

## Section 3

# Social, Demographic & Economic Profile

### 3.1 POPULATION

The development of a particular city, town or a region depends upon natural, physical and socio-economic factors. Among these factors the population assumes significance in determining the future pattern of progress and development.

Sikkim underwent many changes in its economy and demography after it joined the National mainstream. There was a considerable increase in development activities which caused growth in urbanization. The population of Sikkim was slightly higher than 540000 in 2001 as against 4, 06,000 in 1991. Sex ratio of Sikkim was much lower (875) females than the national average (933 females).The population changes from 1891 to 2001 shows a growth of 24.4 times in Sikkim ,with population density increasing from 8 in 1901 to 76 in 2001.

Sikkim's urbanization, as is the trend in the rest of India could be reckoned in two ways:

- Economic urbanization in response to an economic growth momentum;
- Rural poverty induced urbanization.

In migration of the rural poor in response to better income earning opportunities to the urban areas is a major reason of growth of towns in Sikkim.

Table 3.1: Demographic Profile of Sikkim

	Total Population	Rural Population	Urban Population
1951	1,37,725	1,34,981	2,744
1961	1,62,189	1,55,341	6,848
1971	2,0,9843	1,90,175	19,668
1981	3,16,385	2,64,301	51,084
1991	4,06,457	3,69,473	37,006
2001	5,40,851	4,80,981	59,870

Source: District Census Handbook 1971, 1981, 1991 and Primary Census Abstract 2001, Census of India

The population figures indicated in Table 3.1, do not take into account, the floating population and the tourist inflow to the State.

Table 3.2: Statistics of the Urban Population of Sikkim in 2001

Literate Population	45,053	75.25%
Illiterate Population	14,817	24.7%
Working population	24,041	40%
Non working population	35,829	60%
Main working Population	22,248	-
Main Other Workers	1,744	-
Marginal Working population	1,793	-
Marginal Other workers population	21,907	-

Source: Census of India, 2001

### 3.1.1 Distribution of Population in the Urban Centers

Urbanisation in Sikkim has mainly been driven by the growth of administrative and commercial activities. According to Census data 2001, only 0.05% of the total State area is under urban use wherein 11% of the total State population inhabits the nine urban centres. We can infer from this that the urbanization is dense, the reason being that large stretches of land are steep, unstable, comprise of glaciers, and under forest cover thereby making them practically uninhabitable. The general land profile and terrain which is essentially steep and hilly has attributed to this form of dense growth in the nine urban centres of the State.

Table 3.3: Urban Centers in Sikkim

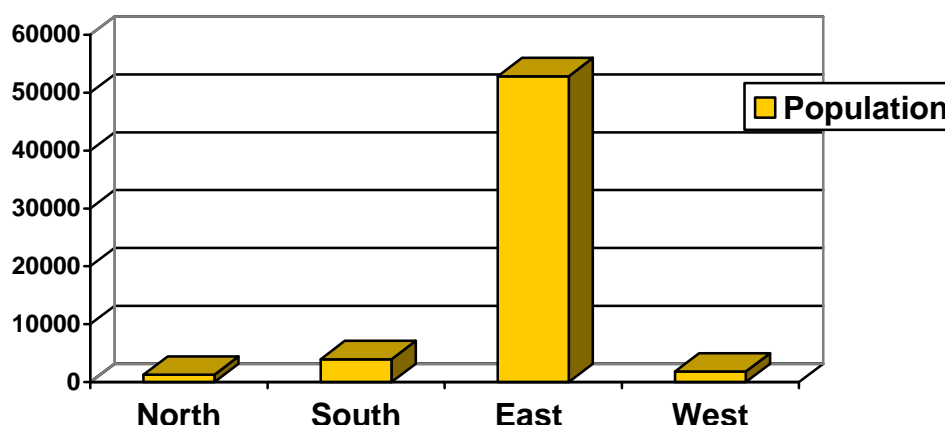
District	No. of Towns
North	1 (Mangan)
East	4 (Gangtok, Pakyong, Singtam, Rangpo)
South	2 (Namchi, Jorethang)
West	2 (Gayzing , Nayabazar)

The North District although having the largest area is the least inhabited. The gross density of population in the State ranges from 29 to 76 persons per square kilometer. However, contradicting this pattern is the East District (wherein Gangtok is situated) which amongst the four districts has the highest population density of about 257 persons per square kilometer (Census 2001). Including Gangtok, East District has a share of 88% of the total urban population. Since connectivity and accessibility is the bottom line for growth to take place, urban development in Sikkim has taken place along the main roads. All the urban centres exhibit ribbon development, i.e. linear growth pattern.

As can be seen from the following graph, the concentration of population in the East District (comprising of 88 % of the total Urban Population) alone may be attributed to several influences:

- Gangtok is the State capital and hence attracts a large number of people. This has eventually led to Gangtok becoming the primate city of Sikkim.
- Gangtok is the main base for tourism in Sikkim.

Figure 3.1: Distribution of urban population in the districts



Source: Census 2001

- The National Highway 31A runs only in the East District.
- Singtam and Rangpo towns in the East district have the benefit of being located along the National Highway which is the lifeline and the only connection to the outside world. They are also declared as the Industrial Corridor of Sikkim State.
- Singtam and Rangpo towns are also on the State's border with West Bengal, hence there are a large variety of economic activities in these towns.
- Industries are mostly located along the National Highway due to easy accessibility and carriage of goods etc.

This uneven distribution of population has led to regional imbalances thus causing severe strain on Gangtok. Due to the rapid increase in a limited area with site constraints, the urban services are subjected to a great deal of pressure. The strain on the system is evident in the form of traffic and transportation problem, lack of industrial and commercial development prospects, housing shortage, overcrowding and emergence of slums etc. Today, Gangtok is not able to cope with the demands of a large floating population. Ill-planned and unregulated construction activity has played havoc with its natural environment.

The urban areas of Sikkim have a different demographic pattern than the rural areas. The study area, which includes Gangtok Notified Town Area (NTA) and Tadong, has got different characteristics than the rural areas within the study area. The Gangtok subdivision has a total population of 1, 79,376 persons. The rural population of 1, 35,665 persons reside in 76 villages and 7 forest blocks. The city area has been divided into 10 wards and urban population of the subdivision is 43,711 persons (census 2001). Gangtok Notified Town Area including Gangtok has 55.5% of the Total Urban Population of Sikkim.

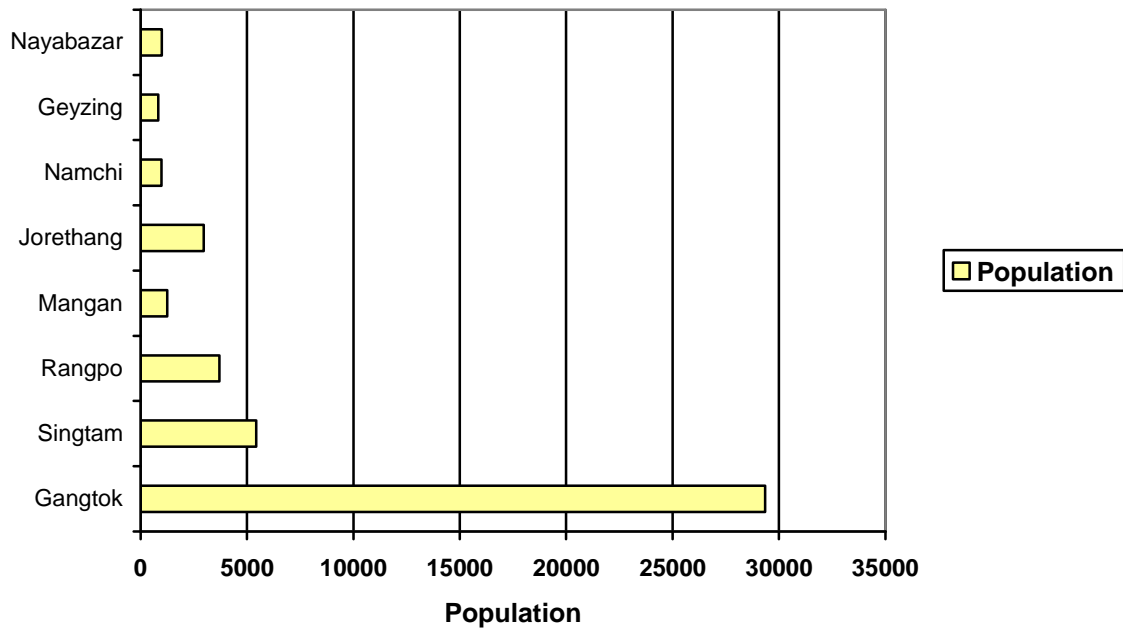


Figure 3.2 : Distribution of Population in Towns

Table 3.4 : Growth of Population in Gangtok Subdivision and Gangtok Notified Town Area

Year	Population	Decadal Growth Rate
1951	2744	
1961	6848	149.56
1971	13308	94.33
1981	36747	176.13
1991	25024	-31.9*
2001	29354	17.3

Source: Census of India, 2001

- The negative growth rate was due to the reduction in the size of the urban area.

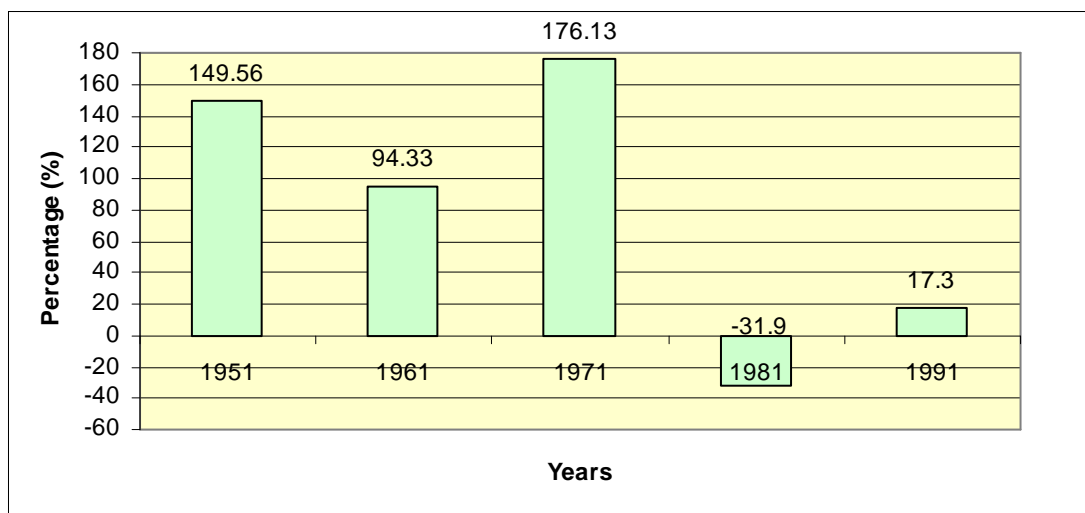


Figure 3.3: Population Statistics of Gangtok Sub-Division

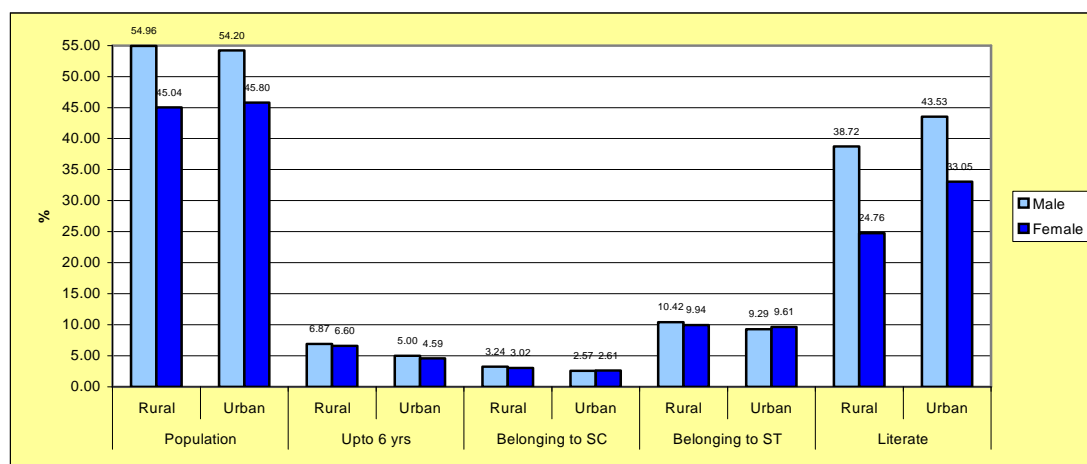


Figure 3.4: Population Distribution - Gangtok Subdivision

Male population in the rural areas is 55% and female population is 46%. The social dynamics in suburbs shows an appreciable trend. In between 0-6 age group population of girls is 15 % in comparison to 13% boys in the same age group in the existing male female population in rural areas of the Gangtok sub division.

Table 3.5: Population Statistics in Gangtok Subdivision

S.No.	Description	Category	Male		Female		Total No.
			No.	% to Total Population	No.	% to Total Population	
1	Population	Rural	74555	54.96	61110	45.04	135665
		Urban	23692	54.20	20019	45.80	43711
		Grand Total	98247		81129		179376
2	Upto 6 yrs	Rural	9317	6.87	8948	6.60	18265
		Urban	2184	5.00	2005	4.59	4189
		Grand Total	11501		10953		22454
3	Belonging to SC	Rural	4389	3.24	4098	3.02	8487
		Urban	1122	2.57	1139	2.61	2261
		Grand Total	5511		5237		10748
4	Belonging to ST	Rural	14143	10.42	13489	9.94	27632
		Urban	4062	9.29	4200	9.61	8262
		Grand Total	18205		17689		35894
5	Literate	Rural	52534	38.72	33594	24.76	86128
		Urban	19026	43.53	14445	33.05	33471
		Grand Total	71560		48039		119599

Source: Census of India, 2001

### 3.2 ETHNIC COMPOSITION AND CULTURE

Early records (1894) indicate that the majority of the population in Sikkim constituted of Nepalis with 56%, followed by Lepchas 19% and Bhutias 16%. More than 100 years later the population of Nepalis climbed to almost 70% whereas the Bhutias constituted more or less the same proportion and the share of Lepcha population has gone down to 14%. All the three major ethnic groups have their own language, culture and social practices and have a strong socio-cultural bond among themselves (**Source: Sikkim Study Series Vol I**).

Sikkim is culturally very vibrant intensified by the strong bonding between the various ethnic groups. In Gangtok, residents celebrate all the major local festivals as well as Hindu festivals such as Diwali and Dussera. The local festivals are Loosong, Saga Dawa, Lhabab Duechen, Drupka Teshi and Bhumchu that are celebrated by the Buddhists.

The majority of the population practice Hinduism and Buddhism. Sikkim also has a small Christian population. There is also a small Muslim population in Gangtok.

Football (soccer), cricket and archery are the popular sports in Gangtok.

### 3.3 EDUCATION

Literacy rate in Sikkim is 69.68%, which breaks up into 76.73% for males and 61.46% for females. There are a total of 1545 government-run educational institutions and eighteen private schools mostly located in the towns. There are about twelve colleges and other institutions in Sikkim that offer higher education. The largest institution is the Sikkim Manipal University which has 2 wings Sikkim Manipal Institute of Technology which offers higher education in engineering and SMIMS medicine. There are two state-run polytechnics, Advanced Technical Training Centre(ATTTC) and Centre for Computers and Communication Technology(CCCT) in Sikkim which offer diploma courses in various branches of engineering. ATTTC is situated at Bardang, Singtam and CCCT at Chisopani, Namchi. Many students however, migrate to Siliguri and Calcutta for their higher education.

In Gangtok subdivision literacy rate around 64% in village area out of which 39% are male literate and female literacy rate is around 25%. On the other side, urban area has 77% literate population. The female literacy rate is around 34% and that of male literacy is 44%.

### 3.4 ECONOMY OF THE STATE

Sikkim's economy is largely agrarian, based on traditional farming methods, on terraced slopes. The rural populace grows crops such as cardamom, oranges, apples, tea and orchids. Rice is grown on terraced hillsides in the southern reaches. Sikkim has the highest production and largest cultivated area of cardamom in India. Because of the hilly terrain, and lack of reliable transportation infrastructure, there are no large-scale industries. Breweries, distilleries, tanning and watch-making are the main industries. These are located in the southern reaches of the state, primarily in the towns of Melli and Jorethang. The state has an impressive growth rate of 8.3%, which is the second highest in the country after Delhi.

In recent years, the government of Sikkim has promoted tourism. Sikkim has a vast tourism potential and by tapping into this the state has grossed an earnings windfall. With the general improvement in infrastructure, tourism is slated to be the mainstay of the Sikkim's economy. A fledgling industry the state has recently invested in is online gambling. The "Playwin" lottery, which is played on custom-built terminals connected to the Internet, has been a commercial success, with operations all over the country.

### 3.4.1 Working Force Profile

The working population in the total population is only around 46% in rural areas of Gangtok. The working population is comprised of main working population and marginal working population. Main working population in total working population is 83%. The marginal working population is around 18%. Basically the main working population is engaged in cultivation in rural areas. Their percentage is around 23%. Around 4% of the population in total working population is indulged in agriculture in rural areas. On the secondary level there is minimal no. of people and their percentage is only around 1%. On tertiary level there is only 1% of population in total working population in rural areas. Dependents constitute higher percentage in the total rural population. Around 55% of the population comes in non working class. In which female dependents consist of 57% of the total non-working population.

The main working population is near 93% of total working population. Only 1% of the population is engaged in cultivation and agriculture. On secondary level like in household and other small-scale industry there is only 1% of the population. On tertiary level there is higher percentage of population and is around 92%. Marginal working population is near to 7%. The urban area too has large number of dependents and their percentage is around 60%. The female dependents are large in number. They are around 60% in the total non working population.

Table 3.6: Statistics of Working Population

S.No.	Description	Category	Male		Female		Total
			No.	% to Total Population	No.	% to Total Population	No.
1	Total Population	Rural	74555	54.96	61110	45.04	135665
		Urban	23692	54.20	20019	45.80	43711
2	Total Working Force	Rural	42585	68.27	19789	31.73	62374
		Urban	13087	73.42	4737	26.58	17824
3	Total Main Workers	Rural	38204	74.10	13352	25.90	51556
		Urban	12161	73.57	4368	26.43	16529
4	Total Marginal Worker	Rural	4381	40.50	6437	59.50	10818
		Urban	926	71.51	369	28.49	1295

Source: Census of India, 2001

Table 3.7: Distribution of Working Population

S.No.	Description	Sector	Category	Main Workers					Marginal Workers				
				Total	Male		Female		Total	Male		Female	
					No.	% to Total Population	No.	% to Total Population		No.	% to Total Population	No.	% to Total Population
1	Total Population		Rural	62374	38204	61.25	19789	31.73	10818	4381	7.02	6437	10.32
			Urban	17824	12161	68.23	4737	26.58	1295	926	5.20	369	2.07
2	Primary Sector	Cultivators	Rural	14316	8600	13.79	5716	9.16	5771	1990	3.19	3781	6.06
			Urban	34	19	0.11	15	0.08	9	3	0.02	6	0.03
		Agricultural Labor	Rural	2440	1572	2.52	868	1.39	1716	666	1.07	1050	1.68
			Urban	25	16	0.09	9	0.05	5	2	0.01	3	0.02
3	Secondary Sector	House Hold	Rural	697	522	0.84	175	0.28	3820	155	0.25	227	0.36
			Urban	144	104	0.58	40	0.22	26	16	0.09	10	0.06
4	Tertiary Sector	Others	Rural	34103	27510	44.10	6593	10.57	2949	1570	2.52	1379	2.21
			Urban	16326	12022	67.45	4304	24.15	1255	905	5.08	350	1.96

Source: Census of India, 2001



### 3.4.2 Agriculture

Agriculture is the major economic activity and is practiced on terraced field that has been laboriously created from steep hillsides. Statistics indicate that of the total geographical area of 709.6 thousand hectares in Sikkim, less than 15 % of the land is available cultivation with area under forest accounting for 42 % of the total during 1990-91. The successful conservation policy of Government along with conversion of agricultural land into cardamom plantation which requires forest cover has further increased the proportion of forest cover over the years. The climate of Sikkim is conducive for growing high value cash crops such as cardamom, potatoes, ginger and horticultural crops. The cropping pattern of the State has over the years transformed from cereal dominated subsistence agriculture to high value, cash crop dominated commercial agriculture.

Sikkim is also a paradise for flowers. Gladioli, anthuriums, lilliums, primulas, rhododendrons, orchids as well as many other floral species thrive here. The state is home to an amazing 480 species of exotic orchids alone. There is immense potential for developing floriculture on a commercial basis here, and the Department of Horticulture is making concerted efforts to turn this sector into an export-oriented industry.

### 3.4.3 Forest

Forest is one of the richest natural resources of Sikkim. The composition ranges from tropical Dry Deciduous Forests with Sal and its associates in the valleys of Teesta and Rangit to the Alpine Scrub and Grasslands in high altitudes. During the last two decades Forest Department has laid emphasis on development of fodder and fuel wood in the agriculture fallow lands of the villagers giving priority to plantation of broom grass for fodder and for economic upliftment of the villagers. Initiatives of the Government for afforestation has mass appeal with the Chief Minister leading the Green Mission in the State.

### 3.4.4 Industries

The policy of framework in regard to industrialization in Sikkim has to be formulated keeping in mind the limitations that the State has in regard to resources, particularly, minerals and industrial raw materials as well as man power. The state is not so rich in mineral resources and apart from the deposits of copper, lead and zinc, no other viable and exploitable mineral deposits have so far been discovered. However the state with its salubrious climate, a pollution free atmosphere and peaceful tranquility along with a good human resource base can nurture entrepreneurial talent and attract investments in the manufacturing and service Industries. In regard to industrial development, a number of small and medium units have been promoted in the state, mainly the Sikkim Time Corporation (SITCO) and Government Institute of Handicraft and Handlooms.

### 3.4.5 Power

Water is the most abundant natural resource in Sikkim and Hydropower potential in Sikkim is

estimated at over 8000 MW. Hydropower potential assessed and projected until now for both Rangit and Teesta amounts to 2766 MW and need to be harnessed with minimal environmental impact.

#### 3.4.6 Aqua Culture

Pisciculture is an important area of economic activity particularly in the context of enabling the rural people. The states natural resources endowments with an extensive network of freshwater rivers, lakes and streams offers conditions which are conducive for development of inland fisheries where a variety of carps and trout's can thrive.

#### 3.4.7 Livestock

In a predominantly rural economy such as Sikkim, animal husbandry activities form an extremely important element in the effort to bring about substantial improvements in living standards. With the overall area available for agriculture limited to about 15% of the geographical area of the state and with the increasing population, per capita land availability has been consistently declining, it is therefore, essential, that supplementary sources of income should be developed in order to provide not only the much needed support to the rural families but also to make available in increasing quantity, protein rich food items such as milk, egg, and meat. Adequate number of livestock like cattle, buffaloes, pigs, sheep's, goats, yaks and few others are reared in Sikkim. Yaks are reared in north eastern ranges bordering Tibet, Bhutan and western region bordering Nepal.

Sikkim's mountainous terrain results in the lack of train or air links, limiting the area's potential for rapid industrial development. The government is the largest employer in the city, both directly and as contractors. The Sikkim Police also employs a large number of people to patrol the streets. The tourism industry provides employment to many people, with jobs ranging from drivers, shopkeepers to hoteliers. Gangtok receives around 200,000 tourists and earns Rs. 42 Crores annually.

### 3.5 ENVIRONMENT

It needs to be ensured that, the state shall endeavor to protect and improve the environment and to safeguard the forests and wildlife and to protect and improve the natural environment including forests, lakes and rivers and wildlife and to have compassion for the living beings. In Resolution No. 3-1/86-FP dated the 7<sup>th</sup> December 1988, the Government of India, Ministry of environment and Forests, enunciated National Forest Policy to be followed in the management of state forests in the country. However, over the years, the environment, forests and land in the state of Sikkim have come under serious pressure due to the fact that more than 80% of the land resources of the state are under the management of the Department of Forests, Environment & Wildlife. Due to the increase in human population and cattle population and increase in development activities in the state, the pressure on the environment, forest and land is increasing at a very fast pace. Due to increase in human population, there is increase in demand for land for house construction, agriculture, road construction, hydel projects and

other developmental activities. There is also increase in demand for fuel wood for cooking and heating purposes. Due to increase in livestock population, grazing in the forest areas has been increasing. All the above-mentioned activities are likely to cause degradation of forests and environment. To overcome the situation and to increase the participation of the local people in the conservation and management of forest resources of the state and to maintain the ecology of the state without hampering developmental activities, it has become imperative to review the situation and to evolve, for the future, a strategy of environment of natural environment. There has been tremendous increase in the air pollution in the urban areas due to the increase in the number of vehicles over the years. Due to hilly terrain, land available for non-forestry purposes is very limited. So there is great demand on this land from various sectors. Land use planning and land management is very important for optimal utilization of land resources in the state. It has thus become necessary to formulate a “State Policy of Environment, Forests and Land Use”.

### 3.5.1 Ecotourism

To generate employment and improve living standards of the rural areas, without adversely affecting the ecology and environment, eco-tourism could be promoted in protected areas having natural scenic beauty and places of religious importance. Eco-tourism should be strictly regulated by making appropriate rules and regulations. No new area should be opened without thorough scrutiny and evaluation of the impact on the environment by the experts. The government should close those areas for eco-tourism temporarily or permanently, on which eco-tourism is having adverse impact on environment after scrutiny. At village level small cottage industries run by village co-operatives based on forest produce / wood produced by the farmers could be established near the forest areas with marketing linkages to the urban areas.

## 3.6 TOURISM

The implications and contribution of Tourism to the mountain economy of Sikkim and in particular Gangtok is significant with the tourism industry providing the maximum employment opportunities after the Government. Now Ecotourism has emerged as an important economic activity in the region which includes trekking, mountaineering, river rafting and other nature oriented activities. The number of Tourist arrival in Sikkim has shown an increasing trend from 1000 visitors in 1980 to 1,16,500 in 1997 and has reached a current level of 2,00,000 per year .

## 3.7 THE OPENING OF NATHULA PASS AND ITS IMPACT ON THE ECONOMY OF SIKKIM

Trade in the Hill State of Sikkim is upbeat on the prospect of Indo China Trade through Nathula. Lhasa the capital city of the Tibet is 431 kms from Nathula and little over 1100 kms from the port of Kolkata. At present the goods are transported to Lhasa through Beijing and Shanghai. As the present route is of considerable distance the trading community is expected to take advantage of the logistics for export of goods from India to Lhasa through Nathula.



Siliguri and Jalpaiguri in West Bengal and the East and South Districts of Sikkim are set to emerge as transshipment points for goods arriving from Kolkata port for Tibet and China. At these two places, the plan is to load goods in smaller containers before they make their way up the hills to Nathula via Gangtok. Besides sending goods for the Indian market, Chinese exports to South-East Asia, Bangladesh and Myanmar can also be routed through Nathula.

However, appropriate roads and allied infrastructure must be built before actual trading can begin. It is estimated that Rs 400 crore would have to be invested on this score. Recently, the Governments of Sikkim and West Bengal discussed to establish co-operation to facilitate the creation of infrastructure that would help realize the full potential of trade through Nathula. For Sikkim, the impact of trade through Nathula could be immense. Infrastructure will have to be beefed up which means that economic activity there will receive a boost. Warehouses will have to be built and the transport business will be boosted.

Buddhist tourists from the TAR can easily access the holy Buddhist sites of Gaya, Lumbini, Sarnath in India and the ancient monasteries in Sikkim through the Nathula Pass. The Rumtek monastery in Sikkim is the main centre for the Karmapa Buddhist sect.

Gangtok being located enroute to Nathula and presently being the Administrative and Business Capital of the State has to capture the immense gains that would emerge from the Nathula Trade Route. (Source: The Hindu)

### 3.8 FAMOUS TOURIST DESTINATIONS AT GANGTOK

There are many interesting places to visit in and around Gangtok. Some of the sites of tourist interest are listed below:

- The Namgyal Institute of Tibetology. It was built in 1958 and is a research center for Mahayana Buddhism and Tibetan culture. Besides being a museum of traditional and old artifacts, tourists can also buy Buddhist religious books and other objects of craft.
- Flower exhibition centre at White Hall complex and some private orchid sanctuaries around town, which is home to around 500 varieties of orchids.
- Rumtek Monastery; the institute is abode of the head of the Kagyupa order of Tibetan Buddhism as well as a learning centre. Devotees and tourists visit the monastery throughout the year.
- The Tsomgo Lake enroute Nathula pass lies in the northeast direction of Gangtok. Tourists require special permits to visit this picturesque lake.
- Hanuman Tok, Ganeesh Tok and Bulbuley wildlife sanctuary are located on the upper reaches of the city and offer an interesting experience to tourists.
- For the adventure tourist, Gangtok has plenty to offer with adventure activities like trekking, white-water rafting, yak safari, and mountain biking.
- Tour operators in Gangtok offer interesting visits and treks to Pemayangtse, Khechiperi, Yuksam, Tsokha, Dzongri, Thangshing, Zemathang, Chaurigang, Tashiding, Barsey, Yangang, Rabongla, Sang and Sikip.
- The state tourism department of Sikkim has been promoting the adventure tourism potential of Gangtok.