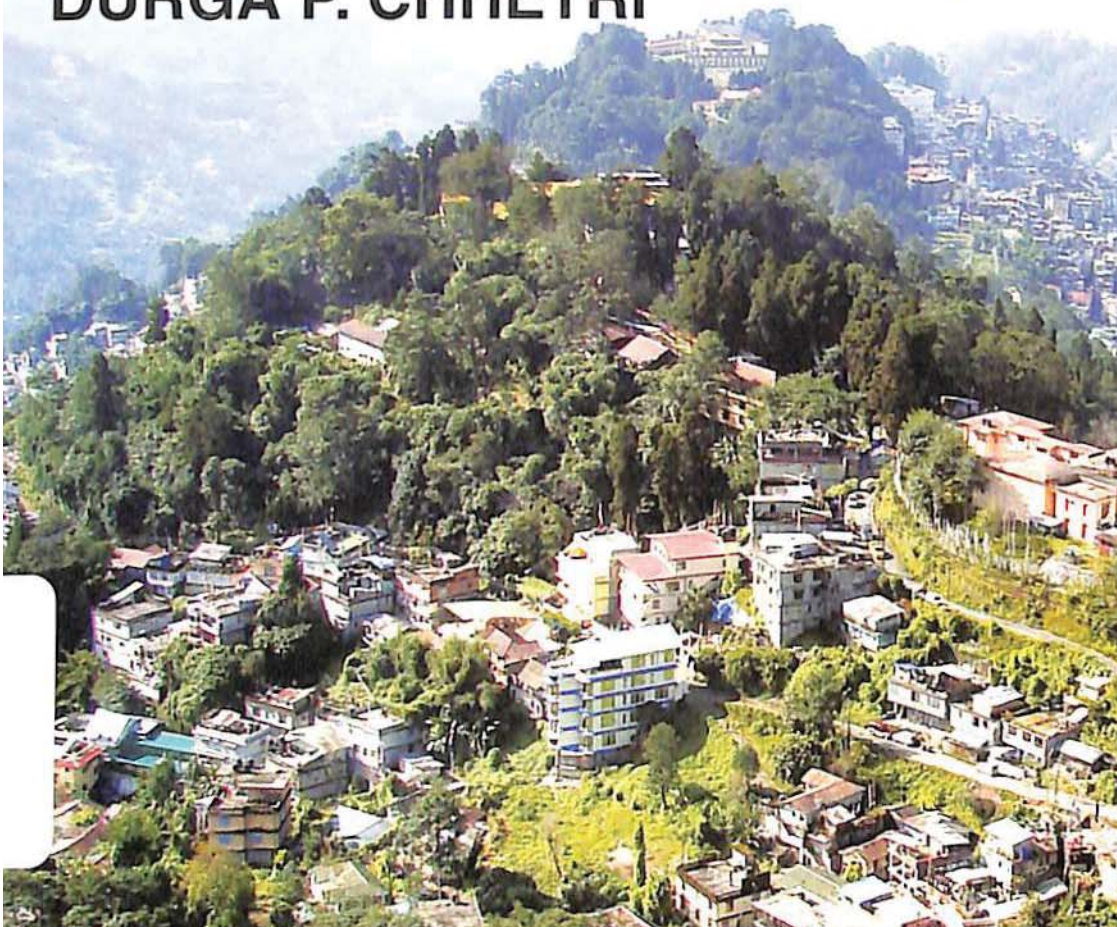


A MITTAL PUBLICATION

DECENTRALISED GOVERNANCE AND DEVELOPMENT IN INDIA

DURGA P. CHHETRI





DURGA P. CHHETRI (b. 1974) is Assistant Professor in Political Science at Southfield College (formerly Loreto College), Darjeeling, West Bengal. He has obtained M.A., M.Phil and Ph.D degree from Department of Political Science, University of North Bengal. His areas of academic interest include 'decentralisation', 'governance', 'gender studies', 'rural development' and 'social exclusion and inclusion'. He has published on a range of issues like grassroots democracy, politics of social inclusion, women empowerment, decentralisation and participation.

ISBN 81-8324-406-8

DECENTRALISED GOVERNANCE AND DEVELOPMENT IN INDIA

WITH SPECIAL REFERENCE TO SIKKIM

DURGA P. CHHETRI



MITTAL PUBLICATIONS
NEW DELHI (INDIA)

No part of this work may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical photocopying, recording or otherwise, without the prior written permission of the copyright owner and the publisher.

First Published 2012

© Durga P. Chhetri

All rights reserved

ISBN 81-8324-406-8

Call No.: 320.80954
Acc No.: 35950

Published and printed by Krishan Mittal for Mittal Publications
4594/9, Daryaganj, New Delhi - 110002, India
Phone: 23250398, 41564398 **Telefax:** 91-11-25351521
e-mail : info@mittalbooks.com / mittalp@ndf.vsnl.net.in
Website : www.mittalbooks.com

CONTENTS

<i>Preface and Acknowledgements</i>	xiii
<i>List of Tables, Figures, Charts and Boxes</i>	xvii
<i>Abbreviations</i>	xxv
1. INTRODUCTION	1
Decentralisation: Theoretical Understanding	3
Review of Literature	7
Significance of the Study	20
Research Questions	20
Methodology of the Study	21
The Sample	21
Structure of the Study	22
2. DEMOCRATIC DECENTRALISATION IN INDIA: AN OVERVIEW	29
Introduction	29
Perceived Advantages and Disadvantages of Decentralisation	32
Advantages	32
Disadvantages of Decentralisation	33
Genesis	36
Mayo's Resolution of 1870	39
Lord Ripon's Resolution 1882	40
Royal Commission on Decentralisation (1909)	41
Government of India Resolution of 1915	42
Government of India Act 1919	42
Government of India Act 1935	43
Mahatma Gandhi and Decentralisation	43
Debating Rural Decentralisation	44
Community Development Programme and Decentralisation	47
Balwantrai Mehta Committee and Decentralisation	49
Santhanam Committee 1963	51
Asok Mehta Committee (1978)	52
GVK Rao Committee (1985)	53

L.M. Singhvi Committee (1986)	54
64th Constitutional Amendment Bill 1989	54
74th Constitutional Amendment Bill 1990	55
73rd Constitutional Amendment Act 1992	55
Rationale for Constitutional Amendment	55
Features of 73rd Amendment Act	56
District Planning Committee	60
Panchayat in Scheduled Areas	60
Recent Initiatives on Rural Decentralisation	65
National Commission to Review the Working of Constitution (NCRWC) 2002	66
Ministry of Panchayati Raj (MoPR)	67
Round Table Conferences	67
Activity Mapping	67
3. DEMOCRATIC DECENTRALISATION IN SIKKIM: A HISTORICAL SETTING	81
SECTION I	82
Sikkim: A Profile	82
Demographic Characteristics	82
Climate and Rainfall	82
Land and Rivers	83
Vegetation	84
Flora and Fauna	84
Administration	85
North East Council	86
SECTION II	87
Phuntsog Namgyal, first Chogyal and Decentralisation	87
Chhodu System	90
Dzumsa System	92
Power and Function of Pipon	94
Gyapon	94
Gaon/Community Panchayat	95
Decentralisation during British Period	97
Tashi Namgyal, the Eleventh Chogyal and the Decentralisation Efforts	104
Royal Proclamation 1953 and the State Council	108
Executive Council	109
Advisory Committee	110
Dyarchy	110
Reorganisation of Secretariat	111

Planning	112
District and Local Administration	114
District Administration	117
Revenue Functions	118
Magisterial Functions	119
Executive Functions	119
Palden Thondup Namgyal and Decentralisation	120
Legislative Assembly	122
Advisory Council	123
Chief Executive	124
District Administration	125
Village Administration	127
Department of Panchayat	131
Bazaar Committee Act 1969	131
SECTION III	133
Decentralisation Reforms in Post-merger Period in Sikkim	133
The Government of Sikkim Act 1974	133
State Secretariat	135
District Administration	136
Village Administration	139
Transferred Functions of Gram Panchayat	143
Transferred Functions Zilla Panchayat	148
4. DECENTRALISED GOVERNANCE : CURRENT STATUS AND PROSPECTS	161
Gram Sabha	165
Gram Sabha and Sikkim Panchayat Act (1993)	166
Gram Sabha Meeting	167
Powers and Functions of Gram Sabha	170
Ward Sabha	171
Gram Panchayat	172
Functionaries	173
Panchayat Secretary (Sachiva)	175
Rural Development Assistant (RDA)	176
Zilla Panchayat	176
Functionaries	178
Sachiva	178
Delimitation of Constituencies	179
Election	179
Representation of marginalized sections of society	184
Women Participation, Empowerment and Panchayat	186
Balwantrao Mehta Committee (1957)	187

Committee on the Status of Women in India (1975)	188
Asok Mehta Committee (1977)	188
National Perspective Plan for Women (1988-2000)	188
The Constitution 64th Amendment Bill, 1989	189
The Constitution 73rd Amendment Act, 1993	189
Devolution of Functions	193
Financial Devolution	200
Allocation of Funds	204
Grants-in-aid	205
State Control over PRIs	206
Institutional Control	207
Administrative Control	208
Technical Control	208
Financial Control	208
Techniques of Control and SPA 1993	208
District Planning Committee	210
Limitation of District Planning	214
Activity Mapping	215
Capacity Building	219
State Finance Commission	223
First State Finance Commission (SFC)	228
Second Generation State Finance Commission	230
5. GOOD GOVERNANCE AND DEMOCRATIC DECENTRALISATION	
Meaning of Governance	239
Good Governance	241
On Defining Good Governance	242
Parameters of Good Governance	243
Good Governance and Decentralisation: Relations	244
Good Governance in Sikkim	245
Accountability	246
Vigilance committees	250
Beneficiary Committee	250
Audit	250
Transparency	252
Right to Information	253
Participation	254
Democratisation	258
Legitimacy	261
Devolution	261
Decentralisation	263
Citizen's Charter	266

Law and Order	268
Civil Society	270
E-Governance	273
Budget	275
LAN/WAN	275
Single Window Service (SWS)	276
Website	276
Tourism Department	276
On line Treasury	277
Driving Licenses and Registration	277
E-Panchayats	277
Conclusion	277
6. RURAL DEVELOPMENT AND POVERTY ALLEVIATION	285
Rural Development in Sikkim	290
Agriculture	291
Horticulture and Floriculture	293
Rural Development and Planning	296
Rural Development Programmes	301
Integrated Rural Development Programme (IRDP)	303
Training of Rural Youth for Self-Employment (TRYSEM)	304
Development of Women and Children in Rural Areas (DWCRA)	304
Jawahar Rozgar Yojana (JRY)	305
Employment Assurance Scheme (EAS)	306
Indira Awas Yojana (IAY)	307
Rural Housing	307
National Old Age Pension Scheme	308
Swarnajayanti Gram Swarozgar Yojana (SGSY)	308
Sampoorna Grameen Rozgar Yojana (SGRY)	310
Pradhan Mantri Gram Sadak Yojana (PMGSY)	311
Rural Water Supply	313
Rural Sanitation	313
Nirmal Gram Puraskar	315
National Rural Employment Guarantee Scheme (NREGS)	315
Chief Minister's Self Employment Scheme (CMSES)	317
Land Bank Scheme	318
Mukya Manti Antyodaya Annadan Yojana (MMAAY)	319
Mukya Mantri Khadya Suraksha Abhiyan (MMKSA)	319
Rural Development and People's Participation	319

Participation in Planning and Decision-making	321
Participation in Implementation	322
Participation in Monitoring and Evaluation	323
Participation in Benefit Sharing	323
Rural Development and Panchayat	324
7. DEMOCRATIC DECENTRALISATION, GOOD GOVERNANCE AND RURAL DEVELOPMENT : LESSONS FROM THE FIELD	333
Profile of sample Gram Panchayats Unit (GPU)	334
Socio-economic Status of Officials	336
Socio-economic Status of Panchayat Representatives	351
Socio-economic Status of the Common Citizens	364
Tinik Chisopani (South)	364
Maneybong Sophaka (West)	364
Tathangchen Syari (East)	366
Rongong Tumlong (North)	367
8. SUMMARY AND CONCLUSION	389
Major findings of the Study	392
Officials	392
PR Representatives	394
Common Citizens	397
Concluding Observations	400
<i>Select Bibliography</i>	407
<i>Index</i>	433

PREFACE AND ACKNOWLEDGEMENTS

Decentralisation is one of the most popular as well as much debated issues in the literature of development planning in both federal and unitary system of governance. Since World War II, there has been a pronounced move towards decentralisation all over the world. Many third world countries after their independence establish the decentralised governance system for the overall development of the country. To quote a recent World Bank study, 'Out of 75 developing and transitional countries with populations greater than 5 million, all but 12 claim to have embarked on some form of transfer of political power to local units of government'. In the case of India, democratic decentralisation is a part of a large struggle for self-reliance and attempt to involve and mobilize people towards socio-economic reconstruction. The panchayat in India provide the institutional frame to the concept of democratic decentralisation in rural areas. The advocates of decentralisation believe that decentralisation with local institutions that work in a devolved manner could chart a path for achieving goal of good governance and development. To achieve this goal, the Constitution (73rd Amendment) Act was passed in 1992. The Act for the first time accords the constitutional status to the panchayat in the country. As a sequel to this Act, many states in the country enacted a conformity Act to establish and strengthen the PRIs as genuine structures of decentralised governance.

Sikkim being one of the youngest states of Indian Union is no exception to this general global and Indian trend. Many initiatives were undertaken for the decentralisation of power by the Sikkim government both before and after merger to India. Along with decentralisation, many developmental programmes were launched in the state which is committed to the improvement in quality of life of the people and fulfilling the agenda of good governance.

The primary objective of the present study is to understand the ground realities of decentralised governance in the state. The study

focuses mainly on decentralisation, good governance and rural development in Sikkim. The study seeks to find out the progress of decentralisation and its impact on good governance and rural development. The study is based on the field survey of four GPU from four districts of Sikkim.

The book has been organised into eight chapters. The first chapter deals with the theoretical perspective of the study that comprises the statement of the problem, the objective of the study, method and an assessment of the conceptual and theoretical issues put forward by scholars in current literature.

The second chapter deals with the historical evolution of democratic decentralisation in India. It shows that how, over the years, the democratic decentralisation has developed in India and also provides an overview of the central Amendment Act.

Chapter three examines the emergence of democratic decentralisation in Sikkim. It provides an account of the status of decentralisation during pre-Chogyal period, Chogyal period, British period and post-merger period.

Chapter four is devoted to Decentralised Governance in Sikkim: current status and prospects. Chapter five contains Good Governance and Democratic Decentralisation in Sikkim. Chapter six deals with Rural Development and Poverty Alleviation in Sikkim. Chapter seven deals with Democratic Decentralisation, Good Governance and Rural Development in Sikkim- Lessons from Field. Chapter eight is devoted to summary of Findings and Conclusion.

In course of the completion of the study I have received enormous help, assistance and cooperation from various organisations and individuals. I shall be failing in my duty, if I do not record my appreciation for them.

At the outset, I must express my deep sense of gratitude to my supervisor, Dr. M. Yasin, Professor and Head, Department of Political Science, University of North Bengal for his scholarly guidance, sustained encouragement and valuable suggestions to understand the area of research both conceptually and operationally. His immense insight, continuing and sustained guidance have been of great help for me to complete this work. I also express my gratitude to Mrs S. (Dasgupta) Yasin for her affection, hospitality and generosity.

I would like to express my gratitude to my co-supervisor Dr. P.K. Sengupta, Professor, Department of Political Science and

ex-Dean of Arts, Commerce and Law, University of North Bengal for his guidance, support and encouragement in completing the present work. I am also grateful to all of my teachers in the Department of Political Science, University of North Bengal for their support, inspiration and encouragement.

I am very much obliged to Shri. V. B. Pathak, former Secretary RMDD, Shri P.T. Euthenpa, Special Secretary-cum-Director (Panchayat), Shri, P. Tamang, Special Secretary, Department of Culture, Shri T.W. Khangsarpa, former Joint Secretary RMDD, Mrs. Annapurna Alley, former Deputy Secretary (RMDD) and present SDM, Namchi, Shri M.P. Kharel, Principal, Sikkim Government College, Tadong, Shri, N. Alley, Joint Director, DESME, Ms. Yangchen D. Tamang, SDM (HQ), Namchi and Shri Bhaichung Bhutia (UDC) of RMDD for extending their help, assistance and cooperation in procuring some of the relevant documents related to my research work.

I am equally indebted to Dr A.B. Karki, Sub-Divisional Magistrate, Gangtok, Shri Karma S. Bhutia, Assistant Professor in Political Science, Shri. Bala R. Pandey, Assistant Professor in Nepali of Sikkim Government College, Tadong, Prof. Ramesh Dural, presently the Assistant Professor in Political Science, North Bengal University, Shri Anil Rajak, Assistant Professor in Political Science, Kaliaganj College, North Dinajpur, Shri Lalit K. Gurung, P.S. to Minister, Industries and Excise Department, Shri Mahindra Gurung, L.D.C. to Minister, Industries and Excise Department, for their formal and informal support and assistance in shaping the study in its present form.

I am also obliged to Shri A.B. Subba, Assistant Professor, Department of Language (Limboo), Sikkim Government College, Tadong for his continuous support, inspiration and encouragement in completing my research work. He has always helped me by providing very important documents, books and articles related to my research work.

I am also thankful to the Shri Shanta Pradhan, former Director, SIRD and present DM of West District of Sikkim and other faculty members and staffs of SIRD, Karfectar, Jorethang South Sikkim.

I am grateful to Dr Jas Yonjan, former Principal of Bijanbari College for his constant inspiration, support and encouragement to me for the completion of work. I am grateful to Dr Kabita Lama, Assistant Professor in Nepali of Bijanbari College for extending her helping hand to me by providing valuable documents and material

relating to my work. I take this opportunity to express my gratefulness to other teaching and non-teaching staff of College for their suggestions and encouragement.

I am indeed grateful to all the respondents, political functionaries and officials, for sparing their valuable time and responding to my questionnaire and also having a free and frank discussion on the problems. I would like to extend my personal thanks to Shri Lakpa G. Sherpa, Post-Graduate Teacher, Phodong Sr. Secondary School and Shri D.R. Khulal Chief Life Insurance Advisor (CLIA) of Dentam for extending their helping hand to me at the time of field survey. It would not have been possible for me to complete this work without their sincere cooperation.

I extend my thanks to the staff of the Central Library of the University of North Bengal, Central Library and Academic Staff College Library of Jawaharlal Nehru University, New Delhi, National Archives of New Delhi, State Archives of Sikkim, District Library of Gangtok and Namchi for their assistance in getting the required and relevant books, periodicals, journals and important materials with utmost care and promptness.

I would like to thank Mr. Pranit Pradhan for helping me in completing the entire printing work and also computerizing my field data.

I would like to put on record my heartfelt gratitude to my Mother, Brothers, Sisters, Sisters-in-law and other family members for their constant support, inspiration and encouragement in completing my work.

Finally, I am highly thankful to Mr. Krishan Mittal of Mittal Publications, New Delhi for readily agreeing to publish this book and bringing it out in its present form in a short period of time.

DURGA P. CHHETRI

LISTS OF TABLES, FIGURES, CHARTS AND BOXES

TABLES

1.1	Summary Profile of Sample Study Area	22
2.1	Motivations for Decentralisation	34
2.2	Composition of Panchayats in India	64
2.3	Round Table Conference on Panchayati Raj	68
2.4	Progress of Activity Mapping in different States	69-72
3.1	Average Annual Rainfall	83
3.2	Classification of Vegetation	84
3.3	Birth and Death Registration during 1932-33	103
3.4	Sector wise Allocation of Plan (1961-66)	113
3.5	Distribution of Seats in Sikkim Council (1967)	121
3.6	Party Position in Executive Council (1970)	121
3.7	Division of Country: District wise	125
3.8	District wise break up of Panchayats in 1965	130
3.9	District wise distribution of Bazar Area (1969)	131
4.1	Distribution of Gram Panchayats by District	164
4.2	Pattern of Convening Gram Sabha Meeting	167
4.3	District wise number of Gram Sabhas and members	170
4.4	Variation in the number of Wards	172
4.5	District wise distribution of GPU, Wards and Block in Sikkim	173
4.6	Constituency wise (Legislative Assembly) list of PRIs in Sikkim	174
4.7	District wise information of members of GP in the State	175
4.8	District wise information of President (Sabhapati) of GP in Sikkim	175

4.9	District wise distribution of Zilla Panchayat, territorial ward and Block in Sikkim	177
4.10	District wise information of member of ZP in Sikkim	177
4.11	District wise information of Adhakshayay of ZP in Sikkim	178
4.12	Caste and Sex wise PR Representatives (elected) in Sikkim at Gram Panchayat Level	180
4.13	Caste and Sex wise PR Representatives (elected) in Sikkim at Zilla Panchayat Level	181
4.14	States holding Panchayat Elections with Political Party Official Participation	181
4.15	Elected PR Representatives in Sikkim Party wise Position at Agram Panchayat & Zilla Panchayat	183
4.16	Elected member in the Panchayats	186
4.17	State-wise Distribution of Elected Women Members	190
4.18	Women Representation in PRIs in Sikkim	191
4.19	Details showing the numbers of posts occupied by Women Representative as: (A) President, Vice President and Secretary in Gram Panchayats (B) Adhakshaya and up Adhakshaya in Zilla Panchayats	191
4.20	Powers of the Panchayats as Delineated in the SPA 1993	197
4.21	List of functions of line department transferred to Panchayats	198
4.22	Panchayat with Overlapping Tax Assignments (Sikkim)	204
4.23	Criteria adopted in the distribution of Funds to ZP & GP	205
4.24	Grants Devolution during the period 2004-05 to 2006-07	206
4.25	Year wise devolution of Grants to Panchayat	206
4.26	Item wise Expenditure of Grants	207
4.27	Status of District Planning Committees (Art 243-ZD)	211
4.28	Activity Mapping for PRIs in Sikkim	218-219

List of Tables, Figures, Charts and Boxes / xix

4.29	Training Programmes Conducted at SIRD	222
4.30	Training Programme Conducted (2006-07)	223-224
4.31	Status of SFC	227
6.1	Sikkim and India: Salient Feature of Development	291
6.2	Land Use Patterns in Sikkim	292
6.3	Food Production in Sikkim – 2006-07	292
6.4	Budget Expenditure on Agriculture	293
6.5	Plan Investment in Agricultural Activities	293
6.6	Horticulture Production from 1975-76 to 1995-96	294
6.7	Area, Production and Productivity of Major Horticulture Crops	294
6.8	Percentage of families below the Poverty line in Sikkim	295
6.9	Plan Allocation	299
6.10	Sectoral and Sub-Sectoral Plan Allocation in Sikkim (1954-2002)	301
6.11	Tenth Plan (2002-2007) Outlays – Sikkim State	301
6.12	Sikkim: Number of Families Assisted under IRDP (1980-1999)	304
6.13	Youth Trained under TRYSEM	304
6.14	Groups formed under DWCRA	305
6.15	Mandays of Employment Generated under JRY/JGSY	306
6.16	EAS Fund Utilization & Mandays Generated	306
6.17	Physical & Financial Achievement under IAY	307
6.18	Status of the district wise coverage of the Programme	308
6.19	District wise number of Beneficiaries under OAP	308
6.20	Financial Progress under SGSY in Sikkim (2003-2005)	309
6.21	Physical Progress under SGSY in Sikkim (2003-2005)	309
6.22	Financial Performance under SGRY in Sikkim (2003-2005)	310
6.23	Physical Performance under SGRY in Sikkim (2003-2004)	310

6.24	Statement Showing Expenditure & Physical Achievement under SGRY	311
6.25	Budget Allocation (PMGSY)	311
6.26	Length and Cost of Rural Roads Required for New Connectivity under PMGSY in Sikkim	312
6.27	District wise Status of Coverage of PMGSY	312
6.28	Statement showing Physical & Financial Progress under PMGSY in Sikkim (Phases I to III + ADB/WB)	312
6.29	Status of Coverage (RWS)	313
6.30	District-wise Status of Coverage of the Rural Water Supply Programme	314
6.31	District-wise Status of Coverage of Total Sanitation Programme	314
6.32	Employment Generation under NREGA during 2007-08 in Sikkim	316
6.33	Financial Performance under NREGA during the year 2007-08 in Sikkim	317
6.34	Number of Beneficiaries	318
7.1	Area and Population wise distribution of four sample GPU	335
7.2	Distribution of Workers in four sample GPU	336
7.3	Socio- Economic Status of Officials	337
7.3 (1)	Awareness about PR System in Sikkim	338
7.3(2)	Awareness about Power and function of PR Representatives	339
7.3(3)	Knowledge about the Devolution and XI Schedule	339
7.3(4)	Powers and Functions	340
7.3(5)	Satisfaction on the Functioning of Gram Panchayats	340
7.3(6)	Panchayat's Finance	341
7.3(7)	Meeting of Gram Sabha and Gram Panchayats	341
7.3(8)	Participation in meeting of Gram Sabha and Gram Panchayat	341
7.3(9)	Coordination between two-tier of PR	342
7.3(10)	Proxy Representation	342

7.3(11)	Impact of Reservation	343
7.3(12)	Participation of Political Parties	343
7.3(13)	Decentralisation for Good Governance	344
7.3(14)	Devolution of Powers	343
7.3(15)	Transparency	345
7.3(16)	Panchayat: Instrument for RD	345
7.3(17)	Awareness of RD Programmes	346
7.3(18)	RD Programme- Beneficial for rural people	346
7.3(19)	Formulation of RD Programmes	347
7.3(20)	Implementation of RD Programmes	347
7.3(21)	Planning from below	348
7.3(22)	Satisfaction on the system of Implementation	348
7.3(23)	Present structural arrangement for Programme implementation	349
7.3(24)	Lack of Accountability	349
7.3(25)	Lack of People's Assertness	349
7.3(26)	Gram Sabha's Role	350
7.3(27)	State Control	350
7.4	Socio-Economic Status of PR Representatives	351
7.4(1)	Awareness about PR System in Sikkim	352
7.4(2)	Awareness about Powers and functions	352
7.4(3)	Knowledge about the Devolution of Functions	352
7.4(4)	Powers and Functions	353
7.4(5)	Satisfaction on the Functioning of Gram Panchayats	353
7.4(6)	Panchayat's Finance	354
7.4(7)	Meeting of Gram Sabha and Gram Panchayats	354
7.4(8)	Participation in meeting of Gram Sabha and Gram Panchayat	354
7.4(9)	Coordination between two-tier of PR	355
7.4(10)	Proxy Representation	355
7.4(11)	Impact of Reservation	356
7.4(12)	Participation of Political Parties	356
7.4(13)	Decentralisation for Good Governance	357

7.4(14) Devolution of Powers	357
7.4(15) Transparency	358
7.4(16) Panchayat: Instrument of Rural Development	358
7.4(17) Awareness of Rural Development Programmes	359
7.4(18) RD Programme-Beneficial for rural people	359
7.4(19) Formulation of RD Programmes	360
7.4(20) Implementation of RD Programmes	360
7.4(21) Planning from below	361
7.4(22) Satisfaction on the system of Implementation	361
7.4(23) Present structural arrangement for Programme implementation	362
7.4(24) Lack of Accountability	362
7.4(25) Lack of people's assertness	363
7.4(26) Gram Sabha's Role	363
7.4(27) State Control	364
7.5 Socio-Economic Status of Common Citizens	365
7.5(1) Awareness about PR System in Sikkim	368
7.5(2) Awareness about Power and function of PR Representatives	369
7.5(3) Knowledge about the Devolution of Function to Panchayats	369
7.5(4) Powers and Functions	370
7.5(5) Satisfaction on the Functioning of Gram Panchayats	371
7.5(6) Panchayat's Finance	372
7.5(7) Meeting of Gram Sabha and Gram Panchayats	372
7.5(8) Participation in meeting of Gram Sabha and Gram Panchayat	373
7.5(9) Coordination between two-tier of PR	374
7.5(10) Proxy Representation of women	375
7.5(11) Impact of Reservation	375
7.5(12) Participation of Political Parties	376
7.5(13) Decentralisation for Good Governance	377
7.5(14) Devolution of Powers	377
7.5(15) Transparency	378

List of Tables, Figures, Charts and Boxes / xxiii

7.5(16) Panchayat Instrument of RD Programmes	379
7.5(17) Awareness about RD Programme	379
7.5(18) RD Programmes: Beneficial for Rural People	380
7.5(19) Formulation of RD Programmes	381
7.5(20) Implementation of RD Programmes	381
7.5(21) Planning from Below	382
7.5(22) Satisfaction on the Implementation of RD Programmes	383
7.5(23) Present structural arrangement for Implementation of Programmes	383
7.5(24) Lack of Accountability	384
7.5(25) Lack of People's Assertness	385
7.5(26) Gram Sabha	386
7.5(27) State control	386

FIGURES

3.1 State Council: Composition	105
3.2 Organisational Structure of Administration in Sikkim before 1975	126
4.1 Capacity Building for Genuine PR System	222
4.2 Making SFC Mechanism the Focal Point of Fiscal Decentralisation	228

CHARTS

4.1 Distribution of Rural Local Bodies in Sikkim	164
4.2 Structure of PR System in Sikkim	165

BOXES

3.1 Structure of Government	110
4.1 Tax and Non-Tax Assigned to GP	203

ABBREVIATIONS

AAY	Antyodaya Annadan Yojana
ARWSP	Accelerated Rural Water Supply Programme
BDO	Block Development Officer.
BPL	Below Poverty Line
CDP	Community Development Programme
CFC	Central Finance Commission
DC	District Collector
DDP	Desert Development Programme
DDO	District Development Officer
DM	District Magistrate
DPAP	Drought Prone Area Programme
DPC	District Planning Committee
DPO	District Planning Officer
DWCRA	Development of Women and Child of Rural Areas
EAS	Employment Assurance Scheme
FFW	Food For Work
GKY	Ganga Kalyan Yojana
GOI	Government of India
GP	Gram Panchayat
HADP	Hill Area Development Programme
HDI	Human Development Index
IAY	Indira Awas Yojana
IEC	Information, Education and Communication
IRDP	Integrated Rural Development Programme
JRY	Jawahar Rozgar Yojana
JGSY	Jawahar Gram Samridhi Yojana
MFAL	Marginal Farmers and Agricultural Labourers

MMAAY	Mukhya Mantri Antyodaya Annadan Yojana
MoPR	Ministry of Panchayati Raj
MWS	Million Wells Scheme
NOAPS	National Old Age Pension Scheme
NREGS	National Rural Employment Guarantee Scheme
PMGSY	Pradhan Mantri Gram Sadak Yojana
PO	Programme Officer
PRI	Panchayati Raj Institution
REC	Rural Electrification Corporation
RGGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
SC	Scheduled Caste
SDM	Sub-Divisional Magistrate
SFC	State Finance Commission
SFDA	Small Farmer development Agency
SGRY	Sampoorna Grameen Rozgar Yojana
SGSY	Swarnajayanti Gram Swarozgar Yojana
SHG	Self Help Group
SIRD	State Institute of Rural Development
SITRA	Supply of Improved Toolkits to Rural Artisan
TADP	Tribal Area Development Programme
TRYSEM	Training of Rural Youth for Self-Employment
ST	Scheduled Tribes
TSC	Total Sanitation Campaign
UN	United Nations
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VLW	Village Level Worker
ZP	Zilla Panchayat

INTRODUCTION

The notion of decentralisation and good governance are prominent in contemporary development discourse. It is now widely accepted that to be effective, governance should be pluralistic; authority should be spread across many levels and across 'multiple centers of authority' (Hooge and Marks 2003). India, considered as the largest democracy in the world, has had a long history of theory and practice in the field of decentralisation. Panchayats meaning 'assembly of five people', provide the institutional frame to the concept of democratic decentralisation in rural India. Since independence several attempts have been made to revitalize the system by constituting different committees and commissions. India has reached a landmark in the progress towards democratic decentralisation in 1992 when parliament passed a Constitution (73rd Amendment) Act. As a result, Panchayati raj institutions in the country are accorded with the constitutional status and came to be regarded as third tier of governance.

The most important thing in our country is that the majority of the people live in rural areas. The rural development thus becomes the foremost task of public policies. And development in India will have relevance only when people in the rural areas are made its beneficiaries. Thus, to achieve the goal of development, the decentralisation of power to the local bodies is necessary which generates the people's participation and help in the implementation of rural development programmes. Indeed, decentralisation and good governance have been the *sine quo non* for development in the developing countries in general and India in particular.

Sikkim, the erstwhile Himalayan kingdom, entered into the mainstream of Indian Union in May 1975 as a 22nd state. Prior to its merger, Sikkim was essentially a theocratic, feudal, agrarian and underdeveloped country and it had remained administratively in

relative isolation for many years. The socio-political structure centred around hierarchy of lamas and monasteries and the absolute authority was exercised by the Chogyal (king). The merger of Sikkim with Indian Union has, however, brought a lot of changes in all the fields - social, political, economic and administrative. Unlike the present form of local body, in the past, there were no codified rules and regulations to guide the affairs of villagers. Nevertheless, for regional and local administration, whole of the country was divided into different regions and each of the regions was looked after by the officer known as Dzongpons (District Officer) appointed directly by the king. However, the appointment of British Political Officer and the change introduced by the British particularly in the administrative field after 1890 had seriously disrupted the traditional political system. Eventually, a new pattern of regional and local administration emerged in which Kazis and Thikadars played the central role, displacing the Dzongpons as the main agents of the Sikkim government at regional level.

So far as the institution of local self-government is concerned, it was only in 1951 that the Local Area Panchayats were established as a result of Indo-Sikkim Treaty signed on December 5, 1950, where both the parties agreed on progressive association of the people with the governance of the state. The institutions so established became defunct soon after its formation, for the Government of Sikkim did not show any interest in the proper functioning of these bodies. Moreover, some political parties also boycotted the election of panchayats on the ground that the interest of the indigenous population had not been safeguarded.

The enactment of the Sikkim Panchayat Act 1965 was another major initiative taken by the government to associate the rural people for the better implementation of Sikkim's rural development programmes. The Act, therefore, extended the panchayats role in developmental activities and also provided it with certain executive functions like the maintenance of vital statistical records and the management of primary schools. Besides, the panchayats were also entrusted with some judicial authority to try some petty cases of the concerned area. The Act, however, stipulated for a single tier panchayat with block panchayat at the village level. The Block Panchayat established by this Act continued till 1982.

Again in 1982, that is, after seven years of its merger to India, the Government of Sikkim enacted a new Act called Sikkim Panchayat Act 1982. The object behind the legislation was to remove

the inherent weaknesses that existed in the Act of 1965 and also to revive the democratic process at the grass roots level. This Act was, in fact, the first major step taken by the government in the process of democratic decentralisation in Sikkim after its merger. The Act, by replacing the earlier one-tier system, introduced a two-tier panchayati raj system with Gram Panchayats at village level and Zilla Panchayats at district. The two-tier panchayati raj administration is still continuing though the Sikkim Panchayat Act 1993 has been passed to implement some major provisions of the 73rd Amendment (Constitutional) Act, 1992. The Act makes no changes in the existing two-tier system, but rather makes an arrangement for the delegation of more powers and authorities to the panchayats according to the provisions of 73rd Amendment Act 1992.

Thus, the process of decentralisation in Sikkim, like the other states of India is slow but continuous. The Government of Sikkim has formulated and implemented various policies and programmes on decentralisation and good governance after its merger to India. The 73rd Constitutional Amendment Act is seen as a landmark in this direction as the former has rendered constitutional sanction to the panchayati raj institutions. In Sikkim also, the majority of people live in rural areas. Thus, to develop the state in general and rural areas in particular through the different developmental programmes, democratic decentralisation and good governance are *sine quo non* for the development of Sikkim.

Given this general background, the primary objective of the present study is to make an in-depth study of the evolution, structure and process of democratic decentralisation, good governance and rural development in Sikkim. The study seeks to find out how and to what extent the decentralisation of power has ensured good governance and these two together helped in the proper implementation of the rural development programmes in the state and rural areas in particular. The basic objective of the study is, thus, to find out the interrelationship between decentralisation, good governance and rural development in Sikkim.

Decentralisation: Theoretical Understanding

Democratic Decentralisation is one of the most popular terms used in the literature of development planning. The concept has been gaining ground in the present century both in the policy formulation as well as implementation and administration. It is indeed a broad term and covers many different phenomena and hence, lacks precise

meaning and consensus (Mawhood 1985). In other words, it means different things to different scholars.

The Chamber Dictionary of 21st Century defined the term 'decentralisation' as 'the process of transferring the functions from the central governments to the local units'. In the Encyclopaedia of Social Science, it denotes 'the transference of authority-legislative, judicial or administrative – from a higher level of government to a lower level'.

US Agency for International Development (2000) has defined decentralisation as 'a process of transferring power to popularly elected local governments. Transferring power means providing local governments with greater political authority, increased financial resources, and/or more administrative responsibilities'

Jean-Paul Faguet (2003) defines decentralisation as the devolution by central (i.e. national) government of specific function, with all of the administrative, political and economic attributes that these entail, to democratic local (i.e. Municipal) governments which are independent of the centre within a legally delimited geographic and functional domain.

Perhaps the best general definition of decentralisation is by Rondinelli and Cheema (1983). They define decentralisation as 'the transfer of planning, decision-making, or administrative authority from the central government to its field organizations, local administrative units, semi-autonomous and parastatal organization, local governments and non-governmental organizations'.

Broadly speaking, the term decentralisation refers to a process of gradual devolution or transfer of functions, resources and decision-making powers to the lower level democratically elected bodies (Crook and Manor 1998, Litvack et al. 1998, Manor 1995, Mukarji 1989, Rondinelli et al. 1984).

Rondinelli and Cheema (1983) identify four main forms of decentralisation. These are: deconcentration, delegation, devolution and privatization or deregulation. Deconcentration implies the outsourcing of central government functions to local or regional offices of the same. Delegation refers to the transfer of responsibility for the provision of public goods and services to parastatal or semi-autonomous institutions, which act on behalf of and are directly liable to the central government. Devolution is the creation of autonomous sub-national administrations, which dispose of full discretion over most local affairs. Privatisation or deregulation relates

to the transfer of previously public functions or at least the right to implementation of those to private organisations and companies. Of these, devolution is considered to be an ideal form of decentralisation in its wider connotations. Devolution, which denotes the transfer of power, specific functions and resources to sub-national political entities is an evolved form of decentralisation (UNDP 1993, Litvack et al 1998, Commen 1998, Burki et al 1999).

The term decentralisation, whatever may be the meaning and definition, is the result of over centralization and also because of the theory of the construction of minimal state and strong and active civil society. Since, the concept of decentralisation is closely related to civil society and good governance in that the civil society is activated with decentralisation and if the governing mechanism is dispersed and decentralised it results in good governance. Thus, if the governance is decentralised with the civil society operating freely and effectively, it will pave the way for good governance which in turn will ensure the all round development of the state.

A survey of the intellectual discourse of decentralisation reveals three broad categories of theories: the classical liberal theories, development theories and neo-liberal theories. The intellectual case for decentralisation originates in the most basic arguments concerning democratic government and the effective representation of citizens' interest. The classical liberal democratic theorists like Mill, de Tocqueville, Laski, Madison and Wilson were the first to make a strong case for decentralisation considering possible benefits to be percolated to the national and local levels. One of the well-known proponents of this theory, John Staurt Mill (1835) provided two important arguments for democratic decentralisation: (i) local political institutions are a 'school of political capacity', making citizen capable of genuine and informed participation and (ii) such institutions would be more efficient if informed by local interests and local knowledge. Madison another important proponent of the theory, in several of the Federalist Papers, theorized about the prevention of tyranny via a balance of powers not only among the branches of central government, but between central and regional and local government as well (Madison cited in Faguet 2000). The political philosophers of this period (17th and 18th century) distrusted autocratic central government and held that small democratic unit could preserve the liberties of free men. In the writing of these scholars, it is implicit that decentralisation and more specifically local government are beneficial to the political health of a nation.

There was another school of thought who advocated a developmentalist stand and stresses the importance of decentralisation for social, political and administrative change in the developing countries. Scholars like Maddick, Rondinelli, Cheema, Mawhood, Conyers, Uphoff and Esman were the proponents of this theory. They have seen the decentralisation as 'way of increasing effectiveness of rural development programmes by making them more relevant and responsive to local needs and conditions, allowing greater flexibility in their implementation and providing means for coordination to the various agencies involved at the regional or local levels' (Rondinelli 1981, Cohen 1980, Conyers 1981). Decentralisation is regarded as a means to improve government responsiveness to the public and also as a necessary condition for social, economic and political development. Thus the ultimate objective of decentralisation is development of the rural masses. Through the decentralisation the state moves towards the avowed goals of development in view of the needs felt for the better coordination of local bodies in the effective implementation of all the rural development schemes meant for the people living in the countryside. Thus, the rural development through decentralised governance is assumed as necessary precondition of development.

The idea of decentralisation is however the inevitable logical outcome of the neo-liberal theoretical construction of minimal state and strong and active civil society (Yasin and Sengupta 2004). The assumption underlying the paradigm is that if the state is minimized for effective democracy and individual freedom, and if the governing system is decentralised to involve and ascertain the choices of the people, it will lead to good governance that will result in development. It suggests that an order of minimal state with decentralised good governance for the existence and effectiveness of the civil society based on social capital will make the civil society vigilant on the governing process. It is on this neo-liberal premise that emphases have been shifted to decentralisation and good governance as the sine quo non for development (ibid).

However, in recent years, the normative character of decentralisation has been subjected to scathing criticism by a number of scholars who view these theories as rhetorical and camouflaged with ideological overtones (Yasin et al 2003). Conceptually rooted to the works of Marx and Gramsci, the writings of Fesler, Samoff, Heyden, Smith, Rakodi, Slater and Heaphey demonstrate with empirical evidence that decentralisation had rarely

facilitated development in the developing countries. Heaphey (1971) goes to the extent of arguing that decentralisation is an obstacle to development. Similarly many have also criticised the argument put forward by the neo-liberal in support of decentralisation and said decentralisation need not necessarily imply downsizing the state, a favourite argument of neo-liberals. Decentralisation is a means of making the state more effective. Devolution can be a strategic response of the 'affirmative democratic state' to the neo-liberal onslaught (Fung and Wright 2000). As a result of these criticisms, there emerged an alternative paradigm in the study of decentralisation. One of the important paradigms that are emerging is privatization as a form of decentralisation in contrast to decentralisation through the local government entities. Another form of decentralisation that took place in several developed countries during the 1990s is what can broadly be called distributed governance or the system of agencification i.e. devolving government functions to specialised agencies such as the "Special Operating Agencies" of Canada, "Crown Entities of New Zealand and the "Next Steps Agencies" of the UK. These agencies help government decouple policy implementation from policy making to allow managerial autonomy, freedom from political interference, professional oversight, etc. (OECD 2002). Despite the emergence of new paradigm, the discourses on decentralisation still revolve around the three important theories as discussed above.

Given these broad theoretical frameworks, the present study is a modest attempt to test the three theoretical frameworks in the light of the findings on Sikkim.

Review of Literature

The search for sustainable development and good governance has triggered broad processes of institutional innovation aimed at increasing efficiency and equity. These processes have contributed the spread of notion of decentralisation around the world especially among the third world countries. As a result a strong body of scholarly literature has emerged analyzing different aspects of decentralisation and its impact on governance and development.

Craig Johnson (2002) opines that the democratic decentralisation implies more than the downward delegation of authority. It entails a system of governance in which citizens possess the right to hold public officials to account through the use of elections grievance meetings and other democratic means. The democracy and decentralisation are often considered as an essential

means of improving accountability, achieving 'good governance', and reducing poverty particularly in the context of international development.

Axel Dreher (2006) analyzes the impact of decentralisation on governance employing four indicators of governance and five measures of decentralisation. The result of the study shows that decentralisation-measured as the share of sub-national employment, revenues or respectively, expenditures-improves governance.

The attraction of decentralisation, according to Smith (1985), is not merely an opposite of centralization and therefore can be assumed to be capable of remedying the latter's defects. It has a positive side. It is commonly associated with a wide range of economic, social and political objectives in both developed and less-developed societies. Economically, decentralisation is said to improve the efficiency with which demands for locally provided services are expressed and public goods provided. Politically, it is said to strengthen accountability, political skills and national integration. It brings government closer to people and promotes the liberty, equality and welfare.

Norman Uphoff (1986) refers decentralisation as the physical dispersion or shifting of the offices or the seats of decision making whereby decision makers are located closer to the activities and persons for whom they work but to be accountable to the central authority.

Meenakshisundaram (1994) believes that common strands and patterns join all local government systems, and that by identifying such features, national systems can be made more productive if one has the willingness to learn from others. The author, therefore, in the book, examines the models of decentralisation; compares them on a set of common parameters such as the environment in which the local units operate.

For the decentralised governance system to operate more effectively, Aziz and Arnold (1996) opine that there should also obtain a conducive environment for carrying out decentralised decision-making in the appropriate manner. To effect such an environment, it is first necessary that the decentralised political structures provide all citizens access to the decision-making process. The authors here examine the theoretical underpinnings of decentralisation, the origins of the various systems, their common and distinctive features and their efficacy in terms of ensuring the meaningful participation of citizens.

Narain, Kumar and Mathur (1970), have outlined the different kinds of control - institutional, administrative, technical and financial - to the local bodies by the state governments. They also provide the suggestion to enable the PRIs in India to meet the new challenges posed by the twin objective of development and democracy.

Palanidurai (1991) has traced the chronologically developments relating to establishment of Local Self-Government Institutions in the country. The author narrated the experience of a few states which have attempted democratic decentralisation.

Mathur (1997) holds the view that the concern for decentralisation was technical: it was the improvement of the planning process; it was to counter the allegation of too much planning from below.

Rondinelli (1981) reviews the arguments offered by development theorists for promoting decentralisation, describes the rationale for and procedures of devolution and offers prepositions about the prerequisites for successful decentralisation in the Third World based on the lessons of the Sudan experience.

Jathar (1964) made a deep study of local self-government, particularly of the history of panchayats, initiatives taken by the British Government, of the Resolutions passed by the Government of India, of the recommendations of the committees, commissions and study Group appointed by government. He says that the introduction of panchayati raj in the rural areas of India is an epoch making event of far reaching importance in the fast moving momentous and revolutionary period after independence. He also believes that panchayati raj is a panacea for all sorts of rural ills.

Dwight Ink and Alan L. Dean (1970) provide the conceptual framework of what is meant by the term 'decentralisation'. The major purpose of decentralisation, according to them, is to bring about the most effective administration possible for domestic programmes which entail annual expenditures of many billions of dollars. They hold the view that failure to decentralize the decision-making authorities dilutes the policy formulation and programme planning functions of the headquarters.

Decentralisation, according to Crook and Manor (1998), does not necessarily imply democracy. The outcome of a decentralisation policy will depend not just on the relative weights of devolution and deconcentration in the institutional and fiscal structures, but also in their combination with two other important elements – the kind of legitimation and accountability adopted and the principles

according to which the areas of a decentralised authority are determined

Crook and Sverrisson (2001) hold the view that the notion that there is a predictable or general link between decentralisation of government and the development of more 'pro-poor' policies or poverty alleviating outcomes clearly lacks any convincing evidence. Those who advocate decentralisation on these grounds, at least, should be more cautious, which is not to say that there are not other important benefits, particularly in the field of participation and empowerment.

Henry Maddick (1963) in his classic study of decentralisation and development argued that economic growth and social modernization depend in part on ability of third-world governments to diffuse responsibility for development planning and administration, to expand participation in economic activities and to promote new centres of creativity within society. According to him, over-centralisation of administrative authority stifles development and leads to waste and corruption. Maddick (1970) in his other book said that, the panchayati raj institution is playing the very vital role in certain areas, particularly in promoting social change, economic development and efficient administration of representative government. He further expresses his opinion that all the rural government should be democratic and effective and to him, this is possible only if panchayati raj is organized and guided to serve its long-term objectives.

Neil Webster (1992) considers decentralisation as political a phenomenon that is interpreted as a means to make the state more responsive and adaptable to the local needs than that it could be with concentration of administrative powers and responsibility of the states.

Dubhashi (1970) holds the view that decentralisation is conducive to democracy but it is not invariable concomitant. Local government institutions are excellent instruments of community mobilization but are neither indispensable nor a condition precedent to community development. However, democracy, decentralisation and community development are movements which, by virtue of their pursuit of a common objective, and by virtue of their adoption of similar methods, are mutually tied with each other and support and supplement each other.

Bhargava (1979) discusses the different issues and problems in regard to panchayati raj movement in the country in general and

state of Karnataka in particular. He also discusses the major recommendations of the Asoka Mehta Committee with a view to highlighting issues and problems of great significance in reforming panchayati raj. He further suggests that there is the need for rural development to strengthen the rural infra-structure for development, faith in panchayati raj and timely elections to these bodies.

Sharma (1976) has made an attempt to study the reforms in panchayati raj institutions in the country since independence. In this regard, he has summed up analytically the major findings of the reports of the different committees, study teams etc. constituted by the Government of India from time to time, having a bearing on the problems of the democratic decentralisation and panchayati raj institutions.

Mathur and Narain (1969) concentrate basically on two important issues - the panchayati raj and democracy and secondly, the politico-administrative aspects of panchayati raj. They are of the opinion that there is a conflict between panchayati raj and parliamentary democracy. The growth of political parties and their entry in rural politics has been considered both as inevitable and desirable. They also emphasize the need of training and education programme for the elected representatives for the success of Panchayati raj institutions in the Country.

According to Mathew (1994), Panchayati raj, which has become the third-tier of governance with the Constitution (Seventy-Third Amendment) Act, is of far-reaching significance for decentralised governance in India. He concludes that the demand for the decentralisation of power and reviving of local government were the results of over-centralization, unprecedented destabilization in the states, all-round loss of faith in democratic institutions, deteriorating living conditions of rural people and growing parochialism in the country.

Nirmal Mukarji (1993) in his article 'Third Stratum' opines that the fundamental question before the panchayats everywhere in the country has for long been whether they are there for development functions only or for the purposes of self-government.

S. Sharma (1997) in her book "Grass Root Politics and Panchayati Raj" traces the genesis and growth of the village government from ancient time till today in terms of panchayats and panchayat leadership as also panchayat elections and voting behaviour. The interaction of caste, class and power in rural areas are also discussed in detailed manner. She also investigates and

analyses various aspects of grass root democracy and politics in terms of performance of panchayats, pattern of rural power structure and links of leaders with higher political leadership.

Sweta Mishra (2003) traces the genesis and growth of Panchayati Raj Institutions in India. She discusses the developments in the area of decentralisation in India and underlines the constraints and problems hampering its effective implementation.

Prabhat Datta (1994) observes that democratic decentralisation associates people with local administration and recognizes the rights of the people to initiate and execute decisions in an autonomous way. Datta (1998) in another writing, hold the view that the highly centralized structure of India's federal system has been a perennial threat to the grass roots democracy in India. A weak state government cannot give birth to a healthy local government even after the amendment to the constitution. He says that more and more decentralisation and devolution of powers to the local bodies would help in the successful functioning of these bodies.

In the opinion of M.A.Muttalib and Khan (1982), the local government in a decentralised process is a body, representing a particular set of local views, conditions, needs and problems, depending on the characteristics of population and the economic element.

S.R. Maheshwari (1971) has made an attempt to study the structure, personnel, finance and functioning of rural as well as urban local government in India. According to him, the inadequate financial resources, low pay scales, incompetent personnel, excessive interferences by the state government are the major causes of ineffectiveness of local government's development in our country.

Local Government, according to Bhatnagar (1978), is the government of a locality, as distinguished from the government of the country or region thereof. He observes that local government is generally created in two different ways; first is that of administrative deconcentration and second method is decentralisation. Local government established under the first method does not possess any authority of its own and remains dependent upon the central government. The institution created by the latter method has its own entity and enjoys power and authority without depending upon the central government.

According to Rajni Kothari (1991), the only alternative to a decentralised and genuinely democratic political system in a country

like India is a gradual dissipation, erosion and ultimate disintegration of the state as well as nation.

To Heller (2001) three important preconditions for the success of decentralisation are that strong central state is required so that 'decentralised despotism' and elite capture at the local level can be avoided. Second, a strong civil society and close connection between the state and the civil society required especially in the form of social movements. Third, an ideologically cohesive political party that has significant ties to grassroots organisations is required.

Girish Kumar (2006) in his book *Local Democracy in India* has made an attempt to reconstruct the contemporary history of decentralisation in India with a view to understanding its impact on democratization. The author assesses the contribution of local institutions in expanding the social base of democracy and in deepening the process of democratization at the local level.

According to Subramanyan (2002), the appalling experience gained during the previous decade indicates that there is a virtual lack of 'politico-administrative will' on the part of the states to strengthen their panchayats by endowing the latter with appropriate responsibilities, resources, requisite staff support and adequate freedom in decision-making. Though several state panchayat Acts provided for a list of responsibilities for their respective panchayats, state governments did not frame appropriate guidelines nor did they issue the necessary executive rules/orders as regards their actual transfer to the panchayats. The Second Generation Amendment to the Indian Constitution, according to the author, should therefore aim at removing some of the obstacles that stand in the way of empowerment of these institutions.

The World Bank (2000) in the study on rural decentralisation in India concludes that political decentralisation has made considerable headway and taken root while administrative, fiscal and accountability mechanisms remain well below the desired levels in the country.

Sabanna and Kallur (2003) hold the view that the 73rd Amendment Act, 1993 provides the decentralised administration through local self-governing panchayati raj institutions (PRIs) at the district, block and village levels. It provides for the platform for direct participation of the people themselves in the Gram Sabha. In other words, PRIs encourage participation of people in the formulation and implementation of various developmental programmes in order to bring a meaningful socio-economic change particularly in rural areas.

Shikha Jha (2000) addresses directly the question of fiscal decentralisation in rural India following the 73rd Constitution Amendment and the conformity Acts passed by the state legislatures. Based on the field studies and the state finance commission reports of seven states the author concluded that the progress made has been extremely uneven and halting.

George Mathew (2003) holds the view that the institutionalization of panchayati raj system since the 1990s has added greater momentum to the decentralisation process and has deeper implications for the human rights situation in India. He further adds that the election to the local bodies without any kind of violence on the basis of caste, colour, religion etc. will create a culture of genuine democracy and political participation.

In 'The Civil Society and Panchayati Raj Institutions', Nambiar (2001) makes an attempt to capture the contours of relationship between the civil society and the institutions of local self-governance in India. According to the author, the good partnership between civil society and self-governance has brought to the surface the various roles that the civil society takes on in strengthening the institutions at the local level.

Srivastava (2002) holds the view that it is now an accepted principle that good governance is inseparable from democracy and human rights including human dignity, justice, equality and participation. He further says that 'people-centred governance' relying on community-based institutions and envisaging consultation with NGOs, voluntary bodies seeks to ensure participation of people at the grass root level in self-governing institutions.

Sten Widmalm (2008) provides fresh perspectives and insights on what may be the world's largest ongoing decentralisation reforms- the Panchayat Raj reforms in India- and presents unique empirical material from Madhya Pradesh and Kerala. Comparative perspectives and references to historical cases from around the world are used to show how decentralisation can be connected to social capital and corruption.

Richard Scott-Herridge (2002) critically examines whether decentralisation can help to achieve the goal of good governance and poverty alleviation through locally focused decision-making and service delivery. The author reviews the meaning and perceived benefits of decentralisation and then takes an in-depth look at experience in Uganda to see whether the reality matched up to the expectations.

Tiwari (2002) analyses several factors that are attributed to good governance. He maintains that a particular approach or a school of thought cannot ensure good governance, but it depends on the combined effects of several attributes. A holistic approach towards administration, highly moral and ethical executive, transparency and accountability on the part of administrators and a deep sense of involvement and commitment to social values on the part of citizens are the bare minimum conditions for good governance.

Governance, according to Singh (2002), is a compulsory component of every state and good governance is the edifice for its all round development. He discusses at length a wide range of issues viz., various form of corruption, low web of bureaucracy, terrorism as a global phenomenon, erosion of administrative accountability, sexual exploitation etc. and also suggests some corrective measures like the use of IT, role of CVC, complicated rules need to be simplified, role of civil society etc. that need to be taken care of immediately.

Hye (2000) hold the view that good governance is not something to be desired by the 'government' delegating some of its powers and functions to the informal organs but as formal outcome of a new configuration of institutions resulting in a new social contract (as an ideology) and redefining the pluralistic state in the constitution.

Sam Agere (2000) in the book *Promoting Good Governance* focuses on good governance with the emphasis on public sector reforms. The author highlighted the role of public management in promoting productivity and increasing performance with relation to economic growth and sustainable development, accountability and transparency linked to administrative performance.

Sangita (2002) has critically examined the strength and weakness of the concept and frameworks developed by international development agencies for promoting good governance with a view to examining its relevance to Indian ethos and conditions. In doing so, the author raises the following issues: What is governance? What is good governance? What are the administrative models for promoting good governance? Which model is relevant to Indian ethos and conditions? What are the implications of good governance to developing countries, especially India?

The UN (2004) views that there are two distinct streams of discourse on good governance: one is rooted in academic research and the other is donor-driven. Academic discourse has dealt mainly

with the way in which power and authority relations are structured in different contexts whereas the donor-driven discourse has focused more on state structures designed to ensure accountability, due processes of law and related safeguards.

Mukhopadhyay (1999) in his article analytically examines the real meaning of good governance and the objective intents behind it in the present context of social, political and economic needs of governance with a developmental perspective. He further says that the challenge of good governance would require government to be reinvented, bureaucracy to be re-positioned, non-government business sectors to be re-invigorated with a social motive.

Mishra (2003), while highlighting the concept of governance and good governance discusses the different perspectives of good governance and also emphasizes on the need to understand the broad definition of good governance that talks of bringing into its purview the government, the citizens, the voluntary agencies and the private organisations.

Dwivedi and Mishra (2005) in their article discuss the process and strategies of governance with special reference to India. The authors examine the cardinal values essential for good governance and within this context the exhortations and directions originating from classical times, a number of impediments responsible for poor governance, widespread corruption including its symptoms and possible remedies.

According to John Harris (1982), rural development has emerged as a distinctive field of policy and practice and of research, in the last decade, and particularly over the eight or nine years since the inception of the 'new strategy' for development planning by the World Bank and UN agencies. This strategy came to be formulated as result of the general disenchantment with previous approaches to development planning at national and sectoral levels, and it is defined by its concern with equity objectives of various kinds-especially the reduction of inequalities in income and employment, and in access to public goods and service and the alleviation of poverty.

Rural development, to Singh (1995), is a multi-dimensional process which includes the development of socio-economic conditions of the people living in the rural areas, and ensures their participation in the process of development for complete utilization of physical and human resources for better living conditions. The author also highlights the basic concepts and approaches to rural development and reviews the various development programmes

started by the Government of India for development of rural areas in general and removal of poverty in particular.

Sharma and Rajagopal (1995) provide the chronological development of rural administration in the country right from the grass roots level. They also emphasize the development analysis, policy review and management approaches for promotion of rural administration. Authors conclude that one of the potent reasons for delay in implementing the rural development programmes is the lack of appropriate inter-institutional coordination in providing effective administration.

Rural Development, according to Muley (1987), is the pivot of administration at both the central as well as state and district level in India. The introduction of Panchayati raj institutions was a revolutionary step towards rural upliftment in this country. The author, therefore, in his study analyses the role and functioning of PRIs in rural development and planning and also suggests some remedy to overcome the administrative difficulties.

Sud (1992) opines that the main objective of rural development schemes is poverty alleviation and since the rural society has remained backward for a time immemorial, it is essential to initiate such measures that can eradicate poverty in the country. The various measures taken by the governments -both central and state - however, have failed to yield good results because of the various administrative problems which are being faced by the rural development programmes. According to the author, the rural development schemes mainly face two types of problems; one at the policy and planning level and other at the implementation stage.

Jain, Krishnamurthy and Tripathi (1985) made a comprehensive and critical review of the various rural development schemes initiated by the Government of India. The authors argue that despite the plethora of schemes and the vast amounts of public money that have been spent on them, India's efforts at rural development have failed to generate a development process. The only solution, the authors suggest for the proper implementation of rural development programmes is democratic decentralisation which provides opportunity to the people to involve both in the design and the actual operation of rural development schemes.

Singh (1998) examined the role of PRIs in rural development in India. He felt that PRIs play an important role in the rural development and reconstruction, but it is required to increase the efficiency of the panchayats. He suggested that corruption should

be controlled at various levels and participation of villagers should be increased in the PR system.

Johnston and Clark (1982) discuss some strategic perspective looking into the various key programme areas like (i) production-oriented interventions; related to rural employment opportunities and agricultural development, (ii) consumption-oriented interventions dealing with health, nutrition and family planning; and (iii) organization-oriented interventions dealing with institutions structures and managerial procedures. The authors here critically analyse the historical performance of policies in these programme areas and suggest some feasible and effective strategies for rural development.

The rural development programmes, according to Uphoff, Esman and Krishna (1998), have been most successful which contribute, in different ways and to differing degrees, to three aspects that rural people seek most; productivity, well-being and empowerment. The authors identify four criteria in particular that assist the widespread achievement of these outcomes: (a) Resource mobilization, with the aim of self-reliance and self-sufficiency; (b) Scaling up and expansion, so that a large number of people can benefit from technical and organizational innovations; (c) Diversification, so that organization capabilities are applied to solving problems in rural areas; and (d) Continual innovation- utilizing learning processes and problems-solving strategies with maturing institutional relationship. The authors here conclude that the successful rural development programmes, although require funds, depend more on ideas, leadership and appropriate strategies than on money.

Aziz (1978) analyses the main elements of a strategy of rural development based on the Chinese approach. He discusses the basic objectives of rural development, the constraints on or linkages between various objectives and some of the main policy implications. The author in his analysis does not verify and test all the quantitative data concerning the Chinese economy, nor does he present a comprehensive view of China's agricultural and rural development. But he concentrates and emphasizes on those aspects of rural development in China that would help to determine the relevance of China's experience for other developing countries.

Robert Chambers (1983) in his book discusses the rural poverty and rural development in the Third World. According to him there is a appalling urban poverty in the Third World and rural poverty in the richer worlds.

According to Anwer (1999), the people's active participation and

cooperation is the key to the success of any social and economic development programme which is aimed at bringing a change in the life of the people. To ensure people's participation to the maximum it is imperative that they are involved in the programme right from its inception and effective organizations start functioning at the level of the rural community.

Srivastava (2006) examines the interface of panchayats and bureaucracy in the context of poverty alleviation programmes in the state of Uttar Pradesh. He argues that devolution has increased contestation over the use of funds for local development, and there is, therefore, more at stake than was the case before in the elections to panchayats.

Singh and Pandey (1998) examine the factors responsible for success or failure of PRIs and identified factors which caused lack of participation of the weaker sections such as women, scheduled caste and tribes. They felt that the PR system was not only meant for decentralisation of power and peoples participation but it was also for supporting rural development and strengthening the planning process at the micro level.

A.K. Dubey on Relevance of Rural Development in the Context of Urbanisation (2003) examines the major aspects and contents of rural development in both the sector i.e., rural and urban.

Since 1991 Indian economy has been exposed to economic liberalization and globalisation in line with structural adjustment and stabilization policies initiated by IMF and World Bank. These different policies has brought a shift in the Indian economic policy from state oriented development strategy to market oriented development leaving the decisions of production and distribution to the market signals. Sengupta, Miah and Yasin (2004) while examining the effects of globalisation on rural development said that the entire process of development and for that matter, rural development has been sought to be made dependent not on the state or state-sponsored agencies but on the 'market' and its forces.

Rao (1990) opines that the existence of panchayati raj institutions not only helps people's participation in decision-making process but it also promotes involvement of people in development and socio-economic reconstruction of rural India.

Singh (2003) in his book presents a complete picture of the meaning, historical background and working of rural development programmes in India. He also examines the various bottlenecks in the existing organizational set-up for rural development programmes

at district level, and also suggests the alternative strategy for more viable and dynamic structural arrangement to work as model for any planning and implementation of rural development programme.

Beside these general studies, there are some studies on decentralisation and development in Sikkim. Bhowmick and Dhamala (1974), Dhamala (1985, 1994) examines the development of decentralisation in Sikkim. The studies, however, cover the growth of decentralised governance till 1982.

V.H. Coelho (1970) in the book 'Sikkim and Bhutan' provides a general idea on political development of Sikkim and also mentions the role of village local panchayat in the development of the state.

Bhandari and Upadhyaya (2000) focus their attention on the development of local bodies in Sikkim after the year 1965. They, however, did not mention the existence of different local bodies with different names even before 1965. Jayakumar (1997) has examined the different provisions of the structure and function of panchayat under different Acts including the Act of 1993. Chhetri (2006) also examine the structure and functions of PRIs in Sikkim after the enactment of new Panchayat Act 1993.

Significance of the Study

From the review of the existing literature, it appears that most of the studies deal with the democratic decentralisation of the country as a whole. There are however very few literature on decentralisation in Sikkim. Thus, the present study seeks to make an in-depth study of democratic decentralisation and rural development in Sikkim and thereby seeks to fill the research gap that is there on the relationship between decentralised governance and rural development in Sikkim.

Research Questions

Given the broad objective as outlined above, the present study seeks to address the following specified research questions.

1. What was the state of decentralised governance in Sikkim before its merger to India?
2. What is the present state of decentralised governance in Sikkim?
3. Whether the present state of decentralised governance in Sikkim fulfills the criteria of good governance.
4. What is the state of rural development in Sikkim?
5. To what extent has the decentralised governance led to rural development in Sikkim.

Methodology of the Study

The methodology that is followed in the present study is the combination of observation and survey. The present research proceeds along a combination of exploratory, descriptive and diagnostic research designs. First, available literature on decentralisation, good governance and rural development in general and with reference to Sikkim in particular has been surveyed to gain insight into the state of decentralised governance in Sikkim in both historical and analytical perspective. Then, the observation method has been adopted to comprehend the structural, operational and behavioural aspects of decentralised governance in Sikkim and its role in the process of rural development in Sikkim. Finally, a sample survey has been conducted in the four district of Sikkim to find out precisely the present status of decentralised governance and its role in achieving the goals of good governance and development in Sikkim. Here sample of common people living in rural areas, politicians from the village level up to the state level and the officials from village level to state level has been interviewed on the basis of a prepared schedule. The information that were collected under the exploratory design were processed manually and were supplemented by the insights of the researcher that was gathered throughout the investigation. As for the information collected through the survey method, data were analysed through computer using the software of the Statistical Package for Social Science to measure the relationship and diagnose the reasons for positive/negative role of decentralised governing institutions in the process of achieving the goals of good governance and development in Sikkim.

The Sample

As per the descriptive and the diagnostic research design, the survey was conducted on the sample respondents of four Gram Panchayat Units of four districts of Sikkim. These were Tinik Chisopani in South District, Maneybong Sophaka in West District, Tathangchen Syari in East Sikkim and Rongong Tumlong in North District. The main features of the panchayats selected for this study are summarized in Table 1.1. The sample respondents comprised of different categories like politicians, officials, panchayat representatives, member of NGOs and civil society, beneficiaries of different programmes/schemes and common citizens. The respondents represent the cross-section of the sampled GP. The idea was to have a fair representation of people representing different categories like illiterate, landless, labourer, unemployed in one hand and highly educated, land owners, officials and professionals on the other.

Table 1.1: Summary Profile of Sample Study Area

Sample GPU	District	L A Constituency	Area (in hec)	Population		No. of Wards	Party Dominating
				Male	Female		
Tinik Chisopani	South	Jorethang Nayabazar	390	869	328	05	SDF
Maneybong Sophaka	West	Dentam	1326	1886	1770	07	SDF
Tathangchen Syari	East	Assam Lingzey	842	5565	4872	06	SDF
Rongong Tumlong	North	Kabi Tingda	1212	903	719	06	SDF

Structure of the Study

The present study is organised into eight chapters. Chapter 1 comprises the introduction, objective of the study, theoretical framework, review of literature, significance of the study, research questions, and methodology. Chapter 2 deals with Democratic Decentralisation: Democratic Decentralisation in India. Chapter 3 traces the evolution of Democratic Decentralisation in Sikkim. Chapter 4 is devoted to Decentralised Governance: Current Status and Prospects. Chapter 5 contains Good Governance and Democratic Decentralisation. Chapter 6 deals with Rural Development and Poverty Alleviation. Chapter 7 deals with Democratic Decentralisation, Good Governance and Rural Development: Lessons from the Field. Chapter 8 is devoted to summary and conclusions.

REFERENCES

- Agere, Sam (2000): *Promoting Good Governance: Principles, Practices and Perspectives*, Management and Training Service Division, Commonwealth Secretariat.
- Anwer, A.W. (1999): 'People's Participation in Rural Development: Some Experiences', *Journal of South Asian Studies*, vol. 34 (2), July-December.
- Aziz, Abdul and David D. Arnold (eds) (1996): *Decentralised Governance in Asian Countries*, New Delhi, Sage.
- Aziz, Satraj (1978): *Rural Development: Learning from China*, London, MacMillan.
- Bhandari, D.K. and Upadhaya (2000): 'Panchayat in Sikkim' in George Mathew (ed) *Status of Panchayati Raj in the States and Union Territories*, New Delhi, Concept.
- Bhargava, B.S. (1979): *Panchayati Raj Institutions: An Analysis of Issues, Problems and Recommendations of Ashoka Mehta Committee*, New Delhi, Ashish.
- Bhatnagar, S. (1978): *Rural Local Government in India*, New Delhi, Light and Life.

- Bhowmick, D.J. and R.R. Dhamala (1974): 'Democratic Decentralisation and Panchayati Raj-An Evaluation with Special Reference to Sikkim', *Journal of Constitutional and Parliamentary Studies*, vol. XVI, Nos. 3-4, July-December.
- Burki, S.J., Guillermo E. Perry and William R. Dellinger (1999) : Beyond the Centre : Decentralising the State, Washington D.C., World Bank.
- Chambers, Robert (1983): *Rural Development-Putting the Last First*, London, Longman.
- Chhetri, H.P. (2006): *Functioning of the Panchayat Raj Institutions in Sikkim: An Evaluation*, Unpublished Ph.D Thesis, University of North Bengal.
- Coelho, V.H. (1970): *Sikkim and Bhutan*, Bombay, Vikas.
- Cohen, M.A. (1980): *International Handbook on Local Government Reorganisation*, London, Aldwych Press.
- Conyers, D. (1981): 'Decentralisation for Regional Development: A Comparative Study of Tanzania, Zambia and Papua New Guinea', *Public Administration and Development*, vol. M, No. 2.
- Crook, Richard C. and James Manor (1998): *Democracy and Decentralisation in South Asia and West Africa*, Cambridge, Cambridge University Press.
- Crook, R.C. and A.S. Sverrisson (2001): *Decentralisation and Poverty Alleviation in Developing Countries: A Comparative Analysis or, is West Bengal Unique?* IDS Working Paper 130, Brighton, Institute of Development Studies.
- Datta, Prabhat (1998): *Major Issues in the Development Debate-Lessons in Empowerment from India*, New Delhi, Kanishka.
- Datta, Prabhat (1994): 'Democratic Decentralisation and Panchayati Raj in India: Perspective and Practices'. *Administrative Change*, vol. 22(1), July-December.
- Dhamala, R.R. (1985): *A Study of Local Self Government and Democratic Decentralisation in Sikkim*, Unpublished Ph.D. Dissertation, North Bengal University.
- Dhamala, R.R. (1994): 'Panchayati Raj Institution in Sikkim: Participation and Development' in M.P. Lama (ed) *Sikkim: Society, Polity, Economy and Environment*, New Delhi, Indus Publishing.
- Dreher, Axel (2006): *Power to the People? The Impact of Decentralisation on Governance*, DMTE, Zurich, SFIT.
- Dubashi, P.R. (1970): *Rural Development Administration in India*, Bombay, Popular.
- Dubey, A.K. (1999): 'Relevance of Rural Development in the Context of Urbanisation', *Indian Journal of Public Administration*, vol. XLV, No. 1, April-June.

- Dwivedi, O.P. and D.S. Mishra (2005): 'A Good Governance Model for India: Search from Within' *Indian Journal of Public Administration*, vol. LI, No. 4, October-December, pp 719-58.
- Faguet, Jean-Paul (2000): *Decentralisation and Local Government Performance-Improving Public Service Provision in Bolivia*, London, CEPDSI.
- Fung, Archon and Erik Olin Wright (2000): 'Experiment in Empowered Deliberative Democracy', Paper presented at the Conference on The Real Utopias Project, January 14-16, University of Wisconsin-Madison.
- Harris, John (ed)(1982): *Rural Development*, London, Hutchison University Library.
- Heaphey, J.J (ed) (1971): *Spatial Dimensions of Development Administration*, Durham N.C., Duke University Press.
- Heller, Patrick (2001): 'Moving the State: The Politics of Democratic Decentralisation in Kerala, South Africa and Port Alegre' *Politics and Society*, vol. 9(1), pp 131-63.
- Hooghe, L. and G. Marks (2003): 'Unraveling the Central State, but How? Types of Multi-Level Governance', *American Political Science Review*, vol. 97(2), pp 233-43.
- Hye, Hasnat Abdul (2000): 'Good Governance: A Social Contract For the New Millennium' in Hasnat Abdul Hye (ed) *Governance: South Asian Perspective*, New Delhi, Manohar.
- Ink. Dwight and Alan L. Dean (1970): 'A Concept of Decentralisation', *Public Administration Review*, vol. 30(1), January-February, pp 60-63.
- Jain, L.C., J. Krishnamurthy and Tripathi (1985): *Grass Without Roots-Rural Development under Government Auspices*, New Delhi, Sage.
- Jathar, R.V. (1964): *Evolution of Panchayati Raj in India*, Bombay, Institute of Economic Research.
- Jayakumar, E.C. (1997): 'Local Self-Government Institutions in Sikkim' in B.P. Maithani (ed) *Local Self Government System in North East India: An Appraisal*, Hyderabad, NIRD.
- Jha, Shikha (2000): *Fiscal Decentralisation in India* in World Bank, Vol. III, New Delhi.
- Johnson, Craig (2002): 'Decentralisation and Poverty: Exploring the Contradictions' *Indian Journal of Political Science*, vol. 63(1), March.
- Johnston, Bruce F. and William C. Clark (1982): *Redesigning Rural Development: A Strategic Perspective*, London, Hopkins University Press.
- Kothari, Rajni (1991): 'Perspective on Decentralisation', *Journal of Rural*

- Development*, vol. 10(5), pp 497-504.
- Kumar, Girish (2006): *Local Democracy in India: Interpreting Decentralisation*, New Delhi, Sage.
- Litvack, J., Juniad Ahmed and Richard Bird (1998): *Rethinking Decentralisation in Developing Countries*, Washington D.C., World Bank.
- Maddick, Henry R. (1963): *Democracy, Decentralisation and Development*, New Delhi, Asia Publishing.
- Maddick, Henry R. (1970): *Panchayati Raj: A Study of Rural Local Government in India*, London, Longman.
- Maheshwari, S.R. (1971): *Local Government in India*, New Delhi, Orient Longman.
- Manor, James (1995): 'Democratic Decentralisation in Africa and Asia', *IDS Bulletin*, Vol. 26(2), pp 81-88.
- Mathew, George (2003): 'Panchayati Raj Institutions and Human Rights in India', *Economic and Political Weekly*, vol. 38(2), January.
- Mathew, George (1994): *Panchayati Raj: From Legislation to Movement*, New Delhi, Concept.
- Mathur, Kuldeep (1997): 'Challenges of Decentralisation: The Politics of Panchayati Raj', *Social Action*, vol. 47, January-March, pp1-15.
- Mathur, M.V. and Iqbal Narain (eds) (1969): *Panchayati Raj, Planning and Democracy*, Bombay, Asia Publishing.
- Mawhood, P. (1985): *Local Government in the Third World*, Chechester, John Weilley.
- Meenakshisundaram, S.S. (1994): *Decentralisation in Developing Countries*, New Delhi, Concept.
- Mill, J.S. (1835): *Representative Government*, London, Routledge.
- Mishra, Anil Dutta (2003): 'Good Governance: A Conceptual Analysis' in Alka Dhameja (ed) *Contemporary Debates in Public Administration*, New Delhi, Prentice Hall of India.
- Mishra, Sweta (1994): *Democratic Decentralisation in India*, New Delhi, Mittal.
- Mishra, Sweta (2003): 'Decentralisation: Concept, Characteristics and Constraints' in Alka Dhameja (ed) *Contemporary Debates in Public Administration*, New Delhi, Prentice Hall of India.
- Mishra, S.N. (1994): *New Horizon in Rural Development Administration*, New Delhi, D.K. Publishers.
- Mukarji, Nirmal (1989): 'Decentralisation below the State Level: Need for a New System of Governance', *Economic and Political Weekly*, Vol. 24(9), pp 467-72.
- Mukarji, Nirmal (1993): 'The Third Stratum', *The Statesman*, 11-13 May.

- Mukhopadhyaya, A.K. (1999): 'Reinventing Government for Good Governance' in T.N. Chaturvedi (ed) *Towards Good Governance*, New Delhi, Indian Institute of Public Administration.
- Muley, Devi Das (1987): *Rural Development Administration-Problems and Prospects*, Allahabad, Chugh Publication.
- Muttalib, M.A. and M.A. Khan (1982): *Theory of Local Government*, New Delhi, Sterling.
- Nambiar, Malini (2001): 'The Civil Society and Panchayati Raj Institutions', *Journal of Rural Development*, vol. 20(4), October-December.
- Narain, Iqbal, Sushil Kumar and P.C. Mathur (1970): *Panchayati Raj Administration-Old Controls and Challenges*, New Delhi, Indian Institute of Public Administration.
- OECD Observer (2002): Organisation for Economic Cooperation and Development-Policy Brief, 'Public Sector Modernisation', October.
- Oommen, M.A. (1998): *Devolution of Resources to Local Bodies*, ISS Occasional Paper Series 21, New Delhi.
- Palanidurai, K.V. (1991): 'Democratic Decentralisation in India-Retrospect and Prospects', *The Administrator*, vol. 36, July-September, pp 29-37.
- Rao, D.V. Raghava (1990): *Panchayats and Rural Development*, New Delhi, D.K. Publishers.
- Rondinelli, Dennis, A. (1981): 'Administrative Decentralisation and Economic Development: The Sudan's Experiment with Devolution' *Journal of Modern African Studies*, vol. 19(4), December, pp 595-624.
- Rondinelli, Dennis A. (1981): 'Administrative Decentralisation in Comparative Perspective: Theory and Practices in Developing Countries', *International Review of Administrative Sciences*, vol. UT, No. 2.
- Rondinelli, Dennis A., J.R. Nellis and G.S. Cheema (1984): *Decentralisation in Developing Countries*, Washington D.C., World Bank.
- Sabanna, Talwar and M.S. Kallur (2003): 'Poverty and Panchayats' *Social Welfare*, vol. 49(10). January.
- Sangita, S.N. (2002): 'Administrative Reforms for Good Governance', *Indian Journal of Political Science*, vol. 63(4), December.
- Scott-Herridge, Richard (2002): *Decentralisation-Does It Deliver Good Governance and Improved Services? The Experience of Uganda*, Occasional Paper Series No. 10, Coventry University, African Studies Centre.
- Sengupta, P.K., K.A. Miah and M. Yasin (2004): 'Globalisation and Rural

- Development: The Indian Perspective', *Indian Journal of Politics*, vol. 38, pp 87-112.
- Sharma, A. and Rajagopal (1995): *Planning for Rural Development Administration*, Jaipur, Rawat.
- Sharma, Shakuntla (1997): *Grass Root Politics and Panchayati Raj*, New Delhi, Deep and Deep.
- Sharma, Sudesh Kumar (1976): *Panchayati Raj in India*, New Delhi, Trimurti.
- Singh, Anand K. (1998): 'Panchayati Raj Institutions and Rural Development' in J.L. Singh and G.P. Pandey (eds) *50 Years of Panchayati Raj and Rural Development*, New Delhi, Manak.
- Singh, Gagan K. (2003): *Administration for Rural Development Programmes in India*, Delhi, Abhijeet.
- Singh, Hoshiar (1995): *Administration of Rural Development in India*, New Delhi, Sterling.
- Singh, J.L. And G.P. Pandey (1998): 'Role of Panchayati Raj Institutions in Rural Development in India-An Overview', in J.L. Singh and G.P. Pandey (eds) *50 Years of Panchayati Raj and Rural Development*, New Delhi, Manak.
- Singh, Joginder (2002): *Good Governance*, New Delhi, Indian Publishers.
- Singh, Katar (1986): *Rural Development: Principles, Policies and Management*, New Delhi, Sage.
- Smith, B.C. (1985): *Decentralisation-The Territorial Dimension of the State*, London, George Allen and Unwin.
- Srivastava, Alka (1999): 'Non-Governmental Organisations and Rural Development', *Social Action*, vol. 49(1), January-March.
- Srivastava, Ravi S. (2006): 'Panchayats, Bureaucracy and Poverty Alleviation in U.P. ' in N.G. Jayal, A. Prakash and Pradeep K. Sharma (eds) *Local Governance in India*, New Delhi, Oxford University Press.
- Subrahmanyam, K. Siva. (2002): 'Second Generation Amends to Panchayati Raj-A Suggested Framework' *The Administrator*, vol. 45(2), December.
- Sud, O.C. (1992): *Administrative Problems of Rural Development in India*, Delhi, Kanishka.
- Tiwari, R.S. (2002): 'Good Governance: Populist Democracy to Quality Democracy', *Indian Journal of Public Administration*, vol. XLVIII, No. 4, October-December.
- UN (2004): *Poverty Reduction and Good Governance: Report of the Committee for Development Policy on the Sixth Session (29th March-2April 2004)* UN Document Publication.

- UNDP (1993): *Human Development Report 1993*, Oxford University Press.
- Uphoff, Norman (1986): *Local Institutional Development*, Connecticut, Kumarian Press.
- Uphoff, Norman, Milton J. Esman and A. Krishna (1998): *Reasons for Success-Learning from Instructive Experiences in Rural Development*, New Delhi, Vistaar.
- Webster, Neil (1992): *Panchayati Raj and Decentralisation of Developing Planning in West Bengal*, Calcutta, Bagchi and Co.
- Widmalm, Sten (2008): *Decentralisation, Corruption and Social Capital: From India to the West*, New Delhi, Sage.
- World Bank (2000): *Overview of Rural Decentralisation in India*, vols. I, II & III. New Delhi, World Bank.
- Yasin, M and P.K Sengupta (2004): 'Decentralisation: Good Governance and Development: A Critique of the Neo-Liberal Perspective', in N.L. Dutta and M.D. Bhuyan (eds) *Rural Development in Assam*, Dibrugarh, Dibrugarh University Press.
- Yasin, M., S. Dasgupta and P.K. Sengupta (2003): *Decentralised Governance, Development and Empowerment: In Search of a Theoretical Framework*, *Institute of Regional Studies*.

DEMOCRATIC DECENTRALISATION IN SIKKIM

The Historical Setting

Decentralisation has emerged as a dominant trend in world politics. Looking at the various advantages of decentralisation and to get rid out from the ills of centralised government, many countries around the globe adopted the policy of decentralisation of power from the central to state and to sub-national levels by creating institutional arrangement within the governmental system. Many scholars hold the view that large and centrally administered bureaucracies represent an inefficient and potentially destructive means of allocating resources within society. Two assertions are generally used to substantiate this claim. One argue that central state agencies lack the 'time and place knowledge' to implement policies and programme the reflect people's 'real' needs and preferences. A second and related assertion is that time and place gaps give local officials unlimited ability to distribute resources and extract 'rent' as they see fit (Johnson (2003). Decentralisation of power from the nation's capital to state, district and villages of the state is one of the best arts of good governance that empowers people by enlisting their participation in the development process. The overarching goal of decentralised governance is to promote good governance, strengthen pluralistic democracy and reduce poverty. The decentralisation in Sikkim is thus based on the country's (presently state of India) governance system, administrative structure, social factors and past experiences.

The process of decentralisation and development has a long history in Sikkim and this chapter provides the account of the origin and growth of decentralisation in Sikkim. The chapter is organised into three sections. In section I, we present a brief profile of Sikkim.

Section II deals with the Decentralisation efforts undertaken by different Chogyals (Dharmaraja) of Sikkim. Section III provides the post-merger Decentralisation reforms in Sikkim.

SECTION I

Sikkim: A Profile

Sikkim, an erstwhile Himalayan kingdom became a twenty-second state of Indian Republic in 1975. It is situated in the western part of the Eastern Himalayas and because of its location, the state has a political and strategic importance out of proportion to its size. The state has been hemmed by three international boundaries and a state of West Bengal. In the north and northeast it is bounded by vast stretches of Tibetan plateau, on the east by the Chumbi Valley of Tibet and Bhutan, Nepal on the west and on the south by the Darjeeling district of West Bengal, India. The hill state of Sikkim is located between 27° 00' 46" to 28° 07' 48" north latitude and 88° 00' 58" to 88° 55' 25" east longitudes. It has a total area of 7096 sq. km., measuring approximately 102 kms from north to south and 64 kms from east to west.

Demographic Characteristics

Sikkim is the least populated state of India. Population wise, Sikkim is the smallest state of India and area wise it is a second smallest state of India. The state has at present a population of 540,493 persons with a density of 76 persons per sq. km. Of the total population, the male and female constituted 2.88 lakh and 2.52 lakh respectively. The Scheduled Castes and Scheduled Tribes population accounted for 5.93 per cent and 22.36 per cent respectively. There is 32.98 per cent growth of population compared to the Census of 1991. The percentage of state's urban population in 2001 was 11.06. The sex ratio in Sikkim is 875. The literacy rate of state according to Census 2001 is 69.68 per cent (Male 76.73% and Female 61.46 %).

Climate and Rainfall

The state of Sikkim possesses all kind of climate right from the tropical to the tundras and arctic with considerable variation. M. Choudhury (1998) has classified the climate of Sikkim into six broad types. They are as follows:

1. Sub-Tropical Humid (1500m above mean sea level)
2. Semi-Temperate (1500 to 2000m amsl)
3. Temperate (2000to 3000m amsl)
4. Alpine Snow-Forest (3000 to 4000m amsl)

5. Alpine Meadow or Tundra (above 4000m amsl)
6. Arctic (above 6000m amsl).

Sikkim as a whole enjoys more than average rainfall due to its proximity to Bay of Bengal. The monsoon starts usually in the month of June and continues up to the month of September. The rainfall varies from place to place due to variation in the altitudes. The district wise annual average rainfall is presented in Table 3.1.

District	Average Annual Rainfall
South	220 cms
West	250 cms
East	357 cms
North	330 cms

Land and Rivers

The state of Sikkim is essentially a mountainous state without a flat piece of land. The whole of sikkimese landscape provides a sweeping panorama of mountains and sky and emerald lakes cupped in the towering folds of rock walls (Grover 1983). The state is covered by various small peaks and ranges which mark the boundary between Sikkim and other country. These ranges contain certain important and strategic passes. The Chola range, which forms the boundary between Sikkim and Tibet has several passes, the most important being the Nathu la (15,000feet) and Jelep la (13,254 feet). Kanchenjunga situated on Sikkim's western border with Nepal dominates the land with its awe-inspiring beauty and majesty and its splendid height of 28,208 feet makes it the third highest mountain in the world. The state, thus, has a varied topography ranging from 800 feet above the sea level at the southern foothills to over 28,208 feet along its northern and north-western boundaries.

The two major rivers of the state are Teesta and Rangeet. The river Teesta about 100 kms long is the longest and broadest river of the state. It is originated from the Cholamu lake situated at the height of 18,000 feet where it is hardly a stream. The river flows in the north-south direction. The main tributaries of river Teesta are Rangeet, Zemu chu, Lonark chu, Lachung chu, Talung chu, Rongi chu, Rangpo chu and Bakeku chu. River Rangeet originated from Rathong glaciers is the second biggest river in Sikkim. The Rammam, Reshi, Rothak, Kalej are the main tributaries of Rangeet

river. The rivers of Sikkim are perennial and are fed by the monsoon rains as well as by the melting of glaciers. These rivers form the main channel of drainage and are the important sources for generation of hydro electric power in the state. The electricity generating potential of the available resource in the state is estimated to be 8,000 MW. A negligible 0.4 per cent of the available current is being utilized as against the 99.6 per cent which is being wasted. The 60 MW Rangeet Hydel Project has been commissioned recently and work has been begun for the Vth Phase of 510 MW Teesta Hydel Project. The power revenue, which was mere Rs. 342.15 lakhs during the year 1993-94, has shot up to 1357 lakhs during the financial year of 2003-04. This being one of the few areas where the state can earn substantial revenue, it is thus imperative that well-planned measures are taken to harness this resources endowment in the most optimum manner.

Vegetation

Sikkim is well known for its variety of altitudinal and climatic conditions which have created different forest types and corresponding natural shelter and food for varieties of wildlife. S. Sudhakar et al (1998) has classified five broad vegetation types in the state of Sikkim based on climatic and altitude factors. The Table 3.2 indicates the different types of vegetation in Sikkim.

S. No	Vegetation	Altitude (in Meter)	Species
1	Tropical Moist Deciduous to Semi-Evergreen Forest	300-900	Sal
2	Sub-Tropical Broad Leave Hill Forest	900-1800	Macaranga, Schima, Eugenia, Sapium, Castanopsis
3	Temperate Forest	1800-2400	Suaga (Hemlock), Acer, Michelia, Juglans, Rhododendron, Ilex, Quercus (oak), Populus Larix
4	Sub-Alpine Forest	2700-3700	Rhododendron, Gaultheria, Ecconymus, Vibrumum, Juniperous, Robus
5	Alpine Forest	3700-4500	Typical meadows/moorlands

Flora and Fauna

Sikkim, 'the land of leeches' is noted for its gorgeous flora, its picturesque fauna and its gloriously glittering insect world. An outstanding feature of the physical landscape in Sikkim Himalayas is the immense luxuriance and variety of vegetation (Grover 1983). The flora in this state lies in three belts, the tropical, temperate and the Alpine. The several varieties of bamboo, ferns, pandanus, orchid, sal etc. are found in the tropical zone. In the temperate zone, the

forests of cherry, laurel, oak, Chestnut, maple, firs, pine and magnolia cover the land. The Rhododendron, the glory of Sikkim, is found in an altitude of 8000 feet and above. There are over thirty varieties of rhododendron, which varies in size from mere dwarf some two feet in height to massive tress over 40 feet long. Orchids which are the special features of Sikkim covers more than 320 varieties and more than 20 species of bamboo are found in the state. Primulas found at high altitude add a touch of glorious colour to the sombre grandeur of the lonely mountain sides. Sir J.D. Hooker collected no less than 2,920 out of the 4,000 species of plants enumerated by botanist subsequently (Dozey 1916).

Sikkim is also equally famous for variety of wild animals, bird, butterflies and moths. The Himalayan black bear, the panther, brown bear, barking deer, musk deer, sambar, leopard, goral, tiger, wild boar, Red panda, squirrels are found at different altitudes. There are between 5 to 6 hundred species of birds including the giant eagle with its span of 10 feet from tip to tip of wing are found in Sikkim. The Pheasants, partridges, ducks and the lammergeyer are some of the important varieties of birds.

There are about five hundred varieties of butterflies found in Sikkim. In the catalogue of the Butterflies of Sikkim, published in 1888 by Elwes and Möller, 536 species are enumerated; besides 8 more they were doubtful about (Risley 1894). The moths number fully 2,000 varieties of which the Attacus atlas that spans 10 inches across its wings, with its veining of black and pale pink and the Death's-Head are the chief and prettiest. Spiders again, and scorpions add to the wonders of nature. The former is seen almost in every yard casting its net for the unsuspecting fly. Of the scorpions, the whiptail variety and square-headed are fairly common (Dozey 1916).

Administration

The whole state of Sikkim has been divided into four administrative zone and nine sub-divisions. Mangan is the headquarter of north district which is largest in size but sparsely populated as compare to other three districts. The Gangtok situated at an altitude of about 6,000 ft. is the headquarter of East district, the most populous among all the districts. The South and West district has there headquarter at Namchi and Gyalshing respectively. Each administrative zones and sub-divisions is under the supervision of District Collector and Sub-Divisional Magistrate. There are now 26 Block Administrative Centre headed by Block Development Officer in Sikkim. At the village

level there are 166 Gram Panchayat Unit with total of 905 wards in whole state.

North East Council

The north eastern region comprises of eight states (including Sikkim) covers an area of around 2,62,500 sq. kms, representing approximately 8 per cent of the total area of the country and has a population of 39.04 million that is around 3.80 per cent of the country's population (Census 2001). The region has a unique geographical configuration as the most of its borders shared with neighbouring countries like China (Tibet), Bhutan, Nepal, Myanmar and Bangladesh. In 8th May 1998, Sikkim was made a full-fledged member of the North-Eastern Council- a "Mini Planning Commission" for the region during the meeting of the Chief Ministers of north-eastern states held under the chairmanship of the then Prime Minister, A.B. Vajpayee. Later on it was included on North East states and today the state is availing all the facilities of being a eighth member of north-eastern states. Though the physiography, topography, socio-economic and cultural profiles of Sikkim abundantly bear the stamp of the north-east region but the Government of India took some more times to include it in the family of north-eastern states. The over all features of the north east also characterizing this state would be as relevant as appropriate to view Sikkim in this spectrum. Like other states of north east, Sikkim also shares the constraints and deficits of the North eastern region. It has a very sluggish economic growth, underdevelopment, subdued economic activities, limited tax base, geographical remoteness, inhospitable rugged terrains, poor connectivity with the main land, transportation bottlenecks, low investment and high production costs and human resource and social deficits. It is to mention here that even the capital Gangtok is not connected by rail. The 31-A NH is the one and sole lifeline of the state and it is not even double laned. In order to remove all these constraints and other problems and also to support the infrastructure development projects in the north east, the Government of India created a Non-lapsable Central Pool of Resources (NLCPR) in 1998. The broad objective of the NLCPR scheme is to ensure speedy development of infrastructure in the north eastern region by increasing the flow of budgetary financing for new infrastructure projects/schemes in the region. Being under the "Special Category" states, all the states of north east including Sikkim are entitled to 90 per cent grant and 10 per cent loan pattern of central assistance.