



Institute of Social Sciences



**Embassy of the
Republic of the Sudan**

Training Programme for the Speakers of State Legislative Assemblies of the Sudan

Indian Federalism: Contemporary Trends and Issues



At the request of the Embassy of the Republic of the Sudan, the Centre for Multilevel Federalism (CMF), Institute of Social Sciences (ISS) organized a training programme for Speakers of State Assemblies of the Sudan from 30 November to 3 December, 2016. The theme of the training session was “**Indian Federalism: Contemporary Trends and Issues**”. This training was for 13 participants—11 Speakers of State Assemblies and two administrative officials. While the morning sessions were devoted to academic training, the site visits were organised in the afternoon. Prof Balveer Arora, was the Course Director.

The entire academic training consisted of four modules:

Module 1: Introduction to the Indian Federal System

Prof Balveer Arora discussed the evolutionary and devolutionary paths to Indian federalism stressing how India’s centralized federal union is firmly anchored in the constitution and it has deep roots in society. He then explained the asymmetrical nature of the federal system and multilevel governance. He also explained how the federal governance in India has helped address regional and income inequalities.

The training course explained at length mechanisms of inter-governmental interactions and cooperative federalism. Since States have emerged as motors of innovation, Centre-State relations have given way to inter-governmental interactions.

Module 2: Federal Finance: Allocation and Transfers

This module, presented by Prof O P Mathur, Senior Fellow, Institute of Social Sciences, dealt with the following questions:



Dr. Ash Narain Roy, Director, Institute of Social Sciences (1st from left), welcoming the delegates.
 From L to R: H.E. Mr. Sirajuddin Hamid Yousif, Ambassador of the Republic of the Sudan, Prof. Balveer Arora, Chairman, Centre for Multilevel Federalism, ISS and Mr. Ali Gariendi Naeim Hamadouk, Director-General, KATDRC

How does Federal India finance the production of public goods and services? What are the principles that underlie the division of tax powers between the federal government and state governments? What tax powers fall within the domain of local governments and what is the degree of autonomy they enjoy in fixing tax rates and jurisdiction? How are issues relating to the vertical and horizontal gaps addressed? What role does the Finance Commission constituted under article 280 of the Constitution play in determining the shares of the Federal and state and local governments? What is the role of State Finance Commissions in delineating the fiscal role of the states and local governments? What measures has Federal India taken to improve fiscal discipline and remove inter-state distortions caused by differential tax structures and overlapping tax responsibilities? What is the design (still tentative) of the Goods and Services Tax (GST) and what improvements will it bring about to India's indirect tax structure? This module also surveys recent developments in urban local finance system in the context of initiatives such as the Smart Cities, development of heritage cities, housing for all and clean India?

Module 3: Panchayati Raj - resources, duties, powers, responsibilities

Dr George Mathew, Chairman, ISS, took this module. He explained that grassroots democracy and local governments provide the base of Indian democratic system. The rural local governments are called *Panchayats* and the urban: Municipalities. India has 2,46,544 rural local governments and 4,041 municipal bodies. Every five years nearly 3 million representatives are elected to these local governments. Today 50 percent of the elected representatives in the local governments

are women. India's local governments are constitutional entities – 29 subjects are given to the rural local governments and 18 to the urban local governments according to the Constitutional provisions.

The basic principles of decentralized democracy in India are:

(1) Functional, financial and administrative autonomy; (2) Subsidiarity; (all that can optimally be done at the lowest level should be resolved at that level; only problems/issues that cannot be resolved should be passed to the higher levels); (3) Role clarity; complementarity (function of different tiers should not overlap); (4) Uniformity of norms and rules; (5) Maximum direct participation of people; (6) Accountability (continuous social auditing); and (7) Transparency.

In India's traditional society there were problems when women and representatives from lower strata of society were entering public life. But over the years Women's Political Empowerment is becoming a social reality because of Local Governments and grassroots democracy.

Module 4: Democracy, governance and public policy

Dr Ash Narain Roy, Director, Institute of Social Sciences covered the module. First, he presented the key points about federalism including its wide acceptability across the world. Federalism's appeal stems from the value it brings out. It also allows citizens to live their diversities in unity, allowing minorities to develop their own identities. Dr Roy stressed the point that democracy and federalism go together.



Certificate being presented to Ms. Amira Khalil Ahmed Hussien. From L to R: Dr. George Mathew, Chairman, Institute of Social Sciences, H.E. Mr. Sirajuddin Hamid Yousif, Prof. Balveer Arora, Dr. Ash Narain Roy, Mr. Ali Gariendi Naeim Hamadouk and Prof. O.P. Mathur, Senior Fellow, Institute of Social Sciences

He then spoke of Indian federalism being a success story because of institutional architecture and institutional gardening. Among the institutions that shape federalism's success, All India Services and unified judiciary saw detailed discussion.

The final part of Dr Roy's lecture dealt with public policy which is of paramount importance for carrying out development. As far as Indian experience is concerned, while the Central government produces broad framework of policies, the states follow them, though not blindly. The discussion shifted to Centrally sponsored programmes which assist states in fulfilling their constitutional responsibilities in areas of national priorities like education, health and agriculture.

The valedictory session was addressed by HE Mr. Sirajuddin Hamid Yousif, Ambassador of the Republic of the Sudan. He expressed happiness about this important training programme being organized by the Institute and expressed his confidence about continuing this programme. The participants received their certificates from Dr Ash Narain Roy, Director, ISS and mementoes from Dr George Mathew, Chairman, ISS.

An MOU was also signed between the Khubra Administrative Training and Decentralisation Research Centre, Khartoum. In a simple ceremony at the Embassy of the Republic of Sudan, the MOU was signed by Mr. Ali Gariendi Naeim Hamadouk, Director-General, KATDRC and Dr Ash Narain Roy, Director, Institute of Social Sciences.



A Memorandum of Understanding being signed between Institute of Social Sciences (ISS), New Delhi and Khubra Administrative Training & Decentralization Research Centre (KATDRC), Khartoum, The Sudan