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Title of the Thesis: Centre-State Relation during RJD Rule in Bihar (1995-2005)

Findings of Research:

- The difference in the ideology of party in power at the centre and the party in power at the State level has been responsible for tension in the Centre- State relations. The negative role which some of the political parties have played has been responsible for strained relations as such communal mobilization of some party.
- The successive scams fodder scam, bitumen scam, etc have paralyzed decision- making. Fear of being accused of financial irregularities or being implicated in criminal cases, and an incentive structure which does not reward proactive problem solving but severely punishes impropriety has led to a breakdown of governance of Bihar's RJD ruled government.
- Central government did not release the funds and due share timely. So, implementing agencies are kept waiting for the receipt of funds.
- Imposition of President's Rule (under Article-356) during Lalu-Rabri in Bihar has mostly being misused for the political purpose to have a favorable government in this State.
- Bihar also suffers from heavy rains and floods and this results into a very limited timeframe for the implementation of the projects.
- The process of decision-making, manner and extent of Central involvement in State subjects have created problems affecting Centre-State relations.
- Bihar receives a disproportionately low sum by way of its share of Central government assistance. In respect of grant of Central Assistance, Bihar has been discriminated. Bihar's

Share has been lower than that of other States. During this period, Bihar got only Rs. 4047.3 crores, whereas Gujrat got Rs. 6912.1 crores, Himachal Pradesh Rs. 6904.8 crores, Uttar Pradesh Rs. 11343.0 crores, Assam Rs. 7989.8 crores and Andhra Pradesh got the highest amount of Rs. 9790.0 crores. So far as loans are concerned, Bihar got only Rs. 2849. 60 crores in 2000-2003 while Karnataka got Rs. 3984.8 crores, Uttar Pradesh 5713.0 crores and Andhra Pradesh the highest of Rs. 6902.2 crores.

- It is also true that Bihar received step-motherly treatment from the Union governments. The solution, therefore, lies in completely reversal of restructuring from the centralisation of acute form to a complete decentralised decision-making system.
- Unused resources from the Central government allocation generally lapse, and in some cases, are transferred to States with greater implementation capacity. This loss of resources is actually on two counts- first, there is less release from the Central government; and secondly, the State government is unable to utilize even this lower releases. This become a vicious cycle.
- At the time of partition of Bihar, RJD government had demanded for special package Rs.179900 crores for Bihar to make up the loss due to partition of Bihar. Central government agreed this demand that time. Even Bihar did not get its due share of central taxes in due time. Also central gives loan to state on high interest rate.
- The partisan attitude adopted by the Central government towards various States has also been responsible for tension between the Centre and State relations.