

---

# ANALYSIS ON 'COOPERATIVE AND COMPETITIVE FEDERALISM' IN INDIA

---

Anusha Pal, Christ University

## ABSTRACT

The terms "Cooperative Federalism" and "Competitive Federalism" are widely used in an exhaustive manner. In many political systems, the political practice has distorted, the way the Constitution operates. Canada and India both provide spectacular illustrations of Constitutional form and operational reality. Therefore, not only the structural temperament of a federal political system but also the character of the political processes, are significant to understand its character. Inside each of the genus of Federal Political Systems, there exist substantial variations. Federations for instance, have diverse in terms of their inner diversities and National or Multicultural character; in terms of the number and relative size of their Constituent units; in requisites of the type and extent of the allocation of Legislative and Executive authority and distribution of the revenues.

**Keywords:** cooperative federalism, competitive federalism, federal political

## INTRODUCTION

The terms "Cooperative Federalism" and "Competitive Federalism" are widely used in an exhaustive manner. My endeavor is to setup the conceptual framework to discuss the subject. The developing views earlier expressed by Preston King (1982) and Dan Elazar (1987), I would distinguish for the sake of clarity three terms: "Federalism," "Federal Political Systems," and "Federations". The word "Federalism" is basically not a descriptive term but rather a normative one that refers to the advocacy of multi-tiered government combining elements of shared rule and territorial self-rule. It is based on the presumed value and validity of combining unity and diversity and of accommodating, preserving and promoting distinct territorial identities within a larger political union. The essence of federalism as a normative principle is the perpetuation of both union and non-centralization at the same time.

<sup>1</sup> The "Federal Political Systems" is a descriptive term applying to a broad category of political systems in which by contrast to the single Central source of Constitutional and Political authority in unitary political systems, there are two or more levels of government combining elements of shared rule through common institutions and territorial self-rule for the governments of the constituent units. Currently, among the approximately one hundred and eighty politically sovereign States in the World there are two dozen Federations containing about two billion people, or forty percent of the World's population, and encompassing some four hundred any eighty Constituent or Federated States (regions). The generally common structural characteristics of these federations as a specific form of Federal Political System are the following:

- (1) Two or more Orders of Government, each acting directly upon Citizens.
- (2) A formal Constitutional distribution of Legislative and Executive authority and allocation of revenue resources, to the different Orders of government ensuring some areas of genuine legal and political autonomy for each Order.
- (3) That provision for the representation of distinct territorial views within the Federal policymaking institutions usually provided by the particular form of federal second chamber.
- (4) That a supreme written constitution not unilaterally amendable by either Order of

---

<sup>1</sup> [https://link.springer.com/chapter/10.1057%2F9780230510388\\_10](https://link.springer.com/chapter/10.1057%2F9780230510388_10)

Government, and requiring for amendment, the consent of a significant proportion of the constituent units.

- (5) That an umpire (either in the form of courts or provision for referendums) to rule on disputes between governments.
- (6) That processes and institutions to facilitate inter-governmental collaborations for those areas where governmental responsibilities are shared or inevitably overlap.

First, there is the important distinction between Constitutional form and operational reality. In many political systems, the political practice has transformed, the way the Constitution operates. Canada and India both provide dramatic illustrations of Constitutional form and operational reality. Hence, not only the structural character of a federal political system but also the nature of the political processes, are important to understand its character.

Second, within each of the species of Federal Political Systems, there exist considerable variations. Federations for instance, have varied in terms of their internal diversities and National or Multicultural character; in terms of the number and relative size of their Constituent units; in terms of the form and scope of the distribution of Legislative and Executive authority and allocation of the revenues.

### **RESEARCH AIM:**

This paper plans to build up a connection between the Co-operative and Competitive Federalism. I have made earnest efforts to analyse both types of Federalisms and while further discussing what are the challenges faced by them along with the steps to strengthen these concepts. Also, the Indian Constitutional perspective about Federalism has also been discussed in this research paper.

### **OBJECTIVE OF THE STUDY:**

To state comprehensively the meaning, origin and derivation of the terms, "The Co-operative Federalism" and "The Competitive Federalism" and deriving the conclusions which Federalism work best for the Indian Constitution, in the present scenario.

### **RESEARCH METHODOLOGY:**

This doctrinal research is based on secondary source of Data, Articles, Books and Journals

as well as various pronouncements by the Court of Law.

### **RESEARCH QUESTION:**

1. Derivation of Federalism.
2. Indian Constitutional perspective about Federalism.
3. Analyzing Cooperative Federalism and Competitive Federalism.
4. Competitive Federalism as a tool for the Economic Development of the Country.
5. Challenges faced by the Co-operative and Competitive Federalism.
6. Steps to strengthen these concepts in the context of India.

### **DERIVATION OF FEDERALISM**

The term 'Federalism' is derived from the Latin word 'foedus' which means treaty or pact or covenant. Federalism is the form of government wherein, at least two levels of Governments exist within the country that is one at the Central level and the other at the State level. The federal structure is characterized by the lack of full concentration of power under one single Government. Rather, the authority of the government is decentralized under various levels of government. The political principles that animate Federal systems, emphasize the primacy of bargaining and negotiated coordination among several power centers; they mainly stress the virtues of dispersed power centers as a means for safeguarding individual and local liberties.<sup>2</sup> Federalism is a system of the government in which the same territory is controlled by two levels of government. Generally, an overarching national government is responsible for broader governance of larger territorial areas, while the smaller sub-divisions, States, and Cities govern the issues of local concern.<sup>3</sup>

### **INDIAN CONSTITUTIONAL PERSPECTIVE ABOUT FEDERALISM**

The unending debate whether India has a 'Federal Constitution' and 'Federal Government' has been grappling with the Apex court in India because of the theoretical label given to the Constitution of India, namely, Federal, quasi-Federal and unitary. Until the West Bengal

---

<sup>2</sup> <https://www.britannica.com/topic/federalism>

<sup>3</sup> <https://www.law.cornell.edu/wex/federalism>

decision in 1963, the Supreme Court of India had made many pronouncements labeling the Indian Constitution as Federal. ' 4

The term "Federal" has not been mentioned anywhere in the Constitution of India. However, India, since independence has followed a quasi-federal structure. Indian Governmental model is similar to that of the Canadian model of political structure. The Constitution of India has established the federal structure to the Indian government by declaring it to be a "Union of States" as specifically incorporated in Article 1 of the Constitution of India which was debated threadbare on 15<sup>th</sup> November 1948 and 17<sup>th</sup> November 1948, and 17<sup>th</sup> September 1949 and 18<sup>th</sup> September 1949. 5 Article 1 of the Constitution of India 1950 defines the Name and Territory of India as follows:

- (1) India, that is Bharat, shall be a Union of States.
- (2) The States and the territories thereof shall be as specified in the First Schedule.
- (3) The territory of India shall comprise —
  - (a) The territories of the States;
  - (b) The Union territories specified in the First Schedule; and
  - (c) Such other territories as may be acquired.

In **Ganga Ram Moolchandani v. State of Rajasthan**<sup>6</sup> the Supreme Court reiterated: 'Indian Constitution is basically federal in form and is marked by the traditional characteristics of a federal system, namely supremacy of the Constitution, division of power between the Union and States and existence independent judiciary.

The Apex Court in **ITC LTD v. Agricultural Produce Market Committee**<sup>7</sup> expressed a view.

---

<sup>4</sup> <https://www.lawctopus.com/academike/federalism-india-judicial-interpretation/#:~:text=State%20of%20Rajasthan%20the%20Supreme,States%20and%20existence%20independent%20judiciary.>

<sup>5</sup> [https://www.constitutionofindia.net/constitution\\_of\\_india/the\\_union\\_and\\_its\\_territory/articles/Article%201#:~:text=Draft%20Article%201%20\(Article%201,was%20a%20federation%20of%20states.](https://www.constitutionofindia.net/constitution_of_india/the_union_and_its_territory/articles/Article%201#:~:text=Draft%20Article%201%20(Article%201,was%20a%20federation%20of%20states.)

<sup>6</sup> Ganga Ram Moolchandani v. State of Rajasthan AIR 2001 SC 2616

<sup>7</sup> ITC LTD v. Agricultural Produce Market Committee AIR 2002 SC 852

There are, however, certain decisions of the Supreme Court of India which are landmark pronouncements on Federal features of the Indian Constitution which will be discussed in the upcoming chapters.

The West Bengal's case of 1963 offers the first instance of this category where this issue was discussed at length by the Apex Court. The main issue involved in this case was the exercise of sovereign powers by the States of India. The legislative competence of the Parliament to enact a law for compulsory acquisition by the Union of land and other properties vested in or owned by the State and the sovereign authority of States as distinct entities were also examined. The Apex Court held that the Indian Constitution did not propound a principle of absolute federalism. Though the authority was decentralized, this was mainly due to the arduous task of governing the large territory of India. The Court outlined the characteristics, which highlight the fact that the Indian Constitution is not a "Traditional Federal Constitution". Firstly, there is no separate Constitution for each State as is required in a Federal State. The Constitution is the supreme document, which governs all the states. Secondly, the Constitution is liable to be altered by the Union Parliament alone and the units of the country that is the States have no power to alter or amend part of it on its own. Thirdly, the distribution of powers is to facilitate local governance by the states and national policies to be decided by the Centre. Lastly, as against a Federal Constitution, which contains internal checks and balances, the Indian Constitution renders supreme power upon the courts to invalidate any action or enactment violative or ultra-vires of the Constitution of India. The Supreme Court further held that both the Legislative and Executive power of the States are subject to the respective supreme powers of the Union.<sup>8</sup>

Legal sovereignty of the Indian nation is vested in the people of India. Political sovereignty is distributed between the Union and the States with greater weight in favor of the Union. Another reason which militates against the theory of the supremacy of States is that there is no dual citizenship in India. Thus, the learned judges concluded that the structure of the Indian Union as provided by the Constitution one is centralized, with the States occupying a secondary position vis-à-vis the Centre, hence the Centre possessed the requisite powers to acquire properties belonging to States.

---

<sup>8</sup> State of West Bengal v. Union of India AIR 1963 SC 1241

It is very pertinent to mention here that initially the 'State of Jammu and Kashmir' now reconstituted into two Union Territories that is "The Union Territory of Jammu and Kashmir" and "The Union Territory of Ladakh" respectively, as per the 'Jammu And Kashmir Re-organization Act, 2019' had its separate Constitution and as per Article 35A of the Constitution of India, the Legislature of State of Jammu and Kashmir was within its competence and power to enact its own laws on certain subjects. However, the Union Government in order to bring all states within the fold of one Constitution, in view of 'Jammu And Kashmir Re-organisation Act, 2019' and deletion of Article 35A and temporary provisions of Article 370 of the Constitution of India, removed the said anomaly and now both the Union Territories of Jammu and Kashmir and Ladakh respectively are fully governed by as per the provisions of Constitution of India.

In the case of **S. R. Bommai v Union of India**<sup>9</sup>, the word "pragmatic federalism" was used. Quoting Justice Ahmadi, "It would thus seem that the Indian Constitution has, in it, not only features of pragmatic federalism which, while distributing legislative powers and indicating the spheres of governmental powers of State and Central Governments, is overlaid by strong unitary features..."

The Part XI of the Indian Constitution lays down the distribution of Legislative, Executive and Administrative powers between the Central Government and the State Governments respectively. The Legislative powers are categorized under the Union list, State list, as well as Concurrent list so as to distribute them amongst the Union and the State governments. The Union List consists of 100 items on which the Parliament has an exclusive power and control to legislate on defence, Armed Forces, Arms and Ammunition, Atomic Energy, Foreign Affairs, War and Peace, Citizenship, etc. This is the lengthiest among the three lists. The State List consists of 61 items of which the maintenance of Police Force, Regional Law, and Order, Healthcare, Land Policies, Village Administration are included. The Concurrent List under the 7<sup>th</sup> Schedule of the Indian Constitution contains a list of powers that is to be considered by both the Central and the State Governments. This particular list mentions other matters relating to Marriage and Divorce, Agricultural Land, Education, etc. If there is a conflict between the States and the Centre on the aspects of the concurrent list, the Parliament shall prevail. Those subjects which are not mentioned in the first and second list are called

---

<sup>9</sup> S. R. Bommai v Union of India AIR 1994 SC 1918

Residuary Subjects. According to the Article 248, the power to legislate the residuary powers exclusively rests in the hands of the Parliament. The parliament shall legislate on these powers as per the procedures set forth under Article 368 of the Constitution of India. The Residuary Powers and the fact that the Centre prevailing over the States in case of conflict in the concurrent powers makes the Indian Government both Federal and Unitary in nature. If the above lists are amended or expanded, the legislation should be done by the parliament under Article 368 of the Constitution with the ratification by the majority of the states. As for the executive powers of the government, the Central government and the state governments have their own independent law enforcing agencies controlled by their own representatives.

The Central Government cannot interfere in the State matters unless the Presidential rule under Article 356(1) is declared in the State. The Union Government's duty is to make sure that the State Governments operate in accordance with the provisions of Article 355 and Article 256 of the Constitution of India. The State Governments cannot violate the Central laws on Administrative and Executive matters. If they violate the Constitution, President's Rule can be enforced under Article 356(1) and the President can take control over the State's Administration.

The federalism in India is a part of the basic structure of the Indian Constitution. It cannot be changed or removed through the Constitutional Amendment by the Parliament without undergoing the judicial review<sup>10</sup> by the Supreme Court.

## **ANALYZING COOPERATIVE FEDERALISM AND COMPETITIVE FEDERALISM**

The concept of Federalism can be classified into two types based on the relationship between the Union Government and the State Governments. They are:

- ❖ Cooperative Federalism
- ❖ Competitive Federalism

---

<sup>10</sup> <https://www.iasexpress.net/judicial-review-activism-overreach-difference/>



## **COOPERATIVE FEDERALISM**

The Co-operative Federalism involves the Centre and States governments co-operating with each other for the pan development of the Country. It involves the participation of all the States in the creation and implementation of the National Policies of the Nation.

It is the horizontal relationship between the Centre and the States. The Constitution of India has provided for the cooperative federalism in the inter-state Council, Zonal Council, Schedule VII, etc. The Schedule VII of the Indian Constitution requires the States and the Centre to co-operate among each other. The concept of Cooperative Federalism is strengthened when the Goods and Services Tax was launched at midnight on 1<sup>st</sup> July, 2017 by the President of India and Government of India.

## **COMPETITIVE FEDERALISM**

The Competitive Federalism involves the competition amongst the States and also the Centre for the economic benefits, in respect of economic affairs. This concept became more prominent Post-1990's Economic Reforms. When India opened its doors and windows for Globalization, there is now increasing competition between the States, for the limited resources. This resulted in the imbalance and inequalities among the States.

However, in recent times, Competitive federalism has become an effective tool to enhance the economic development of each States.

## **COMPETITIVE FEDERALISM AS A TOOL FOR THE ECONOMIC DEVELOPMENT OF THE COUNTRY**

Competitive Federalism is not the part of the basic structure doctrine of the Constitution of India. However, it had gained prominence in the recent times in the overall government functioning. As per the concept of competitive federalism, the States compete with each other and the Centre for the individual economic growth and development. The States compete with each other for the generation of funds and investments from external sources. They are funded/aided by the Central Government based on their performance with the previous funds. The investors opt for those States that are economically well-developed and

politically more stable. To enhance the flow of funds and investments, the states work to ensure strong and stable governance and also create a favorable investing environment. The notion of Competitive federalism has not yet gained full exorcence amongst the States. Only a few are embracing this idea by improving their economic and political stability. The NITI Aayog (Hindi for Policy Commission) (abbreviation for National Institution for Transforming India) is a policy think tank of the Government of India, established with the aim to achieve sustainable development goals with cooperative federalism by fostering the involvement of State Governments of India in the economic policy-making process using a bottom-up approach. Its initiatives include "15-year road map", "7-year vision, strategy, and action plan", AMRUT, Digital India, Atal Innovation Mission, Medical Education Reform, agriculture reforms (Model Land Leasing Law, Reforms of the Agricultural Produce Marketing Committee Act, Agricultural Marketing and Farmer Friendly Reforms Index for ranking states), Indices Measuring States' Performance in Health, Education and Water Management, Sub-Group of Chief Ministers on Rationalization of Centrally Sponsored Schemes, Sub-Group of Chief Ministers on Swachh Bharat Abhiyan, Sub-Group of Chief Ministers on Skill Development, Task Forces on Agriculture and up of Poverty, and Transforming India Lecture Series. It was established in 2015, by the NDA government, to replace the Planning Commission which followed a top- down model. The NITI Aayog Council comprises all the State Chief Ministers, along with the Chief Ministers of Delhi and Puducherry, the Lieutenant Governor of the Andaman and Nicobar Islands, and a vice-chairman nominated by the Prime Minister. In addition, temporary members are selected from leading universities and research institutions. These members include a chief executive officer, four ex-official members, and two part-time members.<sup>11</sup>

However, with the formation of the 'Union Territory of Jammu and Kashmir' and the 'Union Territory of Ladakh', the Lieutenant Governors of both the Union Territories are also made members of the Council.

NITI Aayog acts as the quintessential platform of the Government of India to bring States to act together in national interest, and thereby fosters Cooperative Federalism. Furthermore, one of the directives of the NITI Aayog is to ensure the implementation of the Competitive federalism. To ensure the decentralized economic development of the Country, the State

---

<sup>11</sup> [https://en.wikipedia.org/wiki/NITI\\_Aayog](https://en.wikipedia.org/wiki/NITI_Aayog)

governments are encouraged to not look towards the Central Government for policy guidelines and fiscal assistance by increasing the share of States' central tax revenue from 32% to 42 % based on the recommendation by the Finance Commission. The States are given full freedom to strategize their expenditure based on their own individual interests. We have seen many successful stories of collaboration among States. India's improvement in the World Bank's Ease of Doing Business (EoDB) Index. as per the latest World bank ranking report of 2020, India has improved its ranking by seventy ninth position in last five years from 2014-2019 and remained top ten performers third time in a row for the last three years in world ranking. At present India has attained Sixty Third(63) positions in the EoDB rankings. Given our federal structure, states have led the institution of many reforms. This was made possible through the creation of an EoDB Index for Indian States and the release annual rankings to indicate areas in which they are lagging. This sense of competition prompted corrective action and made India a much easier place in which to do business. It also speaks volumes that while the World Bank's EoDB Index only considers Delhi and Mumbai when assigning India's scores, these states do not come top of India's index. However, Gujarat model of EoDB has also been appreciated and considered by other States of India.

Another major success story featuring collaboration between states is our Aspirational Districts Programme (ADP). The NITI Aayog has identified 117 laggard districts on the basis of Composite Index which include published data of deprivation, Health nutrition, Education and basic structure in terms of socio-economic outcomes and instituted a programme with convergence, collaboration and competition as the core tenets. Again, states are the main drivers behind this programme, working with central government officers to detect "low-hanging fruit" opportunities for immediate improvement.

Ease of Doing Business Ranking of States of India has called for the States to ensure a politically and economically stable environment to attract businesses and investments. This, in short, creates a competitive environment. Swachh Bharat Ranking System is another such tool to increase the competitiveness among the states. The Centre sponsored schemes are reformed to enhance the competition between states.

## **CHALLENGES FACED BY COOPERATIVE AND COMPETITIVE FEDERALISM**

### **COOPERATIVE FEDERALISM:**

The Indian government is called quasi-federal because it integrates the characteristics of both the Union and the Federal governments. The Centre exercises superior legislative powers through residuary and legislative precedence. These are the powers that the Union enjoys under the Constitution. The States' legislative powers have routinely yielded to it. This creates an atmosphere of mistrust between the Centre and the States. Taxation powers between the Centre and the States is a contentious issue. Most of the disputes between the Centre and the State on the taxation issues have won by the former due to provisions of the constitution. Under the GST, the states have forgone some taxation powers like octroi entry tax, luxury tax, entertainment tax, etc. however, they still retain the power to levy taxes through panchayats and municipalities. The southern states have been extremely vociferous with regards the sharing of taxes between the States and the Centre as it is mostly subjected to the recommendations of the Finance Commission and action by Parliament.

However, under Article 269A(1), the GST Council and not the Finance Commission has the power to make a recommendation with regards to the sharing of taxes obtained from the inter-state trade. The States have votes in the GST Council, giving them the power to have their say on tax matters.

However, Articles 270(1) A and 270(2) states that the taxes levied under the GST laws will be shared in the manner prescribed by the Finance Commission, not the GST Council. This creates a clash between the roles and powers of the Finance Commission and the GST Council.

Also, in reality, the sharing of revenue the subject matter of the Finance Commission and the Parliament and not the GST Council where the States have a larger say on taxation matters. This does not allow for cooperative federalism. There are no provisions for the affected states to challenge the recommendations by the Finance Commission when it calls for the mandatory enforcement of the recommendation. If the State is aggrieved by the recommendations given by the finance commission, it has to litigate in the Supreme Court as the GST Council is yet to establish a mechanism for resolving the differences in terms of Article 279A (11).

### **COMPETITIVE FEDERALISM:**

Despite the increase in the States' Central Tax revenue, the states are getting lesser revenue

than anticipated. Thus, the funds for welfare schemes have come down. The competition between the States is increasing the gap between the developed and under-developed states. The States like West Bengal, Assam, Bihar, and Orissa are against the unvarying method of funding because they are economically weaker compared to that of the other states and they now call for special funds to boost their economic growth and investors' inflow. These states require assistance from the Centre for their increased participation in the competitive federalism. The economic growth and development of India is not uniform in nature. They differ from state to state. The economically weaker states must not be treated as equals to that of the rich states. They must be given special attention by the Central Government so that they can co-operate with those State Governments for the overall development of the Nation. One cannot assume that all states will perform uniformly by giving them financial independence. Some may lack progress with regards to the literacy levels, employment rate, etc. , while the others may make use of their already well-developed skilled labour force, capital, infrastructure, etc. , to woo the investors into their jurisdiction. This, in other words, create an uneven economic growth and development of the Nation. In view of unprecedented COVID-19 situation faced by the entire country due to complete lockdown, the number of States suffered economically for collection of various taxes particularly entitlement of their respective shares under the GST and raised claim before the Centre Government for compensation and the Centre government has taken into consideration certain measures to look after the economic interest of various States.

Due to the above-mentioned factors, those states that lack economic development are not able to participate in the competitive federalism.

### **STEPS TO STRENGTHEN THESE CONCEPTS IN THE CONTEXT OF INDIA**

In 2017, NITI Aayog had called for Competitive Cooperative Federalism. For the inclusive growth of all states in India, there must be a mix of both the cooperative and competitive federalism. The aim of NITI Aayog is to encourage involvement and participation in the economic policy-making process, with emphasis towards making the country a cooperative federalism.

The NITI Aayog is a policy think tank of the Government of India, established in 2015 to replace the Planning Commission. NITI Aayog aims for the actualization of the Sustainable Development Goals in India and to enhance cooperative federalism by fostering the

involvement of State Governments of India in the economic policy-making process using a bottom-up approach.

The NITI Aayog had looked at only the big picture policy framework. It must also look at the smaller micro-details at the grass root levels to understand the uneven economic development of the nation. It works under the chairmanship of Prime Minister. NITI Aayog (National Institution for Transforming India) will seek to provide a critical directional and strategic input into the development process.<sup>12</sup>

Recently, the Inter-State Council which is mandated to investigate and advice on disputes between the States, has been reconstituted, with Prime Minister as its Chairman and Six Union Ministers and Chief Ministers of all States as its members. The ten other Union Ministers are also made permanent invitees to the council. This is a non-permanent constitutional body that was set up under the Presidential Order based on the provisions in Article 263 of the Indian Constitution. This is a step in the right direction.

There must be a sound mechanism to ensure cooperation between states on contentious issues on sharing of land, natural resources this will ensure the overall development of the nation.<sup>13</sup>

There must be discussions on issues related to WTO obligations, international treaties etc. , between the States and the Centre for further strengthening the concepts of cooperative federalism and inclusive economic growth.

The economically weaker states are complaining about the limitations of the process and procedures of the ease of doing business index. This must be resolved by making the ranking system more transparent and inclusive to strengthen competitive federalism.

## **CONCLUSION**

Cooperative and Competitive federalism cannot be successful if they are separated from each other. Both these concepts, though different, have the same goal – the economic growth and development of the overall Indian economy. Thus, an efficient mechanism must be made to bring them together for achieving the common objectives. Cooperative and

---

<sup>12</sup> <https://www.clearias.com/niti-aayog-think-tank-replace-planning-commission>

<sup>13</sup> <https://www.iasexpress.net/national-resources-efficiency-policy/>

competitive federalism are need of the hour without which it could not be possible to achieve the predetermined goals of constitution. But a balance needs to be maintained between them through various check points like judiciary and various council to check one's exaggeration.

Cooperative federalism will ensure that States specific needs are taken care in policy formulation and one size fit for all will not apply. For example, in the resource rich State of Jharkhand, the need is to attract private investment from mining and manufacturing. For this conducive environment (control on Naxalites) and technical education (open more technical institutions) shall get higher priority in policy formulation. This is very different from the needs of Kerala where most of educated people are jobless due to lack of high-end service industry. Competitive federalism will create a compulsion for state government to perform better than other states to attract future voters. This will boost innovation and efficiency in government delivery.

The critics of the Indian Federal system must not ignore the crucial fact that not only the Federal Government in India has been made deliberately strong and powerful, but there is also a centralizing tendency in the other Federal States of the world such as Switzerland, Australia, Canada and the United States of America. It is the time to undertake a study of Indian Federalism with a view to evaluate the trends, frictions and difficulties which have developed in the area of inter-governmental relations and to seek to evolve ways and means to meet the challenging task of making the Indian Federation a more sturdy, robust, strong and workable system so that the Country may meet the tasks of self-improvement and development.

The responsibility lies not only on the jurists and policy framers, but also the citizens of the Country to work in a harmonious manner for the development of Nation.

## REFERENCES

### Journal Articles

- Ambar Kumar Ghosh, "The Paradox of 'Centralised Federalism': An Analysis of the Challenges to India's Federal Design," ORF Occasional Paper No. 272, September 2020, Observer Research Foundation.
- National-State Relations: Cooperative Federalism in the Twentieth Century Joseph F. Zimmerman Vol. 31, No. 2, Essays in Memory of Daniel J. Elazar (spring, 2001), pp. 15- 30 (16 pages)
- The Efficacy Of Competitive And Cooperative Federalism In India And Its Implications2018 Ijert | Volume 6, Issue 1 March 2018 | Issn: 2320-2882
- A System Analysis Of Cooperative Federalism: The Disability Insurance Program As A Case Study. (1976), David Carl Baker, University Of Massachusetts, Amherst. Pg. 15

### References

- DD Basu, COMPARATIVE FEDERALISM,( 2nd Ed. , 2008), Wadhwa &Co. Nagpur.
- V. N. Shukla, CONSTITUTION OF INDIA, (12th Ed. , 2013), Eastern Book Company.
- H. M. Seervai, Constitution Law Of India: A Critical Commentary, (N M Tripathi ed,Bombay 1975)
- D. D. Basu, Shorter Constitution of India, (13th ed. , 2001)
- Vol. 1, H. M. Seervai, Constitutional Law of India, (4th ed. , 2007)

### Cases cited

- Ganga Ram Moolchandani v. State of Rajasthan AIR 2001 SC 2616
- ITC LTD v. Agricultural Produce Market Committee AIR 2002 SC 852
- State of West Bengal v. Union of India AIR 1963 SC 1241



- S. R. Bommai v Union of India AIR 1994 SC 1918

#### URL Links

- [https://link.springer.com/chapter/10.1057%2F9780230510388\\_10](https://link.springer.com/chapter/10.1057%2F9780230510388_10)
- <https://www.britannica.com/topic/federalism>
- <https://www.law.cornell.edu/wex/federalism>
- <https://www.lawctopus.com/academike/federalism-india-judicial-interpretation/#:~:text=State%20of%20Rajasthan%20the%20Supreme,States%20and%20existence%20independent%20judiciary.>
- [https://www.constitutionofindia.net/constitution\\_of\\_india/the\\_union\\_and\\_its\\_territories/articles/Article%201#:~:text=Draft%20Article%201%20\(Article%201,was%20a%20federation%20of%20states](https://www.constitutionofindia.net/constitution_of_india/the_union_and_its_territories/articles/Article%201#:~:text=Draft%20Article%201%20(Article%201,was%20a%20federation%20of%20states)
- [https://en.wikipedia.org/wiki/NITI\\_Aayog](https://en.wikipedia.org/wiki/NITI_Aayog)
- <https://timesofindia.indiatimes.com/topic/NITI-Aayoghttps://in.linkedin.com/company/nitiaayo>
- <https://www.clearias.com/niti-aayog-think-tank-replace-planning-commissionhttps://www.iasexpress.net/national-resources-efficiency-policy/>