the states. Second, the federalization of the party system, which has brought in its wake a new dynamic, with its own mix of 'competing logics' is a crucial development.

The process of cohabitation were started where the units or states & the federation do not compete for power but co-operate through various instrumentalities to promote the common purpose is known as cooperative-federalism. The present stage in India can be described as 'Organic-Federalism, where the federations the units function as a part of one organism to achieve the common-governmental purposes. The lessons to be learnt from the recent-developments & the pressure of Circumstances that developed together with the large-scale interdependence of the states in many matters, had really indicated a case for organic-federalism. There is strong organic-Filaments-constitutional, financial & administrative, which may be relied upon to uphold the unit of India.

There is a growing realization in the country and specially at political level that there is need for harmonization between state and the society, more in case of pluristic society.<sup>23</sup> Main agenda of the Government is to promote inter-community understanding and protecting identities and rights of deprived and minority groups. Federalism provides possibility of adequate representation to the territorially organized ethnic communities. There is possibility of realizing the federal idea of 'self rule' and 'shared rule'.<sup>4</sup> Post 1990 era of Indian Federalism experienced such type rule where Indian Government became truly federal. The Party system of transformation and judicial interpretation of constitutional process contributed to the growth of federalism in India.

### **Cohabitation with Bargaining:**

The dimension of the new federalism actually follows from the first. Consequent, to the participation of states at the national level, it follows there is also a greater higher level of interaction between the different levels. New federalism is characterized by renewed dialogue between the center and the states compared to the immediate past i.e. the '80s. Two reasons, one political and two, economic, may be advanced for this renewed and deeper level of interaction between the two levels. The central government in the new federalism phase has been primarily composed of regional and state

based political parties who have always stood for greater devolution of powers to the states. The powers that controlled these parties did not lie at the national level as in polity wide parties but at the state level. Hence, decision-making necessarily involved greater interaction with the states. Secondly, some of these parties supported the government from outside but did not join it.

Under new federalism, there was a revitalizing change. The states have not only been recognized as equal and important team players but there is also greater interaction and synergy between the federal government and the states. Most importantly, this collaboration has been able to breach the traditional animosity that existed between the center and the states when headed by different political dispensations. In other words, federal relations were depoliticized to a large extent. This was also consequent to the realization that if economic reforms had to succeed the cooperation of the states was essential and crucial.

In the history of Indian Federalism post 1989 era was highlighted period for Indian Political system. The concept of political untouchability was over and the parties ideologically different came together for the sake of power. Though state based and regional political parties or coalitionable parties have had important positions at the national level and central governments have been dependent on them for some time now, these parties have not used this position of strength to bring about any institutionalized changes in the terms of relationship between the centre and the state governments, considering that no major change that had been demanded earlier has been brought about it till date. This is primarily because they have focused on their own particular regions and areas of interest. They have used their leverage at the central level to consolidate their position in the states rather than bring about change that could be sustained even if the present political scenario changes.

### **Conclusions:**

1. All multiparty governments at the national level have had as an important component parties whose distinguishing characteristic was that they were based exclusively in particular states or regions of the country. The often incisive role played by these parties in these multiparty governments, not only for their survival but also in national policy making, as we shall see, has been instrumental in the transition that has taken place in the federal sphere. If today the federal system no longer appears as centralized as it was twenty years ago, it is because of the space that been wrested by these parties in the national sphere through the cooperation and compromises achieved through the pull and push of coalition politics. The benefits they got from supporting and joining governments at the federal level have translated into a more cooperative or non-centralized form of federation.
2. Federalism is also seen in the context of decentralization of powers. Economic liberalization after 1991, undoubtedly, put India on a fast-track growth trajectory;

however, inequity and regional imbalance also increased. The states, therefore, started demanding more flexibility in their policies and growth strategies and the regional parties intensified their stir on devolving of powers to the third tier of government like the local self-governments and Panchayats.

3. Redefining of federalism also changing the form of government at the Centre. Instead of sense separatism, the units of the Indian federalism experienced with sense of accountability and responsibility.
4. Coalition politics has come up age today with two major parties Congress and BJP realizing that coalition is the need of the hour and accept the reality and go in for broad based alliance. This reflects the regional-national attitude of the federalism.
5. Coalition and cooperation federalism also led to greater autonomy of the Parliament and State Governments. President of India has shown greater initiative and play significance role in post 1990 era.

With the transformation of the party system, government formation and maintenance has got complicated. After the four decades of one party dominance there has been a series of coalitions and minority governments at the central level. From the short lived unstable government we saw governments which have not only complicated their full term but have also managed to govern as effectively as any single party government. This future of cohabitation politics has brought about a major change in center-state relations and it is only likely to be increasing day by day.

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