

COMMENT

## More Power to States

STATES ARE LITERALLY BIG MUNICIPALITIES as centralisation of power continues unabated despite periodic murmur from different state capitals. The roots of innumerable secessionist tendencies developing across the length and breadth of the country lie in gradual erosion of autonomy of regional power blocks. It cannot be otherwise in a system of unequal development and subdued aspirations of broad masses. More they try to project Indian federalism as something unique, more they indulge in totalitarian methods to curb the very core of federalism.

India's federal structure essentially follows that of Canada. The Centre is all powerful and States are weak. More importantly, the Centre is becoming yet stronger by the day. Share of the States in total revenue of Centre and States was 32.7 percent in 1991. This has declined to 29.5 percent in 2005. The Central Government retains 65 percent of the total taxes collected by Centre and the States. This is happening despite the Finance Commissions repeatedly underlining the need to devolve more funds to the States. This heaviness of the Centre is harmful for economic growth as seen in the example of America. Notably, Australia and Switzerland also follow the American example of autonomous states and have done quite well in the economic sphere. Hence the beneficial nature of a weak centre is not a solitary example of the United States.

The other aspect is that of unity of the country. Surely, the United States is more homogeneous with most people being English speaking. On the other hand Canada has sizable English and French speaking populations. The French-speaking residents of Quebec have long been agitating for separation. Canadian leaders felt that a strong Centre will help control the fissiparous tendency of language-based blocks. India too should opt for a strong Centre on this consideration. However, there are three factors that augur against this view. One, a strong Centre may yet fail to keep different language groups together as has happened in the disintegration of Pakistan and Soviet Russia. The Bangladeshis and various nationalities of Russia revolted against the strong Centre. Two, India is not a young country like Canada that is still developing its identity. Indian people have lived together for more than five millennia. Language does not really bring forth the kind of antagonism in India as it does in other countries with not so long shared history. Three, autonomy of the States is, more helpful in keeping the people united because it makes it possible for them to fulfil their regional aspirations. Why should they revolt against the Centre if they can have their liking done within a Federal structure? Bangladesh is again a case in point. Regional autonomy would perhaps have prevented the breakup of that country. India can be better off in every way with greater autonomy to the States.

The Goods and Service Tax, fixing of low royalty on minerals, signing of the WTO agreement without consulting the States and implementation of the Pay Commission awards

without taking the States into confidence are some of the negative centralising policies that the Central Government has implemented. Unless states get genuine autonomy in managing their economic and political affairs, more centralisation means more trouble ahead. □□