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# Whither North East India?

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Asok Kumar Ray

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*Dedicated*

to

**My beloved son....  
Amit Kumar Ray**

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## Preface

This book draws a road map of northeastern India from the pre-colonial era to the colonial and liberal era and from the liberal to the post liberal era. The idea is to capture the trends of changes in the social, political and economic systems of northeast India from the historic past to the present times. This road map helps to understand the direction of changes that took place from the pristine lineage system to the organized state system in which the economic factor played the determining role. In the colonial and the post- colonial phases northeast India had to face stiffer challenges. The changes and shifts in the paradigms of development adversely affected the region. The incredible resource endowments of the region drew attention of the colonizers who captured the region by the twin instrument of sword and sermon. In the liberal frame the hiatus between the transformative politics of the nation state vis-a-vis the cognitive politics of the ethnic groups of this region remained equally critical. The reactions against peripheralization of the region were expressed in different ways. This book tries to capture some of the reactions. The other debate in the present times centres round globalization and the new economic policy that tend to re-imagine the region as a prospective trading region and eventually lead the region towards the political economy regime of global capital. In both the liberal and the post-liberal frames the issue of redistribution is pushed to the back seat in the northeast.

The task here is to de-mystify the buoyancy created by the new economic order through a critique of the trends of the extant political economy in northeast India.

Hope, this book will raise debates among the academic community, policy makers and the development professionals.

I am thankful to Om Publications, New Delhi for publishing this book.

December, 2009.

Dr. Asok Kumar Ray

## Introduction

Northeast India has come to occupy a central place in the public debate in recent times particularly after globalisation and economic liberalisation. The public debate is polarized. According to the treasury view, globalisation has created hopes and scopes for progress and prosperity in the region. The state of India, the policy makers and one section of the epistemic community are obsessed with the promises and the high hopes. According to the other view globalisation is a re-colonisation project of the western capital and global market. This debate has critically implicated the northeastern region of India and reconstructed a new set of questions about the relative efficiency of political economy of finance capital and market economy on the one hand and value of distributive justice and social survival of the ordinary people on the other. The overwhelming presence of market economy and neo-liberal policy impels us to look into the nature of the major trends in the political economy of northeast India. These trends have a historic past. This book therefore starts with retrospection into the past of the northeast India to look into the process of early economic, social and political formations there. Starting from an enquiry into the process of early and pre-capitalist social and political formations, this book sketches a brief road map of the onward journey of northeast India from the colonial to the post-colonial era and then from the post-colonial to the post-liberal era. While the central focus is laid on the northeastern scenario, this book seeks to view northeast in the larger backdrop of history and political economy. This helps to problematise the central issues and raises the major criticalities facing the region.

The book is arranged in five chapters covering the historical transects of the pre-colonial, colonial, liberal and the post liberal regimes. In the **first chapter** efforts have been made to unpack the process of pre-modern social and political formations in the northeastern region. There is an effort to show how, given the

differences in the levels of social and political formations in the region, structural regularities existed at every level. This regularity was found in the economic structure that acted as the determining factor of the early social and political formations in the region. Contrary to the Biological Structuralists and the Structural Marxists, the determining role of the economic structure in the early social and political formations in this region was profoundly significant. In the valley areas of this region surplus yielding economy emerged from the wet field agriculture and created a stronger and centralized state system to defend the economy. At the same time, it created a divisive society where the landed ruling clans occupied the position of power and authority. We therefore found strong theoretical resonance of the determining role of the economy in the social and political formations in this region. At the same time there were significant presence of some of the special attributes of the Asiatic Mode of Production in the early social and political formations in the northeastern region of India. The state system in the valley areas emerged as grant system from the erstwhile lineage system. In the hill areas on the other hand the economy remained at subsistence level because of the prevalence of non-surplus yielding shifting cultivation system. The lineage systems in the hills lingered largely on in their pristine forms and formed the core of the social and political institutions. These lineage systems could not transcend. Although in the hill areas we found different formal land ownership systems including community ownership, individual ownership and chiefs' ownership, and also some kind of surplus formation in some hill pockets, the nature of the chiefs' ownership and the volume of surplus that were generated in the hill pockets were not sufficient to attain a transcendental society and a grand polity. In all cases, such formal ownerships remained essentially non-accumulative in nature. The early political systems among the tribes of this region also could not become institutionally uniform as these developed at different levels of economic formations. The significant presence of the lineage-based political systems followed the simple logic that "smaller the surplus, less elaborate is its public authority". On the other hand in the valley areas the surplus yielding wet-field agriculture became the determining factor behind the formation of a higher-order political system and kingship as the higher order political institution. Kingship appeared as the grand political institution in all the valley areas of Assam, Manipur and Tripura. By applying the twin

principles of 'primacy of occupation' (of the wet-fields) and 'domination-subjugation' the stronger clans in the valley areas could ascend finally to higher-order political systems and to initiate the institution of state. This transition from lineage to state became historically significant in the northeastern region. The institution of kingship in the valley areas of the northeast eventually assumed hegemonic form and made large scale subject formation in the region. Though the institutions of state and kingship in the valley areas became much more organized, dominating and institutionalized, these did not lead to direct occupation and direct ruling of the territories of the hill people. In fact the nano-political systems in the hills were allowed to enjoy considerable degree of autonomy in the administration of the internal matters of the hill society. There were instead two modes for receiving political obligation from the subjects: tributes and the ritual-religious mode that were attributed by the patronized mendicant-mandarin elements. It is also interesting to note that Assam, Manipur and Tripura- all emerged as typical monarchical states. In the early state formations process the tributary mode became the primarily mode of political obligation. The hill people would pay tributes to the kings as token of political obligation. The mandarin and mendicants built the ideological legitimacy to the respective monarchical systems that could ensure habitual obedience of the people to the monarchical authorities in the respective states. One can therefore find in the northeast the duality in the social and political formations corresponding to the duality of the economic formations in the hills and the valleys. Such duality also became a significant feature of the pre-modern northeast India.

The pre-modern states in Assam, Manipur and Tripura and the respective social structures were initially not exploitative in nature as the relationship of the Rajas with the subjects was based on tributary mode, basically a marker of political allegiance to the royal authorities. But things did not remain as such. The proto-feudal forces started to crystallize from the valley-based economy and eventually different institutional paraphernalia appeared to further consolidate the proto-feudal forces. (I like to call this phase as proto-feudal rather than feudal forces because of the essential differences between the classical European feudalism and the type of feudalism that appeared in the northeast India).

The major support institution to the proto-feudal formations in

the northeast included slavery, defence system, land revenue and royal edicts and royal proclamations. Slavery appeared in different forms in the region. In Assam, Manipur and Tripura slavery was institutionalized. In Assam it was called the *Paik* system, in Manipur, the *Lallup* system and in Tripura, it was called the *Taithung* and the *Lahar* systems. Strong defence infrastructures were built in these kingdoms. Land revenue administration was initiated. All these institutions were rationalized through royal proclamations and royal edicts. These initiated a major brake in the hitherto existing tributary mode of political obligation. The tributary mode gave way to the revenue mode of the economy in the valley areas. At this phase therefore, tributes became contributory to revenue and surplus generation. There was corresponding change in the concept of labour. The change was visible in the supersession of 'labour rent' (slavery) by 'money rent' (revenues and taxes). A more structured legal system and the customary practices led to consolidation of formal control over the fertile and surplus yielding valley lands of the region and eventual accumulation of capital. The new historic phase was set in, as in Assam, through conquest of new territories and population that could ensure much bigger surplus. This phase was identified by Amalendu Guha as the Phase II that span through the 16<sup>th</sup> and 17<sup>th</sup> centuries.

In the early social and political formation process in Assam, Manipur and Tripura as are studied here, there was significant instrumental role of the organised Hindu religion. The Hindu religion provided both theological and ideological legitimacy to the authority of the kings in all the three states. And the mendicants and the mandarins came to occupy very sacrosanct place in the society and polity under the patronage of the royal authorities in the three states. In Assam Neo- Vaishnavism was institutionalized in spite of the fact that Shakta cult (Tantrik cult) was more befitting to the ruling kings. The Ahom ruling family was initiated into neo-Vaishnavism in the early 18<sup>th</sup> Century. Eventually there followed socio-cultural and linguistic unification of all the groups of people both in the hills and in the valley. In the state formation process of Manipur and Tripura, Hinduism played the similar roles. In Manipur, it was during the 15<sup>th</sup> Century that Hinduism came to give a strong ideological foundation to the royal institution and in the 18<sup>th</sup> Century, Vaishnavism became the state religion. In Tripura,

Hinduism received huge royal patronage during the reign of Raja Dharma Manikya (1431-1462). The court Pandits who formed the mendicant community, got engaged in idealizing the royal institutions to enormous heights. This community fabricated many got-up stories showing the divine origin and divine connection of the kings. This is how religion could position itself with the emerging surplus-yielding wet-field economy and became a part of the political process in the northeast.

But the early accumulation of capital that happened in the northeast India, was not invested for productive purposes. Much of the revenue was spent on warfare, administration and on personal and familial luxuriant practices of the kings, nobles and their associates. This disabled the surplus from being invested for productive activities. This itself was one major reason in northeast India or for that matter, India as a whole to remain in the back seat of industrialization and modernization whereas Europe around the same time was excelling from the feudal to the capitalist economy.

The second option to initiate economic breakthrough was the emerging mercantile economy in the region. But the scope for mercantile activities in the region remained restricted and constrained. Barter trade, lack of monetisation of the economy, lack of scale and entrepreneurial class and the state of tribal-feudal continuum or lineage-state continuum in many parts of the region debarred the process of supersession of the extant economic relations and of initiation of major breakthrough. These trends in social and political formations in the region revalidated the debate on the Asiatic Mode of Production in which despite presence of all the proto-capitalist forces, stagnancy, immutability, and unchangingness characterized the economy. In addition hegemony and supremacy of the politics prevailed over the life of the Asiatic Society. This was largely true in the northeast India. The combination of these two major constraints had diffused the internal dynamism of northeast India that otherwise had the potential to supersede the pre-capitalist mode and at the same time disabled the region to make a breakthrough in the capitalist path.

The second chapter deals with colonisation of the northeast by the Europeans. The northeast India was colonized at a later period of history. The Treaty of Yandaboo-1826 marked the end of the erstwhile Ahom rule and the beginning of the European colonisation in the region. Land colonisation and market expansion

of the colonials started with wasteland promotion, plantation, commercialization of the forestry sector and introduction of new land revenue administration. All these were initiated in Assam through territorial expansion, annexation and subjugation of the dynastic rulers and the local chiefs. The kings and the local chiefs were made instrumental in colonial expansion and subjugation of the communities and other recalcitrant tribes. While the Treaty of Yandaboo was a landmark in promoting commercial and strategic interests of the colonisers, colonisation took place in the region in a phased manner- at different points of time. The colonials made a clear demarcation between the 'natural space' in the hills of Assam and 'civilizational space' of the British territory through promulgation of the Inner Line Regulation-1873. Colonisation of Assam was followed by colonisation of the kingdoms of Tripura and Manipur.

The legal regime introduced by the East India Company in Assam strengthened the commercial and strategic interests and let loose an oppressive regime. On the other hand many buffer villages of the Kuki tribes were settled by the British in the strategic locations to protect the British territory from being attacked by the recalcitrant tribes like the Nagas and the Lushais. The other instruments of colonisation were structured subordination of the tribes. The Lushai chiefs were given 'boundary papers', the Kuki tribes were given settlement rights and in Assam the Chieftainship Act empowered the British Superintendent to make and unmake the chiefs and the chiefs, thenceforward, came to derive their authority from the British, not from their traditional societies. These chiefs, while allowed to enjoy considerable degree of autonomy in the administration of their internal matters and to enjoy the customary privileges from the community, were mainly instrumental in forced drafting of labour. Such policy and Act of the British eroded the internal structure of the tribal societies and the common property resource by the twin jurisprudential principles of *lex loci* and *res-nullius*.

The hill-valley divide as the manifestation of the pre-colonial social formation in the northeast became oppressive and came to be centrally regulated by the colonials. Besides, the anthropological instruments of racial inferiority and territorialisation of the ethnic space advantaged the colonials in terms of managerial, political and legal control of the tribes. The social pathology of colonial

territorialisation was carried forward to the post-colonial period and problematised the social relationship between the communities and between these communities within this region and the others in the rest of the country.

However the colonials had the main target of draining out the natural resources from this region and of accessing to south China's natural wealth through the northeastern region. For this they constructed road and air infrastructures which displaced many local villages and invited strange people into the land. The colonials conquered these markets through war and annexation. This region was then segregated by a series of Acts including the Inner Line Regulation, the Scheduled District Act and the Assam Frontier Tract Regulation.

Tripura was subjugated and the Raja of Tripura was turned into a tributary of the East India Company. New land revenue administration was introduced and the king was made to pay revenue for the Chakla Rosanabad areas. The Manikya kings of Tripura were recognised as a vassal kings for the Hill Tripura while they were given Zamindari status in Chakla Rosanabad. In Assam the British introduced the *Ryotwari* system. While the substantial area of Assam came to be covered by the *Ryotwari* system, the erstwhile districts of Goalpara and Sylhet came under the Permanent Settlement with variety of tenural systems. The British also created a number of intermediary tenures in Assam. The valley areas of Manipur came under Ryotwari system under the Assam Land Revenue Regulation of 1886 whereas under the Chin Hill Regulation in place of land revenue, Hill House Tax was imposed.

It is to mention that the commercial activities of the colonials were started by the East India Company before the formal colonisation of Assam. Subsequently coal and petroleum explorations started in Assam. Plantation economy in Assam, commercial trading of the East India Company with Khasi and Jaintia Hills and the establishment of Bombay-Burma Trading Corporation were the major market-based initiatives of the colonials in Assam. Trade and export markets in Manipur were explored and captured by the colonials. The other commercial focus of the Company was laid on the forestry sector. Revenue generation and timber business became the primary objectives of the colonials. The colonial forest acts facilitated them to extract forest resources through administrative demarcation of the forest areas and through

classification of the forests. They discovered trade in timber and other forest produce as profit-making activities. The Forest Departments established by the colonials became highly oppressive. The British colonial government made unprecedented denudation of the vast forest cover of the region for commercial and strategic purposes of the empire to the utter disregard for the rights of the forest dwellers and the forest users.

A century of oppressive regulatory and political regime culminated in the visit of the Simon Commission to Assam. The Commission was more concerned with the political reorganisation programme with an intention to fracture the ethnic communities in this region and to retain control over the industries and resources of this region. After consolidation of the trade and commercial regime the institutional restructuring of the tribal groups in the region became crucial for the colonials. Political and administrative reorganisation was made in such way that would create social and administrative divide between the hills and the valleys of the region. The Commission provoked the separatist sentiments of the emerging ethnic elites of the region and instrumentalised the same for divide and rule. Things culminated in the Government of India Act 1935. The federal scheme under the Government Of India Act-1935 intended to bring the princely state of Manipur within its purview. But the advent of the Second World War suspended the federal scheme and the accession plan of Manipur.

The ideological mode of colonisation of the northeast was initiated through the path of the Gospel. Though the historic role of Christianity was over with the advent of secular ideology, juristic and political ideas, the strategic role of religion in ideologically subjugating the colonised people did not end. Thus in the colonies the British brought the sword with the sermon and established the complementarities of colonialism and Christian mission.

The British Government intended that the Missionaries would educate the immediate neighborhood and the local communities to participate in the British governance system in spite of the fact that under the Treaty of Yandabo the trade and commercial interests of the East India Company superseded the mission for "spiritual welfare" of the heathens in the northeastern India. But the complementarities of the colonial rule and the missionary activity were still not ruled out. The theological backing of the colonial power and the hegemony of the early churches in northeast India

became well established historical facts. That is why, in northeast India, Christianity came as an administrative policy. The basic idea was to break the martial spirit of the people, tame them and to bring them under control. The British Raj was officially committed to protecting all religious institutions of India and needed the political support of the valley-based elites. In the valley areas of the northeast where Hinduism had a stronghold, the evangelical operation was therefore very less compared to the hills. Education became the most important mode of evangelism in the hills. The church schools got grants-in-aid and the missionaries got subsidies from the government. Though government justified such subsidy on the ground that such schools should provide secular education, their teaching was biased towards religion and literature. The conversion agenda of missionary education became evident. The crony role of the missionaries was also manifest in introducing welfare measures and in reinstating the Assamese language as the state language of Assam. As a strategy of ideological colonisation of the Lushai tribe, educating the sons of the Lushai chiefs as the future rulers, according to the colonials, was considered more important for governing the Lushais through these future chiefs. The Christian missionaries were instrumental during the British Raj, trading in human souls and proselytizing the mass by force, fraud, inducement and theological deceit. The soft approach of the evangelical education was backed by the institutionalized power of the state.

The official claims of the missionaries in terms filling in the intellectual vacuum caused by the growing skepticism among the tribal population about their traditional faith and in terms of bringing social change in the tribal society through religious change are theoretically and historically challenged claims. Moreover, identification of religion with culture, as the missionaries did and the ordinary people came to believe, is also theoretically and socially challenged. Thus on no count the missionary action and evangelization could justify their official claims.

Another dimension of colonisation of the northeast is the concept of internal colonisation. The root of this concept lies in the misconception arising out of the apparent *laissez faire* policy of the British towards administering the tribes. Such misconception did prevail in the psyche of the people of the northeast and built both ethical and the political consciousness of emerging tribal elites in

post-colonial India. Internal colonisation argument received momentum in the process of coercive state-building process in the northeast, Brahminic superiority of the mainstream, hegemony of the Indian state and in the process of its dominating political culture. The other contributory factors included: hiatus between the Indian state and the communities in the northeast in terms of jurisprudence, between primary institutions of the people of this region and secondary institutions of the Indian state, between the common property regime and private property regime, between core and periphery and between the local sentiment and the national sentiment. The clause 'Lapse of Paramountsy' after British departure was also wrongly interpreted by the princely states. Moreover the isolation thesis prevailing in the region constructed the internal colonisation discourse in the liberal era. The cartographic factor, 'federal empire', excessive militarization and presence of draconian laws, unresolved borders and boundaries and regional disparity added scores to the argument. Internal colonisation did not however remain as a linear accusation against the Indian state. Territorialisation of ethnic space produced 'neighbourhood threat' and inter-community dispute. Inter and intra-tribal skirmishes and multiple ethnic blue-prints gave way to poly-vocality and such poly-vocality problematised the issue of internal colonisation in the region. Originated as an elitist discourse in the post-Independence period, the internal colonisation argument went in different directions and finally seeped into the arena of public discourse in the northeastern region. But the logical chain of the internal colonisation argument from the state of India versus the northeastern region down to inter-and intra state conflicts stymied the fundamentals of the internal colonisation argument itself and left the middle class discourse in this region at lurch.

The third chapter deals with the project of the nation state and the republic of India and the northeast Indian reaction to this project. India's nationalism was influenced by the western concept of nationalism although the economic foundation on which nationalism emerged as a political concept in the West, was absent in India. In India the state building task preceded the nation-building task and nationalism only provided the ideological ammunition for territorial integration. This problematised the nation building project in the northeast India.

From the colonial times, northeast India received a frontier

identity. The partition of the country created religious division; created borders and boundaries; caused trans-border migration, territory transfer and refugee formation. All these affected the northeast in a big way. Shallow experience of the Indian state in the working of the republic, lack of a clear-cut ethnic policy and asymmetric incorporation of caste-ethnic-religious triangle of the Indian society into the grand Indian state system irked the northeast India. The colonial rulers were not in favour of considering the hill people of the northeast as parts of Indian population. The Indian state reproduced the same colonial construct of the ethnic groups and introduced territorialisation of the ethnic spaces although they were brought under the fold of Indian citizenship. The other problematic issues were posed by the clause 'Lapse of Pramuontsy' after the transfer of power and the eventual Accession Agreements of the two princely states of the northeast; the un-uniform administrative systems in different parts of the northeast at the time of Independence; the emerging ethnic aspirations and by the projection of a centralized state for consolidation of nation state.

All these gave birth to nation-tribe dichotomization in terms of (i) mono-culturism of the nation state and multi-culturism of the ethnic groups; (ii) Aryanised communities in the mainstream and the non-Aryanised communities in this region; (iii) nationalism, micro-nationalism and trans-nationalism and so on. Seen from the northeastern angle, the culture-based polity re-engineering was of piecemeal nature that disabled the building of a larger political view at the regional level. This let loose two risks: intervening into the sovereign sphere of the neighbouring states and hindering the growth of organic relationships between different brands of the nationalists in the northeast India. At the same time in the northeast regionalism could not emerge as a secular and geographical ideological category surpassing the ethnic limitations. Regionalism therefore could neither act as a critique of the community nor could it provide an alternative to the official mainstream.

On the other hand, seen from the Indian angle, northeast appeared to be an unsecured zone. Therefore on defence and security considerations, the North East Frontier Tract was kept under the Ministry of External Affairs first and then under the Ministry of Home Affairs. This retarded the nation building process. This stand of the Indian stater also distinguished the *state nations*, from *ethnic nations*. The *ethnic nation* in the northeast gave

birth to at least four sub-types of nationalism including *infra-nationalism*, *proto-nationalism*, *trans-territorial nationalism* and *ultra nationalism*. The response of *infra-nationalism* to the nation state was essentially in moral term and not in political term. It was protectionist in nature and resisted change in the traditional structure. The *proto-nationalists* were 'forward looking' and strove to retain the traditional resource base and at the same time to demand share of services and resources of the welfare state. They were also in favour of increasing individualization of political and social opportunities and aspirations. The *proto-nationalists* recovered ethnicity from the pure anthropological domain and positioned it on the domain of politics. Ethnicity in their hands became a political capital. *Trans-territorial nationalism* emerged from those tribal groups whose formal memberships were widely dispersed beyond the trans-border regions and trans-border states and from those tribal groups who remained in a fluid state of assimilation either inside the country or beyond the frontier. Their national identities were also in a fluid state. *Trans-territorial nationalism* banked on the legitimacy of the clan and cultural boundaries, quite different from the boundaries of the nation-state. With differences in ethno-political approaches these sub-types tended to build their respective community constituencies and arraigned them differently against the mono nation-state.

The Indian state on the other hand considered these developments as imperfect and viewed that perfection lay only in the republican values enshrined in the constitution. Nevertheless the Indian state also failed to reconcile the multiple aspirations of the ethnic nations with the nation state. There were precisely hexagonal factors behind: India did not so far have a clear-cut ethnic policy; ethnicity was pejorised; geographical isolation of the northeast and self-centred and exclusive nature of ethnic groups living therein; precedence of state formation process to nation-building process; unsound tribe-nation continuum hypothesis and not the least, dominance of the 'power-state' role of the Indian state. But as the northeastern scenario revealed, the term nation did not remain a monopoly term of the Indian state. The different ethnic groups and organizations contested the notion that the grand institution of state alone could legitimately possess the term and affirmed that there could be nation even outside the framework of

the nation state.

But the ethno-nationalists had their own contradictions. They became fractured and, despite huge commonalities among the ethnic groups, failed to give ethno-nationalism a pan regional character. The emerging elites maneuvered ethnic consciousness and in this process, reproduced the colonial practice of 'othering' & 'togethering' and of deconstruction & reconstruction of the ethnic groups in order to fit in with their respective political agenda.

On the other hand, in the post-Independence polity formation process there was a strong legacy of the colonial territorialization of space and hence it became really hard for the Indian state to pitch the ethnic communities on the state process. Deficits of the Indian state on both ideological and institutional counts became evident. The Indian state froze the concept of nationalism and encouraged only those institutions that were Pareto Optimal. In the northeast these were Autonomous District Council (Assam, N.C.Hills, Parts of Mizo Hills) federal statehood (to the princely states of Manipur and Tripura) and autonomous territory (Bodo inhabited lower Assam). The strategic response of the Indian state towards the northeast strengthened the institutionalized power of the Indian state and differential treatment towards the region. The trade-off between the national project of the Indian state and the ethno-nationalist projects of the northeastern region further reinforced the 'internal colonisation' argument. The complementarity of 'Rational Choice Regime' and economic rationality strengthened the political economy of the Indian state on the one hand and built the rationale for internal colonisation on the other. In the northeast the different ethnic movements reacted to internal colonisation differently and this argument did not remain unmixed. Neighbourhood threat, inter-community division, hill-plain division, political and ethnic boundaries within the region diluted the internal colonisation argument. Cross border migration and refugee influx into the region further problematised the argument. Thus although the ethnic communities lived in proximity with the others, such proximity was of accidental nature and was "featured by exclusive solidarity; discrete micro-narratives; repulsive homogeneity and overlapping of proximate identities.

However, exclusion and marginalisation of the ethnic aspirations gave competitive advantage to the emerging tribal elites to bank upon the support of the indigenes in legitimizing the public ideology of individual rights. The trade-off between the Indian

nationalism and the nano-nationalism in the region being what they are, gave rise to two frameworks of understanding the problem: one is the 'law-and-order framework' and the other is the 'political framework'.

Things finally culminated in the rise of the fourth sub-type of nationalism called *ultra-nationalism*. *Ultra nationalism* appeared in different parts of the region and took a hard line stand against the Indian state by voicing demands for secession and sovereignty. Although politics of secession was embedded in the Naga, Mizo and other tribal movements at the very time of transfer of power, it continued even after the transfer of power. The Indian state responded to these movements through different institutional measures including grant of autonomy, statehood, protective discrimination and finally through the institutionalized force. On the other hand according to the *ultra nationalists* the Indian state could not successfully address the historical marginalization of the region. This intensified the arguments of internal colonisation once again. *Ultra-nationalism* took a critical turn when it critiqued and problematized modern sovereignty discourse; raised demands for re-locating sovereignty in the ethnic milieu and threw challenges to the absolutism and Nation-State-based Popular Sovereignty. The basic contradiction between the ultra-nationalists and the Indian state came to center on the concepts of *instituted* sovereignty and *acquired* sovereignty.

But the more serious problem was the presence of internal contradiction within the *ultra-nationalist* movements. These movements could not go with a single political ideology. These became scrambled with factionalism and diversity, challenging each-others' constituency, territorial blueprint and strategy. The diversification of outfits diluted the genuine democratic movements in the region. This scenario exposed the methodological risk in explaining the terrorist scenario in the region in terms of poverty-terrorism hypothesis, 'criminalization of politics' hypothesis and 'subversive-activity-of-the-global-players' hypothesis. Against these hypotheses, the regional terrorism came to mean unstructured political acts which often diluted their organizational identity at mafia platform, professional terrorism and sponsored terrorism. This type of subaltern insurgency became ideology-less, lacked clear political programme and transformative potentials.

Global political economy and FDI intervention in the northeast demanded rule-based system and governance and the state governments of this region became busy building the conducive environment for FDI intervention. Under the neo-liberal constitutionalism, the state therefore resorted to coercive measures to tame the ultra nationalist movements. The polarity between the sovereignty claim of the *ultra nationalists* and the 'constitutional framework' of the state created a perennial deadlock and debilitated emergence of effective civic space in the region.

Nevertheless, the junker politics of the factional ultras in the region needs to be reckoned with. At the same time the *ultra-nationalist* movements in the northeast went in different directions including sponsored terrorism, narco-terrorism and pornographic terrorism to further scramble the *ultra-nationalist* movements. In either case, the polarity and contradiction between the Indian state and the regional ultras exposed the contradictions between Indian state's counter insurgency policy and republican discourse and between insurgency and democratic dialogue in the region. Moreover increasing vocationalization of the movement space depoliticized the movement space itself. A post-colonial solidarity between the two geographical spaces of the mainland and the rim land did not mature. Nor the *intra-nationalists* communications and internal contradictions between and among the ethnic groups within the region did result in practical regional solidarity to countervail the grand polity and the nationalist project of the Indian state. This scenario raised the critical question as to where the nation state and republic stand in the northeast!

Under the neo-liberal economy, the market forces uprooted culture and cultural politics from the soil and destructed the 'context' in which it was created and defined. It also changed the taxonomy of culture which now came to be guided by the market forces. Besides, the hitherto existing ethnic institutions also were considered as imperfect institutions in the market economy and considered the troubled ethnic diversity in this region uncongenial to investment and economic growth. At the same time the global trade regime de-essentialized both ethnicity and the nation state. But this scenario makes us question the direction which the deregulated political economy is leading the northeast India to! While classical nationalism served as an economic concept, in northeast it could not rise above a politically contested concept.

Nationalism of any brand in the northeast on the other hand failed to address the macro economic challenges of globalization and failed to act for emancipatory justice. In these circumstances the challenges before the northeast India is how would it position the nationalist discourse in the face of globalization.

The fourth chapter is devoted to different dimensions of globalization and economic restructuring in the northeast India. In fact, northeast India became relevant to global political economy as it provided a new space for market and capital expansions. The asymmetric process of colonial incorporation of the northeast died hard in the era of globalization and eventually captivated the economic, political, social and cultural spaces of the people. In the larger framework of global political economy, the primordial and nativistic frameworks of discourses in northeast India were de-essentialised. We can discern two parts in the intervention of global political economy. One is the software part and the other is the hardware part. The software part consisted of re-molding ideology, grooming an instrumental epistemic community and floating the 'learning theory' for a paradigm shift under globalization. All these taken together harboured a critique of the hitherto liberal framework and rationalized the global paradigm. The 'learning theory' gave the epistemic community a coping strategy and also gave the global economy an instrument to conceal the highly iniquitous nature of the neo-liberal impositions in the less developed and the developing countries and in the underdeveloped regions of these countries. The 'learning theory' also served to de-essentialise public criticism and dissent. It was to ensure greater conformity through the country policies and to open the trajectory of global finance. In the northeast such conformity was shown through investor-friendly governance reforms and other sectoral policy reforms including Industrial policy and IT sector policy. Institutional reforms were initiated at the micro, meso and macro levels in order not only to comply with but also to operationalise the global political economy. While the first two levels of reforms were parts of the in-country institutional preparedness and compliance, macro institutional reforms build the hardware parts of global political economy that could be made operational through the bi-lateral trade negotiations, treaties and trade rules as well as through the reversal of the extant state-driven social, distributional and welfare policies. Contrary to the

conventional 'investment-growth' equation, 'growth-institution equation became more critical under globalization. At the macro-economic policy level institutional reform became the major programme for larger institutionalization of the market economy which came to control all the regulatory mechanisms of the state, positioned itself on the supra-judicial realm and imposed supra-judicial conditionalities on the recipient countries.

In northeast India the institutional reforms were largely non-negotiable and highly investment-driven. The growing political instability and conflicts in the region were seen as symptoms of market imperfections that could be perfected by large-scale governance and public management reforms. Thus good governance and institutional reforms were made the major pre-conditions for foreign direct investment. Eventually strict governance and peace building became the major concerns of the state governments in the region. It is to mention that the northeast India largely toed with the larger governance reforms in India as required by the international financial institutions and the UNDP. Institutional dilemma in the northeast has however both colonial and post-colonial legacy. The new institutional requirements under globalization has further problematized the region. And the institutional reforms could not obliterate the structural divide in the region. Decentralization in the northeast could not break the centrality of the Indian state and the centrality of neo-liberal economy. Thus in spite of the Look East Policy and the North East Vision Document giving stress on governance restructuring, by all major social indicators the northeastern region did show under-performance and lack of capabilities.

The paradigm shift from the welfare policy of the liberal era towards market economy in the post-liberal era made an U turn of the approaches to rural development. It introduced the concepts of rural business hub, decentralization, corporate and contract farming. It made sectoral policy reforms in agriculture and reduced the developmental role of the state. Large-scale institutional reforms including reform of the public management system and governance were harboured basically for trenching FDI ignoring the larger issues of redistributive justice. What concerns the northeast most is the very approach under which institutional reforms and governance reforms were evinced. Such reforms were aimed at creating an investment friendly environment in the

otherwise politically disturbed northeast India. Further cursive look into the Look East Policy would reveal a few significant criticalities. Although the policy has its roots in the 1950s, it came to prominence in the 1990s as an instrument for global trade and investment. The relative strategic significance of landline trade and investment route against the terrorist vulnerability of the sea line trade route, increased the significance of northeast India. The Policy sought for closer economic cooperation and regional groupings of various types for global market and trade promotion. Nevertheless the regional groupings under such circumstances, could not grow as autonomous regional initiatives for domestic trade promotion in the south Asian zone nor could these groupings break the centrality of WTO in trade matters.

Another criticality of the Look East Policy is laid on institutional reforms and peace building in the border states of the northeast. Trade related securitization and connecting trade with security became the core of the policy and this led to the reform of the hitherto existing institution of the North Eastern Council, tightening of security measures and intensifying militarization in the region. The other criticalities of the Look East Policy in terms of trans-border migration vis-à-vis globalisation; border management and trade related securitization; lack of popular mandate behind the policy and authoritarianism of the policy; vexing border trade between India and Myanmar and the last but not the least, growth-employment asymmetry, adversely affected the economy and society of northeast India.

The North East Vision- 2020 intends to return the region to the position of national economic eminence it once held; grass root the development process and to ensure the region to play arrow head role in the vanguard of the country's Look East Policy. While giving thrust to a large number of development initiatives, the larger vision of the document is to merge the development issues of the northeast with southeast Asia and the Look East Policy. FDI induced development and institutional reforms remain the usual features of the document.

The criticalities of the vision document are manifold. Questions have been raised whether the document was a product of a consultative process. The rhetoric of the document in terms of creating more opportunities and choices in the region through trade liberalization, free flow of goods and services across the border and

building complementarily between the regional and global trade, did not look into the operational, structural and policy level limitations. Despite high policy subsidies of the northeastern states in favour of foreign direct investment and trade, restricted movement of goods and services from this region, limitations of the statutory borders both within the Indian state as well as between the India's northeast and the neighbouring countries disabled the region to be a fit player in the global market. Nor did it allow emergence of autonomous common market at inter-state and intra-regional levels. The non operation of 'Mode-4' services disadvantaged the people of this region in a big way. Thus we find a lack of 'fit' between the regional scenario and the fundamentals of the vision document. The market focus of the vision document, market-driven connectivity, public-private partnership in development, self-governance, inclusive growth etc. simply echoed the extant neo-liberal political economy. These factors grossly threatened the essentially land based economy in the northeast and ignored the structural inequality and distributive justice in the region.

The neo-liberal economy invited crony capital in a big way. Although in Assam, the East India company introduced crony capital for the first time, the neo-liberal drive for crony capital became much intensive. Thus cronyism made inroads in the policy reforms in northeast India. The strong influence of the industrial and business cronies in policy formulation and development decisions is a matter of serious concern. For deepening cronyism the corporate houses made their significant space in the planning body and in the government institutions. The major agenda of cronyism is to explore and identify investment and market opportunities in the northeast and this became the major focus of the consecutive business summits of the northeastern states. The liberal approach of the state governments towards their cronies have incurred, apart from steady reduction of governmentality, heavy loss in government revenues, imposed higher taxation (both direct and indirect) and have caused erosion of the common property resource endowments of the region. This has threatened subsistence of the ordinary people. Crony capital has captured the agricultural scenario through contract farming and agri-business. In the northeast, as a part of the Technology Mission, the Small Farmers' Business Consortiums were set up to identify the priority plants of

business export zones and priority plants of state forest departments. This led to large-scale de-peasantization, food grains insecurity and caused inter-generational alienation of the peasant communities from their livelihood resources. In spite of all these costs, neither at the domestic market nor at the international market, the farmers of this region could make place. Crony capital also captured the policy regime and intervened in all the sectoral policies including the North East Industrial and Investment Promotion Policy, IT Policy, Land Policy, Agricultural Policy and so on and influenced these to their absolute advantage.

In the neo-liberal frame the concept of 'inclusive growth' has been re-invented as a new jargon. In northeast India, inclusive growth is more a part of political economy than an instrument of social policy. As the neo-liberal economy is based on 'Pareto Optimality' it can survive only at the cost of social optimality. This is exemplified in the contemporary social and economic scenario in the northeastern region. Growing unemployment, spiraling job scarcity, joblessness, youth migration, growing social and political tension and militancy and counter-militancy in the region show the pathological symptoms of Pareto Optimal growth.

The fifth chapter is the concluding chapter. This chapter revisits the whole range of issues pertaining to the northeast and on that basis, critiques the overall social, political and economic trends of the northeast. The first critique is on the primordiality-modernity divide in the region. The primordiality-modernity divide created during the colonial era lingered on in the post-colonial era which produced a face-off between the nationalist project and the political imagination of the future polity of the tribal world of the northeast. Such face-off, despite the developmental approach of the liberal state, finally manifested in political and social conflicts and armed militancy in the region. The cultural paradigm, protectionist social policies and state re-organizations in the region could not resolve these conflicts. Eventual reduction of bio-function of the Indian state and her growing militancy towards the region on the one hand and growing militancy of the numerous outfits in this region on the other, created perpetual deadlock. This scenario invalidated the tribe-nation continuum hypothesis and foregrounded ethno-nationalism against the nationalist project of the Indian state. But internal colonisation as a critique of the nation state exposed its own contradictions. Firstly, the 'multi-culturism

as an ethos could not be firmly wedded to nationalism as a secular, political and economic concept. To the emerging middle class of the region territoriality, not systemic inequality, was the central point of political arrogance and this sharpened the internal colonisation argument. On the other hand 'multi-culturism produced fractured ethno-nations which divided the regional middle class movements at least into three types- the infra, proto and the ultra nationalist movements- each with different strategies and approaches for their own constituencies vis-à-vis the Indian state. While the power image of the Indian state was a common concern in the region, fragmentation of the middle class in the region weakened the common concern.

The pre-modern-modern gap created during the colonial rule was further institutionalized in the middle class politics in the northeast. Thus whereas the modern state embarked on commonalities and single citizenship, a large section of the regional elites tended to establish pre-modernity as countervailing force against the nation-state of India. Two things became manifest in the ethnic movements: cognitive politics and allocative politics. Although not clearly distinguishable, these two movements appeared in varying degrees in different parts of the region.

The trans-territorial polity plans implicating the neighbouring state of Burma marked another trend setter in the region. But in such plans we found lack of strategic coordination between the two countries, lack of ideological resonance, lack of understanding the internal crises of the Burmese state and finally lack of any emancipatory vision. The post-colonial modernization as evinced by the Indian comprador capitalist class, did not penetrate in this region. As a result, it created an ideological vacuum. This was largely responsible for the 'primary' nature of their movements. All these movements could not build a strong regional solidarity. On the other hand the nationalist project of the Indian state subsumed plurality and fore-grounded the agenda of the nation-state building in this region. This disconnect, thus created, debilitated the region to define the direction of change and action plan for a desired change.

The institution of autonomous district council under the 6<sup>th</sup> Schedule to the Constitution of India gave way to tradition-modernity dichotomy and eventually created contesting loyalties- one, based on kinship and the other, based on territoriality. Though

as an institution, the district council was not able to give fuller autonomy, it became the manipulative political space of the traditional leaders. The similar political affiliations of the elected members of the district council and the traditional leaders of the tribal societies diluted the core of self-governance. There were other euphoria as well including that of autonomous state and even autonomous districts in some pockets of the region. These disabled the region to develop a clear vision and direction that could act as alternative to the Indian's ruling class's perception and solution of the problem of integration of the northeast with the mainstream of the Indian polity. The net outcome was that the concept of autonomy could not be located on larger regional space. Nuclear forces came to dominate in the autonomy discourses in the region.

The second critique centres round the neo-liberal policies in the northeast. This critique has been made at two levels: at the level of epistemology and at the level of political economy. At the epistemological level we found deconstruction of rational knowledge which affected scientific pursuit of social research, knowledge and culture. Knowledge has been privatized with the main objective of serving the neo-liberal economy. This has been done by creating a knowledge society. Privatization of knowledge has affected the curricula, faculty development and funding pattern in the institutions of education. The National Knowledge Commission in India has come to play the instrumental role in privatization of knowledge. The focus is now laid on human capital and skill development. This trend has affected northeast India in bigger way. Asymmetric human capital formation and distribution of the same in the northeast have gone to the utter disadvantage of the region. It has totally destroyed the traditional knowledge system and privileged algorithmic knowledge against socially embedded knowledge. This has resulted in intellectual re-colonisation and unequal power relations between the metropolitan and the peripheral regions. In the northeast, this has created new poverty of knowledge and has made the region self-defeating and externally dependent.

The second generation crisis in the region was let loose by low human development and the eventual growth in unemployment. At the macro economic level, globalization did not result in increase in labour intensive export and trade-induced employment (contrary to the H-O theorem) and did not lead to wage and income

equality (contrary to the S-S theorem). The unemployment scenario in the northeast can better exemplify these trends. And yet the industrial policies of the northeast became largely concerned with creating investment climate for FDI by extending huge policy subsidies. These moves of the governments of the northeastern states did not even look into the technological capability and investment capacity in the region. This created investment-growth asymmetry and growth-employment asymmetry in the region.

Micro finance, micro-enterprise development and Self-help promotion provided alternative to the service-oriented income and employment. In the context of global political economy, micro finance became coterminous with horizontal investment. Horizontal investment made the rural community the market place for global finance. However, given all the push and pull of the global capital, the Indian state or for that matter the northeast Indian states, could not provide adequate safety net to the SHG produce and protect it from the competitive market. Such social policy deficit following the foot-steps of the neo-liberal economy, threw both the onus of poverty and the onus of poverty eradication to the poor and the unemployed people themselves. The result was that as both economic and social groups, the Self help groups within the global micro finance mode created divisions within the society and community.

On the other hand, a new type of land-use and cropping pattern has been introduced. A new type of land colonisation has taken place through the SEZ Act. Such lands as are captured as SEZ lands serve the interest of the corporate investors and the estate developers. These developments have also affected the northeast region to a large extent. The North East Development Vision-2020 has provided a development blue-print as a logical extension of the captive vision of the neo-liberal economy. Eventually the Vision document, the Look East Policy and the consecutive business summits of the northeastern states often cross-cut with each other. These, to a large extent, have ignored the distributive dimension and distributive gain. Although in the context of macro economic crisis the West now speaks about regulatory market, redistribution and social returns, there is excessive concentration of wealth in the hands of a limited number of oligopolies that as such deny redistribution and social optima. This has resulted in asymmetric relations between the developed countries and the developing and

less developed countries in recent times. Liberal economy thus stands against the acid test of history in northeast India.

The journey of the northeast India from the colonial to post-colonial and from the post-colonial to the post-liberal regimes has been thoroughly odd. The contradiction between the northeastern region and the mainstream India could not be conveniently resolved over the centuries and over the decades. Nevertheless the two regional spaces survived with the paradox of discordance. The multiple socio-economic and socio-political frameworks through which the region has been seen, have now brought the region to serious cross roads. Globalization and structural adjustment have further problematised the region. The irreconcilable forces of globalization, finance capital, infrastructure building, trans-border trade, crony capital and market-economy caused rolling back of the state from its public policy of re-distribution. For more than two decades the political and economic scenarios in the northeast went in two directions. One is the politics of arrogance, cognitive politics and allocative politics to counter the hegemony of the Indian state. The other direction is the whole set of market driven economy and liberalization. Globalization re-invents the region as a conduit of global capital and market expansion across the southeast Asia. The market economy looks at the political expositions of the northeastern region in the liberal frame as indicators of imperfect market, which could be perfected by military intervention. The euphoria of foreign direct investment and market economy would then 'fold the future of the northeast India in', beget an investment and market regime and position the twenty first century northeast within such economy. Such scenario therefore cannot but throw the region to postmodernist condescension.

The northeast India has become a renewed concern for the contemporary Social Scientists working on this region. This book is one that shows similar concerns. It revisits the trends of changes in northeast India from the premodern, colonial, post-colonial to the postmodern times and critiques the very direction of change that happened in the region. In the post-liberal regime the northeast India has come to face stiffer challenges that has led the region towards a future, essentially market driven and made the region economically and socially more vulnerable. This book intends to provoke larger debates among the academic community, policy makers and development practitioners in northeast India.

Dr. Asok Kumar Ray is a scholar on northeast India. He is engaged in interdisciplinary researches on Northeast India over the last 30 years. He has shown interest in political anthropology and has worked intensively on the political systems of the highlander tribes of the northeast. Over the last fifteen years he is working on political economy. He has authored four books and co-edited eight books on the inter-disciplinary themes of social science largely focusing on the northeast. Besides, he has to his credit about one hundred research papers presented in different national and international platforms. Many of his research papers were published in different academic journals and books. Dr. Ray is a life member of Indian Sociological Society, North East India Council for Social Science Research (Shillong) and Indian Association of Social Sciences.

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