

THE CHALLENGE OF MULTI LEVEL ENVIRONMENTAL GOVERNANCE IN INDIA

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India's Constitution and the country's political framework provide possibilities for multi-tiered environmental governance systems. However this possibility has not been sufficiently explored on account of decades of centralized governance of natural resources in the country, which in turn was largely prompted by the indifference of 'development starved' provincial governments towards environmental concerns. With the advent of global environmental agreements, the complexity of environmental governance has increased for India. The country's national development goals have to be not only situated within the matrix of the country's conservation goals, but also within the context of India's commitments to global conventions dealing with global commons. Locally designed plans can solve the riddle, if structured well. This paper outlines the problem at hand, and proceeds to lay out a system of multi- tiered environmental governance for India that reconciles national development and conservation objectives with global environmental concerns.

Keywords: Multi-level Environmental Governance, Global Public Goods, Local Self Governments, Transaction costs, Nested Systems

Introduction

The challenge of environmental governance lies in pursuing environmental goals within the overall fabric of a country's political, institutional and socio-cultural systems. A political order that is presaged on a unitary State that has homogenous socio- cultural formations, may not face serious complexities in environmental governance. For such a State, a standard 'one size fits all' administrative system can facilitate sustainable development. This is not true for a country like India. Apart from its burgeoning human population, the critical issue with a nation- State like India has been the existence of an amazing variety of natural regimes that has been subject to varying traditions of political and natural resource governance systems in the past. The wave of globalization and economic liberalization in the 1990s and the equally intense focus on global commons noticed in the closing decade of the 20th century, has added to the complexity of managing environmental resources in diversity countries like India. Today India is an emerging economy has catapulted itself to a higher

trajectory of economic growth since the 1990s, while at the same time, making serious efforts to conserve national, local and the global commons. By the closing decades of the 20th century, India had put in place, policies and programmes for achieving its multifarious environmental goals. These have assumed the shape of coherent national, sub- national and local level policies. However the larger task of breaking away from ‘sectoral’ or ‘compartmentalized’ approaches to the issue of commons remains to be achieved.

This paper briefly surveys the state of environmental governance in India against the backdrop of the country’s rising economic aspirations. The paper proceeds to outline the nature of a multi-level environmental governance framework that can ensure sustainable management of local, national and global commons in India.

The Context

A close reading of India’s Constitution indicates that the ideals of pluralism and diversity underpin our basic approach to environmental issues (Damodaran, 2012). India is a Union of States. The country represents a disaggregated federalism where powers devolve from the Central Government. Indeed India’s Constitution carries three lists viz Union, State and Concurrent. As far as the concurrent list goes it enables legislation to be also enacted by the Central (Federal) Government on subjects that were originally part of the State List. The subject of ‘Forests’ and ‘Environment Protection’ were brought into the Concurrent List with the 42nd Amendment to the India Constitution adopted in 1975. Thus in the period following this amendment, forests, wildlife and coastal areas were increasingly viewed as national public goods and were subjected to Federal Government regulations and Legislations.

India’s economic federalism has been consistent with the overall characteristic of its polity. Elastic tax revenues (such as Income/Corporate Tax and Central Excise duties) devolve on the Central Government. This contributes to a high resource base for the Federal Government. Resources so mopped up are distributed or transferred from Central Government to States, based on recommendations of the Central Finance Commissions, that are appointed every five years.

In the current scenario, India’s approach to environmental governance in general and global public goods in particular, needs to be situated against the backdrop of the globalization process, the country’s prowess in Information and Communications technology (ICT), its rurality, its civic communities, its environmental policies and structures of global environmental governance (Damodaran, 2010). One needs to look at the economic, political, and institutional play that has provided the context for addressing the global

environmental problems associated with climate change, biodiversity, desertification, and hazardous waste movements (ibid). Here one stumbles into a complex nation state where, despite the advent of the cyberspace and its seamless fantasies, Mahatma Gandhi and his 'village society' and methods of 'passive resistance', hold equal attraction (ibid).

India's Macro-Policy Framework

At the dawn of the 21st century, India's economy experienced accelerated growth rates in its Gross Domestic Product. From niggardly growth rates of 2-4% per annum, the India's annual economic growth rate went up to 8% – 10% per annum by 2008. Though the world economic crisis of 2008 slowed down the Indian economic growth story marginally, the fundamentals are strong, given the country's basic competitiveness in the services sector and the growing consumer base which is aided by the country's growing middle class segment and favorable demographics (It is reckoned that the percentage of population under 15 years is 33% as against China's 21%) that potentially raise the proportion of young and employable population in the coming decade.

The sustainability issues created by the favorable economic growth story have been equally challenging. Overall, India's population of 1.2 billion has been increasing at an annual growth rate of 1.58%. (IndiaNetzone, 2009). This has created a major challenge to its economic growth story. The rising consumerist base in emerging markets like India and China (Mostrous, Yiannis, Gue, & Mirtchev, 2006) has created conditions for unbridled growth in solid wastes in urban and peri-urban centers, serious shortage of energy resources, explosion of private road transport and immense pressures on land resources for infrastructural and industrial growth. At the same time, distribution of income and wealth has not been fair and the benefits of economic growth have not reached the rural and urban poor'. This creates major concerns about the social fall out of the growth model. Adding to the challenge are the threats of climate change, biodiversity loss and land degradation - concerns which though global in nature, are at the same time of central concern to India's economic and social well being. Thus sustainability poses to be a major challenge to India, requiring amongst other steps, new ways of governing the country's environmental resources. Figure 1 sums up the nature of the crisis of unsustainable growth India has been threatened with.

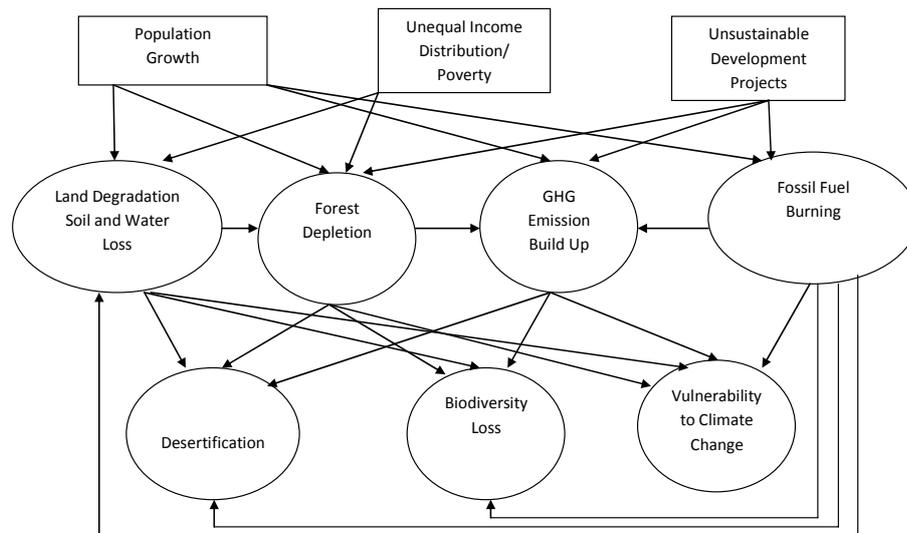


Figure 1. Sustainable Development: Anatomy of India's Pressure Points

As Figure 1 brings out, population growth, unequal income and unsustainable industrial production threaten India's environment. The three factors cause land degradation, depletion of forests and biodiversity with consequences to GHG emissions. The latter is also induced by burning of fossil fuel including coal and oil. India's environmental pressure points have the potential to contribute to desertification, biodiversity loss and climate change - matters which are addressed by the UN Convention to Combat Desertification (UNCCD), the Convention on Biological Diversity (CBD) and the UN Framework Convention on Climate Change (UNFCCC). Particularly vulnerable are fragile ecosystems and bio-geographic regions of India like the Western Ghats that have experienced high demographic and biotic pressures in recent times (Gadgil, 2011).

India's waste lands account for 63.85 million hectares which constitutes 20.16% of the country's geographical area (ICAR and NAAS, 2010). The figure includes degraded forest lands as well. Nearly 43 million hectares of the wastelands are in the reclaimable category, coming as they are cover lands that have lost out on 'productivity' due to biotic or climatic factors. In case adverse climatic and biotic factors faced by agro- ecosystems are not addressed by policies and governance mechanisms, it is likely that the reclaimable category of wastelands, will expand in area with passage of time. With intense rural and urban demographic pressures and unsustainable consumerism, it is likely that the area under wastelands will increase, unless corrective measures are undertaken. In other words, land degradation, agro-biodiversity erosion, depletion of forests

and GHG emissions (emanating from fossil fuel combustion) are matters of concern for national environmental governance as much as they are for the UNCCD, UNFCCC, and the CBD. While at the global levels, the three conventions work independently, at the national level, their concerns need to be integrated into the country's planning and development processes. The dangerous coupling of land degradation, biodiversity loss and carbon emissions mentioned in *Figure 1* assume significance here.

Current Policy Initiatives and their Limitations

India's National Environmental Policy 2006 was the first major effort on the part of Federal Government to integrate global and national environmental considerations into a policy framework for addressing the pressing sustainability problems facing the country. As *Figure 2* illustrates, the NEP has the potential to relate India's social and economic sector policies with climate, land degradation and biodiversity concerns, through National Action Plans and National Communications (NATCOM). *Figure 2* also illustrates the possibility of strategizing conservation of global public goods within the ambit of India's national economic aspirations and sustainable development plans. The approach spelt out in *Figure 2*, could thereby contribute to both national goals as well as to the fulfillment of the obligations to which India is subjected under the CBD, UNCCD and UNFCCC.

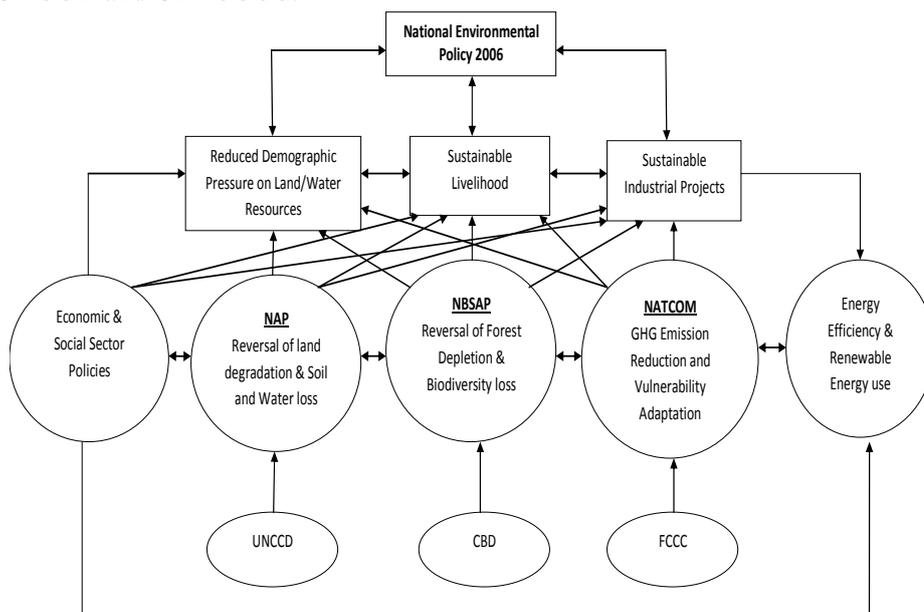


Figure 2. Integrating Global Public Goods to National Environmental Policies in India

Why Multilevel Environmental Governance?

It is often argued that the real merit of Multi-level environmental governance system is that it is sensitive to local conditions and inter-regional differences in conservation and resources consumption patterns. This is more so the case, with global public goods. However there are demonstrable cases where these location specific factors have been captured by federal Governments.¹ Therefore the main argument for multi level governance is to be located elsewhere. The main argument advanced here is that compartmentalized approaches towards global and national public goods entailed by centralized systems of governance is the main *raison d'être* for multi-level environmental governance.

The limitation of a centralized environmental policy structure is illustrated in *Figure 2*. As is brought out in *Figure 2*, 'sectoralism' is the bane of centralized approach to environmental governance. In such scheme of things, implementation of conservation schemes and emission reduction goals are compartmentalized through 'line departments'. Line departments view the 'problem at hand' within a narrow framework with scant regard to cross-cutting or overlapping factors and above all, 'local needs'. This limitation leads to high transaction costs by way of having to maintain centralized bureaucracies to implement project and programs. By contrast, decentralized natural resource management plans that are implemented by local self governments at the village or regional levels, can reduce transaction costs, besides being in consonance with local needs and sustainability aspirations.

Towards Multilevel Environmental Governance in India

Multilevel systems for environmental governance require adoption of non-compartmentalized approaches whereby local self governments design and implement schemes and programs. While at the federal level and sub-national levels, funds are allocated sectorally, the larger and more basic task of multi level environmental governance is to ensure that all development and conservation based funds are transferred from federal and provincial governments to local self governments at the village or village cluster levels. Such governing units are referred to as 'Gram' or 'Mandal Panchayats' in local parlance (Damodaran, 2006). The task of integrating the sectoral plans happens at the local self government level based on local plans already drawn up by these

¹ For instance Fisher and Chen (2011) state, how the issue of multilevel climate governance is complicated in China on account of inter-province differences in energy consumption profiles. As a result, China's federal government authority concerned worked hard to set different targets for 'saving energy' and carbon emission intensity for different provinces, that accounted for sub-national and regional differences (ibid).

bodies. Such a scheme accords well with what Berkes (1989) states as an inclusive approach to co-management whereby higher-level institutions can contribute to the enforcement and protection of local rights. In the case of shore areas of India, a system of nested institutions, based on decentralized management of natural resources, has been found to be useful. Indeed such an approach can be useful in resolving natural resource management issues in other agro ecosystems as well.

The other advantage of such a decentralized and ‘nested approach’ in coastal areas is that, this could facilitate empowerment of local communities and enhance their risk management capabilities. This, in turn, can ensure improved implementation of protection and conservation schemes in order to effectively manage natural disasters.

The more basic advantage of a nested approach is that it would permit a harmonious blending of goals of conserving global and local public goods within the development matrix of a village or a ‘cluster of similarly situated villages.

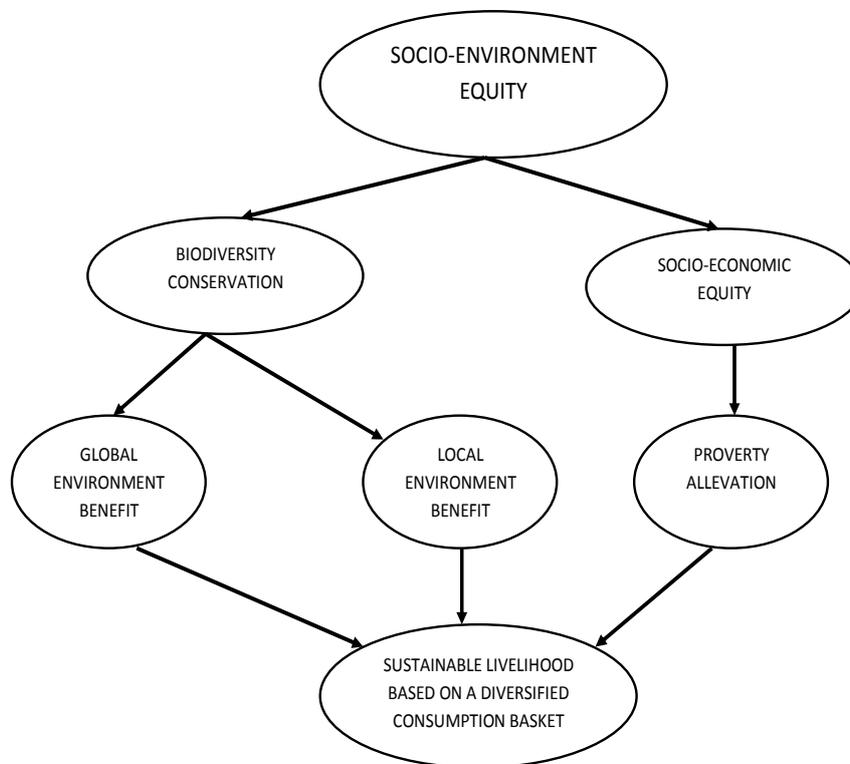


Figure 3. The Paradigm of Socio-Environmental Equity

Note. Figure based on Damodaran, 2001.

Indeed as Figure 3 depicts, it is possible for a locally conceived village development plan to encompass livelihood and poverty alleviation concerns with biodiversity concerns². In this manner inter- Convention synergies are captured, at the lowest point where conservation activities take place.

Concluding Thoughts

The paper argues the case for a multi-tiered environmental governance system for India based on locally prepared and implemented plans that harmoniously blend conservation goals relevant to multilateral environmental agreements with local conservation plans which focus on sustainable development and livelihood protection. Such plans, being holistic and sensitive to local aspirations, have a higher probability of effective and efficient implementation. More fundamentally they achieve inter- convention synergies at the local level. As noted elsewhere (Damodaran, 2006), in practical terms, this means that local self-governing agencies could facilitate 'co-management' of resources in the area based on the principle of nested representation. In the context of coastal ecosystems, this further means that local self-governing agencies that perform operational management functions at the local level would report on observance of shore zone guidelines and other protection schemes to the provincial and federal governments. Such an arrangement will induce reverse flow of opinions from local communities to federal governments and to global bodies that administer multilateral environment agreements.

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² Village level plans designed by villagers have the additional advantage of capturing indigenous knowledge in local plans and interventions (Gadgil, Berkes, & Folke, 1993). More fundamentally, such village level plans can ensure that development and environment schemes realize mutual benefits, than work in compartments and at cross- purposes.

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