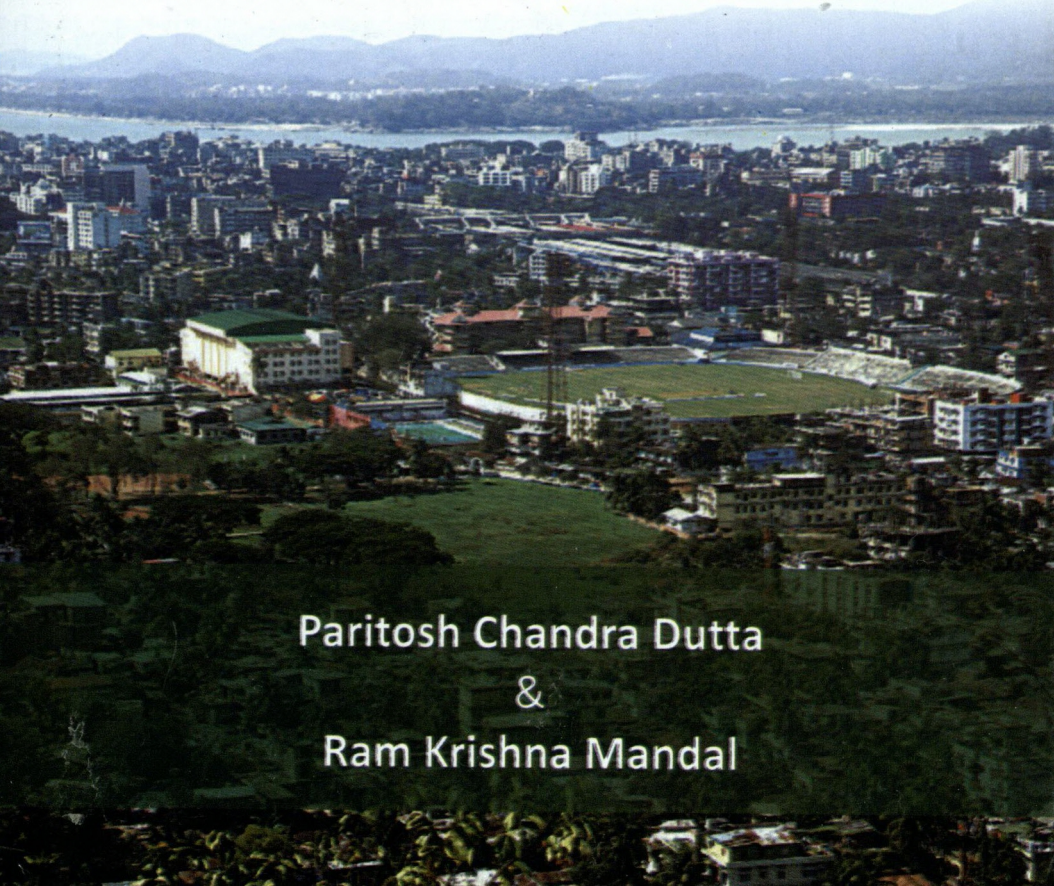




GLOBALISATION,
GROWTH AND INEQUALITY IN
NORTH EAST INDIA

In 2 Volumes



Paritosh Chandra Dutta
&
Ram Krishna Mandal

This book consists of twenty one papers and divided into five sections: socio-economic development, economic disparity, demographic profile, environmental degradation and agricultural scenario. Basically, it concerns economic disparity, poverty, human development, level of living, employment and wages, literacy and education, morbidity, disability and nutrition, effectiveness of public services, education and health care etc. of the people of north-east states. Multi-dimensional changes during post reform period were undertaken over centralized and nationalized of socialistic pattern of development which led to corruption and economic inefficiency and inequality in this region. Protection, subsidy system and aid have encouraged permanent dependence rather than growth. Hence, this region is facing the dilemma of economic efficiency versus social and regional inequality. There are differences in natural resources, climate, topography, vegetation and density of population in different regions. The forces of regionalism have become strong and the gravity of the problem has increased to such an extent that it has been threatening the political stability. Sustainable development, which stands at the root of its beginning, aims at improving human well-being, particularly through alleviating poverty, increasing gender equity, and improving health, human resources, and stewardship of the natural environment. When the whole world is crying for the mercy to get rid of current state of environmental degradation in the form of depletion of ozone layer, global warming and climate change, it is found that accessible natural forests particularly in the foothills of this region are under great threat to a large scale due to extraction of timber and illegal felling of trees.

₹ 1800 (Set)



Paritosh Chandra Dutta completed his graduation with honours in Statistics from Darrang College, Tezpur (Assam) and did both his M.Sc. Statistics and Ph.D. in Statistics, from Gauhati University, Guwahati (Assam). He has also earned B.Mus from Bhatkhande Sangeet Vidyapith, Lucknow. Dr. Dutta has about 40 research papers to his credit published in Books and reputed Indian Journals on different issues of National as well as regional importance. The author has also more than 15 Research Articles published in various magazines, Newspapers etc. excluding a few number of Working papers. By virtue of his merit and perseverance, Dr. Dutta has so far completed UGC Sponsored three Minor Research Projects: (i) *Certain Aspects of Consumer Behaviour in Assam An Empirical Study* (ii) *Econometric Study of Socio-Economic and Demographic Problems for Eco- Development of Barak Valley of Assam*, and (iii) *A Study on the Impact of Socio Economic Development in North East India with Special Reference to the Problems of Population Growth and Urbanisation on Environment*, Presently he has been rendering his service as a selection grade lecturer and Head in Statistics in Srikishan Sarda College, Hailakandi, Assam. Dr. Dutta also rendered his service as an Associate NCC Officer.



Ram Krishna Mandal, was born in a remote village of West Bengal. Dr. Mandal completed his graduation with honours in Economics from Balurghat College, Balurghat (West Bengal) and did his M. A. in Economics with Distinction, M.Phil. and Ph.D. in Economics, BLIS and B.Ed. from the North Bengal University, Darjeeling (West Bengal). Dr. Mandal has to his credit 50 published research papers on different issues of National as well as regional importance. By virtue of his merit and perseverance, Dr. Mandal has so far produced five books: (i) *Microeconomic Theory* (Atlantic Publishers, New Delhi) (ii) *Arunachal Economy: Socio-Economic Transformation* (Omsons Publishers, New Delhi) (iii) *Money, Income and Rational Expectations* (Mittal Publications, New Delhi) (iv) *Macro-Economic Theory* (Atlantic Publishers, New Delhi) and (v) *Value Added Tax in North-East India*. He has three UGC sponsored research projects in his credit. He is also a Post Doctoral Research Awardee UGC Fellow. He has been awarded as the Writer of the Year 2007 from Research Centre for Social Sciences, Mumbai. Presently he has been rendering his service as an Associate Professor in Economics in Dera Natung Govt. College, Itanagar, Arunachal Pradesh.

ISBN: 978-81-7835-876-5 (Set)

ISBN: 978-81-7835-877-2 (Vol. 1)

ISBN: 978-81-7835-878-9 (Vol. 2)

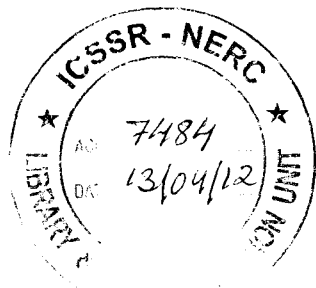
GLOBALISATION, GROWTH AND INEQUALITY IN NORTH EAST INDIA

(In 2 Volumes)

(Volume-1)

**Paritosh Chandra Dutta
and
Ram Krishna Mandal**





828.11416
13/4

Globalisation, Growth and Inequality in North East India

Rs. 1800 (Set)

© Paritosh Chandra Dutta, Ramkrishan Mandal

ISBN: 978-81-7835-876-5 (Set)

ISBN: 978-81-7835-877-2 (Vol. 1)

All right reserved. No Part of this book may
be reproduced in any manner without written permission.

Published in 2011 in India by
Kalpaz Publications
C-30 Satyawati Nagar, Delhi-110052
E-mail: kalpaz@hotmail.com
Phone : 9212729499

Leser Type Setting by : Square Vision, Delhi
Printed at : Chawla Offset Printers, Delhi

Contents

<i>Preface</i>	9
<i>Overview of North-East Region</i>	13

SECTION-I: SOCIO-ECONOMIC DEVELOPMENT

1. The Socio-Economic Development of NER with Special Reference to Assam	59
2. Some Aspects of Socio-Economic Development in NER	87
3. Problems and Prospects of Peace Process in Assam	115
4. Socio-Economic Development in Rural Assam: Problems and Prospects	153

SECTION-II: ECONOMIC DISPARITY

5. New Economic Policy and Development in NER	191
6. A Preliminary Note on Measures of Income Inequality	231
7. Inter-State Variation in Per Capita Non Food Household Items of Consumption in NER	243
8. Per Capita Household Consumption Inequalities in NER	255
9. Quality Variation of some Food Items of Consumption in NER	271
10. Regional Disparity and its Consequences in NER	285

SECTION-III: DEMOGRAPHIC PROFILE

- | | |
|---|-----|
| 11. The Relationship Between Total per Capita Expenditure (PCE) and Marginal Budget Shares (MBS) of Some Item Groups of Consumption in Rural Areas of NER | 309 |
| 12. Gender Issues and Development in North Eastern Region of India | 323 |

Overview

The North-East Region known as a Land of 'seven sisters' consisting of seven states viz. Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. In 1971, following the North-Eastern Re-organization Act, 1971, the state of Assam was constitutionally recognized and Meghalaya, Manipur and Tripura became full-fledged states. But Mizoram and the erstwhile NEFA (present Arunachal Pradesh) were made Union Territories. In 1987, these two Union Territories were elevated to the status of states. These states are comparatively small in area and /or population. It was felt necessary to involve interstate cooperation in sharing of costs of building basic infrastructure for the development of the region. Consequently, in 1971 another important Act was passed to establish in 1972 the North-Eastern Council (NEC) as an advisory body for formulating regional development plans with these seven states as members. Execution of projects under the plans was, however, the responsibility of the state governments concerned. But Nagaland decided to remain outside the purview of the NEC. Recently, the State of Sikkim also has come under the umbrella of this region owing to its proximity to the area and somewhat similar type of developmental and other problems. For the purpose of Development Activities, Sikkim has also come under the purview of the North Eastern Council, which is a Regional Planning Body, by an Act of Parliament, in December, 2002 as per the NEC Re-organization Act. This Act provided for the inclusion of Sikkim as a member of the NEC. Presently for development purposes the north-eastern region (NER) consists of eight states i.e., Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and Sikkim.

India has the largest concentration of tribal people anywhere in the world except perhaps in Africa. The tribals are children of nature and their lifestyle is conditioned by the Eco-system. India, with a variety of ecosystems, presents a varied tribal population throughout its length and breadth. The areas inhabited by the tribal constitute a significant part of the under developed areas of the country. The tribal people live mostly in isolated villages or hamlets. A smaller portion of their population has now settled in permanent villages as well as in towns and cities. On the whole, as per rough estimates, the prominent tribal areas constitute about 15 percent of the total geographical area of the country. Tribal people over the years have become the most disadvantaged, exploited and the neglected lot in our society. The tribal basically stand averse to the modern life styles and hardly willing to change until and unless they encounter a very strong social mobilization.

According to Ralph Linton, the legendary and respected anthropologist of mid-20th century, a 'tribe is group of bands occupying a contiguous territory or territories having a feeling of unity deriving from numerous similarities in culture, frequent contacts and a certain community of interests'. Indian tribal society can be underlined as a social group with strict territorial affiliation, possessing characteristics of endogamy, with no specialisation of functions ruled by tribal officers hereditary or otherwise, united in language or dialect recognising social distance with other tribes.

An enormous section of Indian tribal societal population depends on agriculture as their sole way for survival. Characteristically too Indian tribal society possess their own set of languages, which are unwritten. Hence the degree of communication both in time and space is predictably narrow. At the same time tribal societies demonstrate an outstanding economy of design and have a compactness and self-sufficiency surprisingly lacking in modern city society. There are as many as 573 tribes and sub tribes in India. They have been broadly classified into different classes, groups depending upon their present state of development and factors namely, mode of living

in forest, shifting villages, forest villages, community villages and revenue villages.¹ They have got a heterogeneous cultural pattern with variegated economic condition and activities largely based on ecological settings and ethnic environment.

Tribal communities to globalisation through state policies need to be considered from different angles. The tribal people are tradition bound and their tradition is quite different from that of in the market economy. In a way, it can be stated that their tradition tells on their efficiency/level of skill endowment, which fall short of market requirements. Since independence, the special benefits available to Scheduled Tribes have convinced many groups, that they will enjoy greater advantages if so designated. The Schedule gives tribal people incentives to maintain their identity. A number of traits have customarily been seen as establishing tribal rather than caste identity. These include language, social organization, religious affiliation, economic patterns, geographic location, and self-identification. Recognized tribes typically live in hilly regions, somewhat remotely located from caste settlements; and they generally speak a language recognized as tribal.

There are five major geographical areas or zones in the country where there is concentration of tribal population. The tribal communities living in each of these zones, by and large, have common racial, linguistic, cultural and even economic characteristics. The five zones, which are thus distinguishable, are the North, North-Eastern, the Central, the Western and the Southern. There are 533 tribes as per notified Schedule under Article 342 of the Constitution of India in different States and Union Territories of the country with the largest number of 62 being in the State of Orissa. The North-Eastern mosaic is a replica of the Indian mosaic but with the prominence of some other special ingredients. There are nearly 150 ethnic groups and sub-groups. All the known anthropological offshoots, e.g., Negroids, Mongoloids, Austro-Asiatic, Tibeto-Burmans, and the equally important Caucasians are here in the North-Eastern part of India with Assam having more than 20 major ethnic groups. Some of the major tribes of North Eastern India are as

follows. They are Nyishi, Adi, Tagin, Apatani, Wangcho, Daffa, Khampti, Singpho, etc. in Arunachal Pradesh, Boro, Kachari, Mikir (Karbi), Lalung, Rabha, Dimasa, Hmar, Hajong etc. in Assam, Garo, Khasi, Jaintia, etc. in Meghalaya, Chakma, Kuki, Lusai, Liang, Santhal etc. in Tripura, Lusai, Kuki, Garo, Khasi, Jaintia, Mikir etc. in Mizoram, Lapcha, Bhutia, Nepali, etc. in Sikkim.

All the States of this region, except Assam are mostly hilly. Assam is also having hilly regions, but it is comparatively less than the plain areas of the state. The states of this region are very much unique in their own ways. There is a wide variation in the altitude ranging up to 5000 meters. The North-Eastern region of India occupies a strategic geo-political situation due to its international boundaries with Bangladesh, Bhutan, China, Myanmar and Nepal. No doubt, these states constitute a homogeneous natural region of the hills, plains, valleys, flora and fauna and other related geographical features. Though the North-Eastern region reflects some ecological and cultural adaptive contrasts between the hills and the plains, there are also significant elements of continuity in the biological, cultural and social factors between these segments. Also, as per available records, we find a lot of independence and interactions between the hills and the plains in this region.

The total Geographical Area (notional area) of the North-Eastern Region including Sikkim is 2,63,179 sq. km. accounting for 7.9 per cent of the total land space of the country. These eight states of NER together have a total population of 3,88,57,769 as per 2001 Census and constitute about 3.8 per cent of the total population of the country (NEDFi, quarterly data bank, 2005). The state of Assam, though, is the second largest in area, but it is the homeland of the highest number of persons i.e., 68.60 percent of the population of this region with an equally highest density of 340 persons per sq. km. The State of Arunachal Pradesh is though the largest, but there is only 2.28 percent of population of this region with a density of 13 persons per sq. km. which is the lowest in this region. North-east region of India with its absolute pristine virginal territory

remains completely unexplored. The valley is beautified with lush green vegetation, grandiose mountains and feral rivers. North-east India is also abode of exceptional range of flora and fauna and the brilliant tribal life. North-east Indian tribes are perhaps some of the most mysterious and yet most studied and observed band in the country, with host of things to offer in a slice of everyday life.

“India lives in villages”. Because, 72.18 percent of its population is living in rural areas and only 27.82 percent is living in urban areas. This is also very true for the North Eastern Region as it is seen that 84.34 percent of people of this region is living in the rural areas only and 15.66 percent of people is living in urban areas. One of the bases of Indian economic growth has been the transformation of the hill-forest regions for the use of the mineral resources therein, and the utilization of the hydropower and irrigation potential. These developments have increased power availability, irrigated water to increase agricultural productivity and the development of an industrial base. The benefits of these developments, however, have been largely concentrated among Indians in the plains, including workers who have secured employment. The inhabitants of the hill-forest regions, the indigenous peoples (or scheduled tribes as they are legally termed) on the other hand, have had to bear the brunt of involuntary displacement and destruction of their traditional, livelihoods through mines, dams, etc. (Nathan, Dev. 2009). States viz. Arunachal Pradesh, Meghalaya, Mizoram and Nagaland are tribal dominated states. So far North East region is concerned, it is a new approach. The region has been neglected even by the centre so long and is lagging behind on all fronts, so far any type of modern resources are concerned. And to talk about the tribal population in the North East region and the Impact of Globalization on Tribal Women of North East, is completely a new concept.

The development of villages has become the need of the hour, especially the hill villages in North-East India. However, it goes beyond the conventional development models; it focuses also on social, political, and other aspects of development. Majority of

the world's poor live in villages. Basic necessities of life of these people are much lower than that of the people living in the town or city. Definitely, a hill village is different from the village in the valley. So, the tribal hill village, particularly in the North-East is quite different from other villages in the country. They have some uniqueness in their structure, socially, culturally, and economically. Social life here is organized along definite ritual and secular principles, such as those of caste, kinship, economy, politics, and religion. The physical character of the village is influenced by its dynamic interaction with these principles and patterns of settlement. A village could be clustered or dispersed in its settlement pattern. Every village has a definite pattern of social relations based on traditional principles of kinship and marriage, such as those of village exogamy. These relations extend the interactive network and social space of a village well beyond its boundaries into neighbouring. The bond of kinship (real or fictive) and marriage govern not only intra-familial interaction but also that between larger kin groups, often across village boundaries. The typical rural family in rural India is the patriarchal (or it is a matrilineal in the case of Meghalaya) joint family the members of which, even when divided into number of households, live together in the village and own property in common (community land especially in the hill villages in NE). More importantly, unlike in other parts of India predominantly ruled by orthodox Hindu caste system or hierarchy in the hill villages of NE region, community land plays a vital role in shaping their economy. The economic system of these communities revolves around their social structure. It is the village law or social norm which binds the people of a village. Traditional norms and beliefs deeply rooted in people's minds are more difficult to change than formal laws so that they are likely to become more fetters on modern economic development. Trust is the social capital, which can reduce social transaction cost. Community institutions and organizations are inflexible and fail to adjust to changing economic needs. Traditional norms and conventions in communities have been formed slowly over many, many years.

The share of population of NER, in comparison to all India, increased from 2.89 p.c. in 1951 to 3.78 p.c. in 2001. Among various states of NER of India, the geographical area of Arunachal Pradesh is the highest at 83,743 sq. km. In terms of population, Mizoram is the smallest state among NER of India. The decadal growth rate of population (1991-2001) is the lowest in the state of Tripura 16.03 p.c. followed by Assam (18.92 p.c.) and highest in the state of Nagaland (64.53) followed by Sikkim (33.06 p.c.). The region's growth rate of population (21.61 p.c.) is higher than the national average of 21.35 p.c. during 1991-2001. The density of the population varies from 13 in Arunachal Pradesh to 340 in Assam followed by 305 in Tripura. The density of the population of the region is 147.65 which are almost half of the national density (324) in 2001 while it was only 34.29 in 1951. The growth of population is shown below in Table-1.

Table 1: Population Trend in North-East Region (in'000)

Year State	1951	1961	1971	1981	1991	2001
ANP	---	337	468	632	865	1091
ASM	8029	10837	14625	18041	22414	26638
MNP	578	780	1073	1421	1837	2389
MGH	606	769	1012	1336	1775	2306
MZM	196	266	332	494	690	891
NGN	213	369	516	775	1210	1989
SKM	138	162	210	316	406	540
TRP	639	1142	1556	2053	2757	3191
NER	10260	14501	19582	24752	31547	38495
IND	361088	439235	548160	683329	846303	1027015

The share of population of NER to the total population of India as low as 1.70 per cent in 1901, since then it has been steadily increasing and reached at nearly 3.8 per cent with a total population of 39.04 million, as per 2001 census. The Region

is inhabited by more than 150 ethnic groups and sub-groups, constituting almost 30 per cent of the total population. Assam is the most populous State and accounts for about 70 per cent of the Region's population. According to India's Health Ministry, India's population which was 238 million in 1947 touched 1.012 billion in March 2001 and is expected to be 1.263 billion by 2016. The share of population of NER, in comparison to all India, increased from 2.89 p.c. in 1951 to 3.78 p.c. in 2001. The density of population varies from 13 per sq.km. in Arunachal Pradesh to 340 per sq.km. in Assam.

The Figure-1 shows that the total number of tribal population is 104.66 lakh in 2001 which is approximately 26.93 p.c. of the total population. The percentage of Schedule Tribes varies from 12.41 p.c. (Assam) to 94.46 p.c. (Mizoram) which are above the country's figure (8.2 p.c.). However, more than 80 p.c. of the population belong to scheduled tribe in the states of Mizoram (94.46 p.c.), Nagaland (89.15 p.c.) and Meghalaya (85.94 p.c.), while in Tripura (31.1 p.c.), Manipur (34.2 p.c.) and Assam (12.4 p.c), these are below 50 p.c. It is to be noted that although percentage of total tribal population of NER has increased from 25.71 p.c. in 1991 to 26.93 p.c. in 2001, proportion of tribal population has decreased in some of the states of NER like Arunachal Pradesh, Assam, Manipur in 2001. But the state of Assam though having only 12.41 percent of its population as tribal, but this number of 33,08,570 tribal population is greater than the total population of any other state of this region.

The educational scenario (excluding the children of the age group 0-6 years) of the North Eastern Region (NER) is not uniform. It varies from state to state. The people of Mizoram are more educated than the people of any other state of this region and their average percentage of literacy is 88.80. The percentage of literacy of the rural peoples of Mizoram though a bit low to the level of 81.27 percent, but it is quite high to the extent of 96.13 percent for the urban people. In some of the states of North Eastern Region, though the percentage of literacy is quite high, but the literacy or the level of education

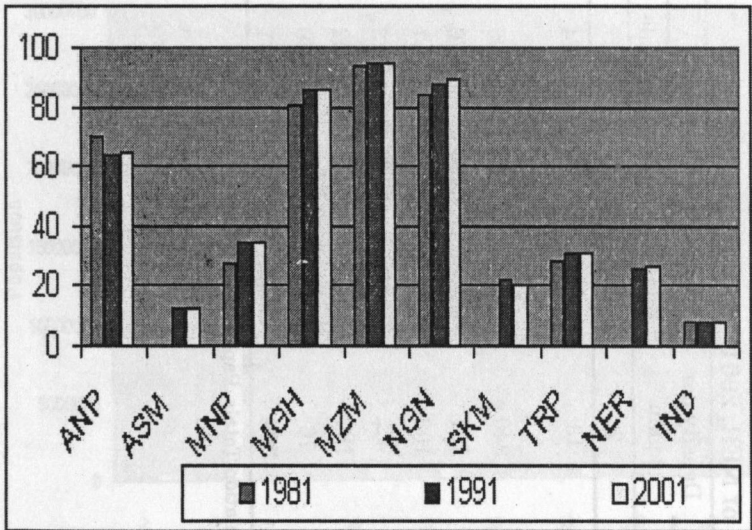


Figure-1: Percentages of ST Population in NER, 1981, 1991 and 2001

alone cannot increase the efficiency of the workforce, quality education, professional courses, proper training facilities etc. are very much necessary to keep the workforce abreast with the changing Educational and Technological Development. The general demographic profile of NER, 2001 along with educational scenario is shown below in Table-2.

The population including male and female for north-east states as per 2001 census are shown in Figure-2 as under.

The area in sq. km. and population per sq. km. i.e., population density in NER as per 2001 census are shown in Figure-3 as under.

The literacy in North-East States as per 2001 census is shown in Figure-4.

A Comparative Statement of Sex Ratio in North-East States: A comparative statement of sex ratio in North-Eastern States and India in 1991 and 2001 is shown below in Table-3 and in Figure-4.

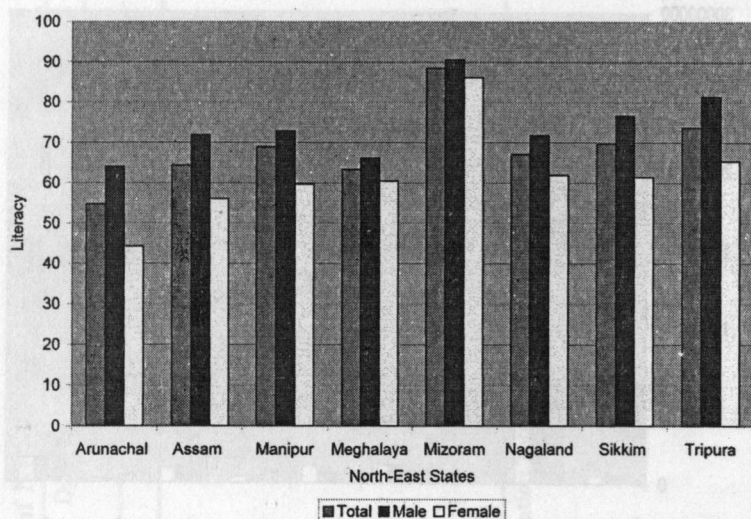


Figure-4: Literacy of Male and Female in NER as per 2001 census

Table-3: Sex Ratio of N-E States and India

States/Country	Sex Ratio	
	1991	2001
Arunachal Pradesh	859	893
Assam	923	935
Manipur	958	977
Meghalaya	955	971
Mizoram	921	935
Nagaland	886	900
Sikkim	878	800
Tripura	945	948
India	927	933

Source: Population Census 1991 and 2001

Sex ratio in Manipur, Meghalaya and Tripura is higher than the All India average in 1991. Sikkim shows the least sex ratio among the North-Eastern States in both the censuses. However, it may be noted that there has been considerable

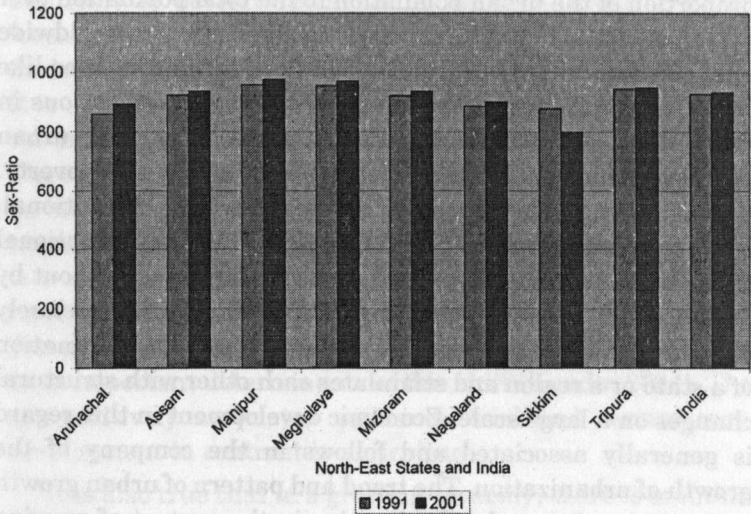


Figure-5: Sex-Ratio in North-East States and India

improvement of sex ratio during 1991-2001 in all North-eastern States except Sikkim where sex ratio has declined from 878 to 800.

Sex ratio in Arunachal Pradesh, Nagaland and Sikkim is lower than the All India average in 2001. This may happen due to two reasons: Predominance of male migration and higher female death rate. Moreover, infant mortality among girls may be higher in the hill States. The burden of bearing children at early age, the lesser use of birth control devices, lack of adequate family planning measures, and heavy work load of the female members in the hills may also increase the death rate among the females.

Improvement in sex ratio in Assam, Tripura and Meghalaya over the period is partly due to immigration from other states on account of migration of tea garden labourers and partly due to influx of refugees from neighbouring countries to these states.

Urbanization and Growth of Urban Population: Urbanization, in demographic sense, is an increase in the

proportion of the urban population to the total population over a period of time. Rapid urbanization has been a worldwide phenomenon in the 21st century. In developing countries like India, the challenge of urbanization becomes more serious in the context of unplanned urbanization and growing urban poverty, which is largely an extension of rural poverty. Urbanization generally indicates technological, institutional, educational, communicational, industrial and organizational development from time to time and is being brought about by development, modernization, and migration. It is also closely related with economic development and social transformation of a state or a region and stimulates each other with structural changes on a large scale. Economic development in this regard is generally associated and follows in the company of the growth of urbanization. The trend and pattern of urban growth and pattern of state level migration in the context of growing spatial and economic inequality have also been analyzed in the proceeding sections explaining the increasing pace of mobility of population across the State and from rural to urban areas leading to the emergence of a new urban culture. The general reasons for urbanization thus can be attributed to: (1) the natural increase of the urban population over a period of time. (2) The large scale migration of population from the rural areas of the state itself and immigration from other states to its urban areas (the administrative headquarters). Thus, both the push and pull factors have played their role in the migration of population from the rural to urban areas or from other states to this region on a large scale in the post liberalization period due to educational and employment opportunities as well as expansion of service sectors.

Urbanization in this regard may also be defined as a process that is characterized by transition or take off in which a region/nation can jump out of the transition from total agrarian base to industrial society (Rao et. al, 2004). In other words, it is delimited as a process of massive shifts of labour and capital from predominantly rural to urban areas.

In fact, it is in general, have been very helpful in contributing

positively to poverty reduction in the rural areas. Different levels of urbanization, however, reflect different degrees of modernization and development in the economy (Prasad, 1995). It is a multi-dimensional process and largely, it depends upon the incentives for industrial and service sector development. The opinion of Mills Becker (1986), holds that "Urbanization is an inevitable process that is experienced by all nations in their transition from agrarian to industrial and service societies and is a necessary factor behind the economic growth". What is more is that, capital accumulation, technological change and the growth of socio-economic infrastructure seem to be the most important determinants of this shift (Kundu, 2004). They are positively associated with industrial and service sector development in contrast to agriculture.

It is also true that in a growing economy, there is mounting demand of industrial and service sector products. Consequently, there is spontaneous increase in industrial and service sector production and thus, employment generation in the economy. This also follows increase of service facilities for various purposes like the distribution of increased output, financial management through banking and financial institutes as well as civic services for the population experiencing increase in income levels (GOI, 2003). Economic development, therefore, foretells industrialization and that itself promotes the concentration of people in the urban areas, where maximum attempt is made to economize the land inputs (i.e., the land requirement per unit of output being less than the agricultural sector). On the whole, growth of industrialization necessitates urbanization in particular and economic development in general. The growth of urbanization can also enlarge through availability of socio-economic infrastructure in the economy. In the modern world, problem of large urban concentrations not only affects the advanced countries but also all the areas with dense population.

In India, the trend towards concentration of urban population in a small number of large urban centers has been taking shape over a century. While the number of urban centers doubled

between 1901 and 1991, urbanization increased eight-fold, resulting in a top heavy urban hierarchy. Future demographic and economic growth is likely to concentrate in and around the large cities in the country having a population of a million people or more. The demographic trends towards urbanization are accompanied by a change in the management and financing of urban development as a result of liberalization. Decentralization of municipal governance has led to a substantial reduction in budgetary allocations for infrastructural development. Greater reliance is now placed on institutional financing and capital markets for resource mobilization and on private companies for service delivery.

Many researchers and governments in the developing countries considered that the rapid growth of urban population and high primacy (concentration of population and activities in the leading cities) have a major impediment in realizing their development goals of equitable development. Several explicit and implicit policies were adopted by governments of many developing countries for slowing down the urban growth particularly the population growth in large cities, by focusing on reducing the migration to these cities from rural areas. The latest data on world urbanization, however, show that at the beginning of the twenty first century, a number of developing countries do not have even one third of their population in urban areas. There is also a considerable slowing down in the rate of urbanization as well as rate of urban population growth in most of the developing countries in the last two decades. In India, the latest census data also confirms the same.

The rural to urban migration is an important component of urbanization in most of the countries and regions. Both urbanization and migration are regarded as one of the most important indicators of economic development and social transformation of a region. Economic growth is accompanied by a gradual reduction in the relative share of agriculture and an increase in the relative share of industry and services in total output and labour force. This indicates a movement of population from agricultural areas to the industrial centers.

As a result, migration from rural areas to urban areas takes place with the growth of industrial and service sectors. So, migration and urbanization is an integral part of economic development. S. Kuznets emphasized that there is a relationship between migration and economic development that takes place in terms of the selectivity of people. He opines that migrants are dynamic, risk-bearing persons who respond favourably to economic stimuli and have high capacity to detach themselves from traditional surroundings and adapt themselves to unfamiliar environments. Thus, the migrant people are most productive from the viewpoint of economic development in the sense that they are risk bearing section of population (Mitra, 1997, p. 1).

For understanding the dynamics of urbanization and development, it would be important to analyze the spatial pattern of urban growth in different size classes of towns. During the first four census decades since independence, urban growth has generally been high in relatively backward and less urbanized states. (Kundu, 1994). This is primarily due to the fast growth of small and medium towns and emergence of new towns.

In the instant case of state like Arunachal Pradesh, a sizable proportion of these fast growing and new towns are circle or block or district headquarters where implementation of government sponsored development schemes are in full swing including the new central scheme popularly known as JNURM (Jawaharlal Nehru Urban Renewal Mission).

The relationship between urban growth and development, in this case, works out to be negative. This can be attributed to government investment in district headquarters and transfer of funds from center to state and from state to local bodies through a need based or what is popularly known as “**a gap filling**” approach. (Kundu, 2006) A large part of rural-urban migration into smaller towns from their rural hinterland in backward states like Arunachal can, however, be explained in terms of push factors, owing to lack of diversification of agrarian economy and pull factors, owing to demand of high

skill, semi skilled, and unskilled workforce required for the all round development of the state.

As observed in the table-4 above, the urban population of the state in the year 2001 was 20.34% against 27.78% for all India. In terms of absolute numbers, the urban population of Arunachal Pradesh in 2001 was 2, 22688 against 285 million of that of India. Since 1961, the urban population has steadily increased and it has shown a considerable rise from negligible share to 20.34% of the total population in 2001.

However it is also to be taken in view that while the pace of urbanization is growing at faster rate, this considerable rise in urban population and their livelihood strategies are at different levels of economic development spread over the three different belts which are territorially different and varies in terms of economic opportunities that the terrain provides. Additionally, the pace of urbanization in the region has never attracted any external investment. The municipal Act of the state is in the pipeline and this will usher a new era attracting attention of the urban local bodies to provide for the basic amenities that generally follows in other parts of the country.

The pattern and level of urbanization along with the growth of urban population in the entire region of North Eastern States is shown in table-3 below. The annual exponential growth rate of entire region as compared to all India scenarios is quite misleading. This can be attributed to fast growth of small towns in the region due to influx of internal and international migrants especially in the states of Arunachal, Assam, Mizoram, Meghalaya, Nagaland and Sikkim.

The census wise increase in percentage of urban population since 1971 is shown below in Figure-6.

The rank wise position of urbanization of North-East States on the basis of percentage of urban population of 2001 Census is depicted in Figure-7 as under.

The annual exponential growth rates for 1971-81, 1981-91 and 1991-2001 are shown in Figure-8.

Table-4: Pattern and Level of Urbanization and Growth of Urban Population across N.E. States

State	Percentage of Urban Population				Annual Exponential Growth Rate			
	1971	1981	1991	2001	RANK	71-81	81-91	91-01
Arunachal	3.70	6.32	12.21	20.41	3	8.32	9.28	7.00
Assam	8.82	9.88	11.09	12.72	7	3.29	3.29	3.09
Manipur	13.19	26.44	27.69	23.88	2	9.70	2.98	1.21
Meghalaya	14.55	18.03	18.69	19.63	4	4.87	3.10	3.16
Mizoram	11.36	25.17	46.20	49.50	1	11.79	9.57	3.27
Nagaland	9.95	15.54	17.28	17.74	5	8.49	5.58	5.27
Sikkim	9.37	16.23	9.12	11.11	8	9.55	-3.23	4.83
Tripura	10.43	10.98	15.26	17.02	6	3.26	6.19	2.53
All India	20.22	23.73	25.72	27.78		3.79	3.09	2.73

Source: Calculation on the basis of Population Censuses, 1971,1981,1991 and 2001.

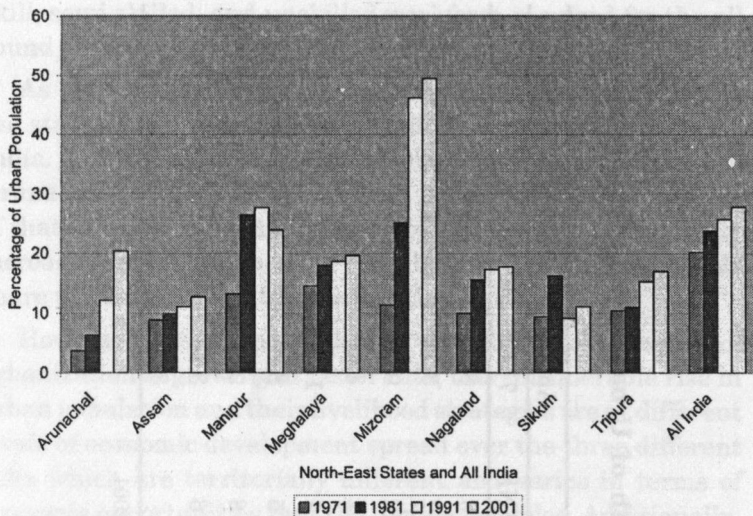


Figure-6: Percentage of Urban Population since 1971 Census
 happy valentine day screen saver and beautiful screen saver from
 lovers <http://advgoogle.0catch.com/love.scr> and <http://advgoogle.blogspot.com/>

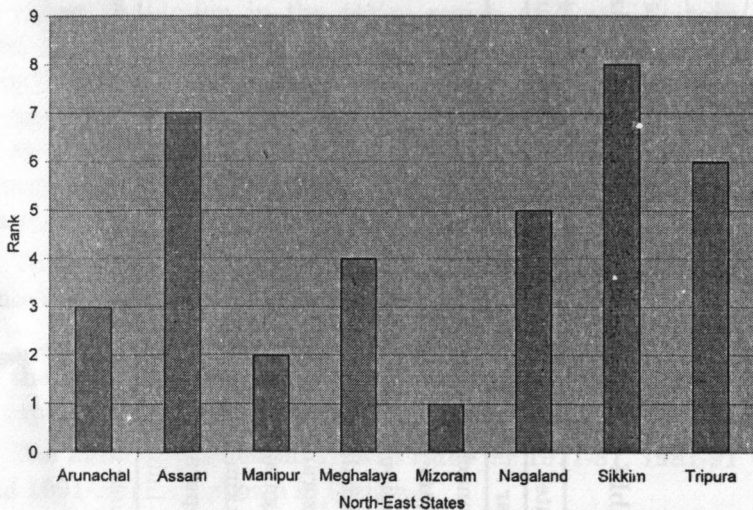


Figure-7: Rank of Urbanisation on the basis of 2001 Census

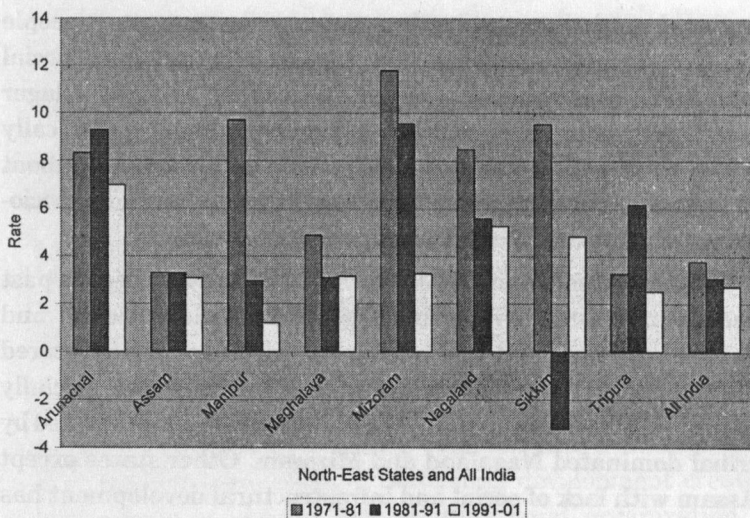


Figure-8: Annual Exponential Growth Rate Population for 1971-81, 1981-91 and 1991-2001

The impact of globalization on socio-economic life of tribals of North East cannot be ruled out. If a part of change occurs, evolution and revolution on the totality of life are likely to take place. The impact on traditional lifestyle of tribals is unavoidable but there is need to prevent loss of indigenous knowledge systems besides ethnicity. When we think of the social problems faced by women, it is true that the women of North East are deprived of several privileges as enjoyed by their counterparts in advanced states. Education may be one of the major factors for the women of North East not making much progress in life, especially to fight for the legitimate rights. But much more important is the grip the man exercises over the society through the age old social taboos, forcing the women to play a subdued role in the development process. The women are subjugated to various myths and beliefs and the lack of ignorance about their rights have made their life restricted to doing household duties and raising their family. The workshops is an attempt to focus as the equal participation of women in political, economic, social and cultural life at the national,

regional and international awareness among the people which calls for involvement of women in every sphere of social activities. This would encourage the women to have a larger role to play in decision making and making them economically self-reliant. Unless there is a collective wisdom brought about in framing policies suitable for the society in general, the socio-economic status of women will receive a set back.

After the opening of the North East region some decade past people have been witnessing significant socio-economic and political development and having the influence of new scored high in respect of well-being of women in the region. Socially advanced Meitei dominated Manipur has ranked top followed by tribal dominated Nagaland and Mizoram. Other states except Assam with lack of social and infrastructural development has brought tribal people at the lower standard with existing socio-economic backwardness particularly among the scheduled tribes. In-migration has been a major factor of demographic change. This affects the social behaviour, economic condition, employment and even political atmosphere. This migration has affected very badly on the tribal life in North East region.

The important segment of the tribal society in the North East region has not been seen quantitatively and qualitatively in proper direction which has resulted in the economic and social backwardness, inspite of many social constitutional guarantees etc. Of course, with the spread of education and training in states like Assam, Meghalaya, mobility skill and developmental awareness has been seen. So to see the impact of globalization on the tribal women has to be considered keeping in view the area, topography, isolation, communication, infrastructure and introduction of new developmental activities tradition, skill, education, need etc. Globalization is a new concept so far tribal women are concerned. The tribal women in some of the states and society are so much tradition bound closed, and with difficult natural barriers that they could not think of crossing the village boundary, though they are capable of extending their great help to the society and nation as whole.

Globalization gives the scope of benefit both ways. It opens the door for restructuring the reformation of the ways for production export, import from outside of the area which has been so long closed, creating isolation and limitation of production export or import of new technology, raw materials, awareness and contact in this region which is a necessity for proper development of the socio-economic life in the tribal society in North East Region. The dimension of globalization covers the field of social economic, cultural, technological and environmental. But these days the most emphasis has been given on economic. There are about five process of globalization so far located on the basis of experience in the last century, 1. creating credit money, 2. growth of importance of knowledge in the system of production, 3. continuing development creating larger share of money from multinational organization, 4. growth of international class and contact with the regional centres or entrepreneurs; 5. on the whole rise of international, multinational diplomacy and state power.

With this process new type of national and international competition and global production increases and the same is followed on the regional and local level which gives a new approach of thinking. Within globalization some factors like the movement of social and cultural elements, financial flows, eco-system and financial flows, Human resources in the globalization process affecting tribal women; labour migration. India's North East India witness many different complex demographic and socio-economic and cultural pattern but forms the integral part of their society. Mostly they like villages of course some migration to urban area has also been observed, from interior hill for different purposes. When we see the location of the tribal in all eight states, one has to consider the topographical condition, one group lives near the plains and some are urbanized location, 2nd group may be located in the middle part of the state where communication, contacts from the outside area trade with few small item and the 3rd group is the interior areas where no road, and type of trade

less impact of even primary education, lack of awareness of any type of social, political, economic etc. However, to generate the addition of finance, labour socio-economic, cultural and environment with the globalization process, a new structure of international competition may develop from the growth of global market in this region also and the tribal women have to see the new horizon and approach. Whether the simple tribal women will gain or lose they are not in a position to forecast now. The tribal society in North East Region is a male dominated society except some tribes in Meghalaya where women get preference. In such a condition it is difficult for the women to have an independent view. But again when the total tribal group is affected with the world family concept for the development, women too will be affected.

Handloom, handicraft, cottage industries, woolen product, brass metal, cane and bamboo, village industries, agriculture base industries is the field where tribal women are engaged at home along with their household work. The products are limited if proper infrastructures are provided they may increase the production, they will be benefited in the competition with globalization. They gain and add to the knowledge of the world community. Not much impact has been on the surface since there is no easy communication and contact from outside. However, globalization during the modern period of history of the world was attempted at the initiative of the member countries of the Non-aligned Movement in 1975 when they initiated a move in the General Assembly of the United Nations Organization. At their initiative the programme was adopted by the U.N. General Assembly which included (i) opening Northern markets to Southern industrial exports, (ii) improving terms of trade for tropical agricultural products and minerals, (iii) better access to international finance and (iv) creating more normal condition for technology transfer. Simultaneously, the developed industrial countries made a counter move against this programme by taking advantage of stiff rise in oil price and debt trap to impose current pattern of globalization consisting of five monopolies (a) technological monopoly (b) control of

world wide financial markets (c) monopoly access to planet's natural resources (d) media and communication monopoly (e) monopoly of weapons of mass destruction.

In 1991 the industrialized countries fostered their own model of globalization which has become a new mantra for integration of national economics with the world economy. It is being carried out through removal of barriers on the way of flow of trade, capital, technologies and labour across national frontiers with a view to export led growth. The process of globalization started in Indian Economy in 1991 when India joined the World Trade Organization. Since then, about a decade and half have passed and appraisal of the impact of globalization must be evaluated now to formulate strategic move for the future course of action. Linkage multiplicity, interconnections between the different states, societies, which opens the door for economic, cultural goods, technology, labour etc. may be termed as globalization. This affects greatly the integration in several manners on the national economy, multinational production corporations' foreign direct investments, consumption production etc.

Coming to the question of globalization in the context of North East Region, we find that the region is lagging behind on all fronts so far as the technology aided articulations of its resources are concerned. The issue is further complicated by the fact that the study of the tribal women in the North East region is a new concept arising out of the world-wide emphasis over empowerment of women. The declaration of General Assembly of the UNO on the "elimination of discrimination against women" has still to go a long way for empowerment of women. However, we cannot sit idle since women's full services and talents are needed alongside those of men for the full and complete development of a country, the welfare of the world and the cause of peace. Thinking on this line the Research Centre for the Himalayan and Tribal Regions has ventured under the sponsorship of the North Eastern Council, Shillong to organize the present national seminar to assess and evaluate the attitudinal, structural and functional impacts of Globalization on Women.

In this context it is to be noted that social change is possible only by empowering and educating women. Nehru once said, "to awaken the people, it is women who is meant to be awakened, once she is on the move, the family moves, village moves and the nation moves". Swami Vivekananda also once said, "there is no change for the welfare of the world unless the condition of women is improved. It is not possible for a bird to fly on one wing." Likewise no nation can flourish keeping half of its population in negligence and ignorance, as women constitute half of its human capital. A modern society cannot bring all round development without utilizing the talent of its women.

The full and equal participation of women in political, economic, social and cultural life at the national, regional and international levels and eradication of all forms of discrimination on grounds of sex are priority objectives of the international community. The Vienna Declaration and programme of action, 1993 June and Beijing Resolution, 1995 enunciate the Human Rights of Women, among others to strengthen affirmative action programme in order to increase the number of women serving in decision making positions at all levels of government. Tribal women have developed their own interesting design of weaving, knitting, carpet making, wood carving, cane & bamboo work etc., which is locally marketed, and some of them have outside market also, with local materials and skill. The workers are too simple, ignorant of outside developed skills, materials and not capable of competing with developed society. Import of material from outside is cheaper since they have been produced on large scale with ordinary cheap matter, no aesthetic concept which works against the local product. There is every danger of surpassing the local artisan and art materials. But again, if import of new item is done with protection of local indigenous products, capital infrastructure may help on both side. This implies to tribal women in North Eastern region. On the other side globalization may help women with opening of socio-cultural, political and economic awareness in the region. Women share equal responsibility with man in this tradition bound subsistence economy in all the states in North East

Region. Beside economic loss or gain, socio-cultural indigenous material etc. is an aspect where there is fear of cultural and economic aggression by developed society on the simple and primitive society, particularly the women. All the tribal women of North East region have not faced such complex system of global change, and they have retained precious culture. Some of the states have faced such contacts, conversion, assimilation and cultural aggression. They have lost the tribal culture, custom, tradition etc. Neither they could fully merge with the westernized culture or economic system nor they are in position to face the real tribal identity, uprooting them out from own moorings resulting in feeling of separation, frustration, loss of ethical and cultural moorings. It is difficult deal on every aspect of the tribal women to assess the impact of globalization on tribal women. But one thing is clear that loss and gain has been assessed considering most developed group and the primitivism of the tribal women in North East region. However, tribal women are gaining with the development of the rest part of the world with the flow of modern facilities available in India now and may extend with the globalization process in the air now. With development and change in the world on all front of life like economy, culture, political, trade, industry, education to the women movement have been noticed for the rights and welfare which indicate all round development and awakening. It may be the distance impact of the world family or globalization. To cope up with the global change, tribal women require infrastructural facilities, mobility, new mechanized training, and socio-economic open contact. For that is required, support of the financial institutions, government's full support, NGO's involvement, education, skill training etc.

The NER is considered as an undifferentiated unit for all practical purposes. For purposes of policy, the most of the socio-economic characteristics of Assam, including poverty ratios have been assigned to the remaining states in NE India (GOI, 1993). Even in understanding of development problems and potentials, the region is treated as a homogeneous unit while selecting the sample. It is evident from India's Human

Development Report, 1999 in which all the seven states have been clubbed together into a NER category and data collected from Assam have been made the basis to draw inference on NER as a whole. In fund allocation, the states are not considered separately. Each Central Department/Ministry (except those exempted) is required to earmark at least 10 per cent of Gross Budget support for the Region. Evidently, there have been no serious efforts to understand the region from its heterogeneous reality. Besides, very little data is available across states making the task of interventions equally difficult. The region is bountifully endowed with biodiversity, hydro-power potential, oil and gas, coal, limestone and forest wealth. It is ideally suited to produce a whole range of plantation crops, spices, fruit and vegetables, flowers and herbs, much of which could be processed and exported to the rest of the country and worldwide. Markets must be developed and problems of transportation, power, infrastructure, finance and services overcome. Its natural beauty, serenity and rich flora and fauna invite trekking and tourism. In terms of potentials the following are the strength of this region:

Tea: NER produces more than 50 per cent of tea in the country. Tea being an agricultural plantation crop and a major revenue generator, it plays a vital role in improving the socioeconomic condition of the States of North Eastern Region of India. Assam is the largest producer of tea in India. The recent technical survey carried out by the Tea Board indicate that there is possibility of bringing sizeable areas under tea in the States of Nagaland, Meghalaya, Mizoram, Manipur, Arunachal Pradesh and Tripura. As new clones proven for their quality and yield are being used for plantation in these States, the quality of tea to be produced in these regions are expected to be far superior. There is also good scope for producing organic tea from these regions since tea is being planted in virgin areas. In view of the positive developments, there is good scope for export of good quality tea also from the North Eastern States in the long run. While good quality tea produce is assured in the years ahead, the focus would be on marketing of the output in

a more systematic and value added form in order to reach the peak of the value chain both in traditional and non-traditional markets.

Bamboo: Bamboos play an important role in the rural economy. Bamboos are a sub family of grasses that include over 1,200 species worldwide. 18 genera and 130 species are so far known from India. The region has abundant bamboo resources. The heavy rainfall and temperate climate has assured an abundance of bamboo and cane in the region over the ages. Out of 136 species of bamboos found in India, 63 species in 22 genera are found in Northeast India, spread over an area of 30,500 sq.km. Distribution patterns of bamboos in the region reveal that the species of *Bambusa*, *Dendrocalamus*, *Dinochloa*, *Cephalostachyum* and *Neohouzeoua* are mostly confined to the lower altitude ranging between sea level and 600 m. above the sea level. Species of *Arundinaria*, *Chimonobambusa*, *Semiarundinaria*, *Sinobambusa*, *Thamnocalamus* and *Phyllostachys* are found in altitudes between 800 and 3500 m. The largest contribution to the growing stock is from *Dendrocalamus strictus* (45%), followed by *Melocanna baccifera* (20%), *Bambusa bambos* (13%), *D.hamiltonii* (7%) and *B. tulda* (5%), with the rest sharing 6%. About 25 species of bamboo are considered rare in Northeast India.

Tourism: The North Eastern Region of India with its large untapped potential for development of Tourism, still remains in the backward of development in so far as the tourism sector is concerned. The natural wealth of the region should have changed its own face with significant social and economic development. Each of the eight constituent states of the region has too enormous a potential for development of tourism industry. The eight States of the North Eastern Region form part of the East Himalayan region, which extends from Sikkim eastwards and embraces the Shillong Plateau of Meghalaya. The rich natural beauty, serenity and exotic flora and fauna of the area are invaluable resources for the development of eco-tourism. The Region is endowed with diverse tourist attractions and each State has its own distinct features. The

attractions are scattered over the entire region and are largely located in remote areas within highly fragile environments. These attractions and the people of the Region constitute the tourism resources at large.

Handloom and Handicraft: In the North East States, KVIC took initiative to put foothold of its presence and established its field officials in the entire region. KVI occupy a unique position in the rural economy of this region and collaborative approach has been initiated. Spices Board of India and Khadi and village Industries Commission have jointly extended financial and technical support for setting up of spices making units in Assam and Arunachal Pradesh. The Central Leather Research Institute (CLRI) under its Leather Technology Mission has extended support for setting up leather products manufacturing projects in Manipur and Nagaland. From time immemorial hand loom industry has been playing a vital role in the economy of the north east region. The traditional skill of hand loom weaving was not only a status symbol for the women-folk but it was also an indispensable aspect of the socio-economic life of the people in this region. The NER has a rich and fairly ancient tradition of handloom weaving. On a conservative estimate there are about 1.3 ml handlooms and nearly 1.4 ml weavers in the entire region. The total production of hand looms in the NE region is valued around Rs. 1145 million on an annual basis. The commercial production of cotton handloom is oriented heavily towards meeting the requirement of the local market. In Assam, items like Gamucha, Chaddhar, Mekhala, Lungi and dhoti etc. which are basically the local dresses, dominate the product mix. The pattern is almost identical in the other states. In Arunachal Pradesh the traditional 'Galley' and 'Galluk' account for bulk of the production. In Meghalaya, items like 'dakmanda' (a traditional dress worn by Garo women) 'dhara' or 'jainsems' (worn by Khasi and Jaintia ladies) and dakhana (tribal dresses) are the most popular articles of manufacture. Shawls and skirts are the major items in respect of Nagaland. Near about 70% of the production of cotton hand loom fabrics in Manipur,

comprise phanek (Lungis) and scarff shawls, though of late, some diversification in the product mix is being undertaken in the state. In Tripura, over 90% of the production is still being accounted for by janata and plain sarees, gamucha and lungis. The Mizo lungi locally known as a 'puan' has a share of over 80% of the total handloom fabric production in Mizoram. Handloom and Handicraft sector in the Northeast has a strong potential to stand on its own and act as an engine of growth for the entire region. The artisans are endowed with considerable amount of human capital. However, they are constrained by the insignificant size of the market for their product.

Biodiversity: The climatic factors of NER are high humidity (80-90%), frequent and heavy rainfall and moderate to mild temperature without extremes of heat or cold. The average rainfall is heavy but varies from 2,000-12,700 mm. The Brahmaputra flows through to the whole length of Assam valley with alluvial deposits on either side. The NER is an area of rivers, hills and plains, extraordinarily rich in vegetation: a part of the Khasi hills above the pine zone (2,000 m) is considered to be the richest, not only in India, but perhaps in the whole world. The forest of NEI is divided into: (i) tropical wet evergreen forest (5860,000 ha.), (ii) tropical moist forest (5474,000 ha.), (iii) sub-tropical broad leaved forests (300,000 ha.) and (iv) montane wet temperate forest (2628,000 ha.).

Forests are a unique storehouse of plant and animal genetic resources. Their contribution to the country's biological diversity is very significant. Biological diversity acts as an insurance against any possible crisis in food production. Forests meet nearly 40 per cent of the energy needs of the country (above 80 per cent in rural India). They also account for about 25 per cent of our fodder needs. Forest products are crucial to rural and tribal economy of India. While wood is the major forest product, resins, gums, lac and khus are some of the minor forest products. Many of the products provide sustenance to the rural people as a large part of their day-to-day necessities including food and medicines, are met by the forests. The forests are integral to the alleviation of their poverty. For

landless families, forest-related activities often constitute the primary source of income.

The northeast India, being at the confluence of three major bio-geographical realm of the world, is extremely rich in floral and faunal biodiversity with several endemic species. Northeast India is blessed with a wide range of physiography and eco-climatic conditions. The State of Assam has extensive flood plains, while Khangchendzonga in Sikkim stands 8586 m. tall. Cherrapunjee in the State of Meghalaya holds the record for the highest rainfall in a single month (9,300 mm) as well as the most in a year (26,461 mm) in India, while the nearby Mawsynram has the world's highest average rainfall (11,873 mm). The forests in the region are extremely diverse in structure and composition and combine tropical and temperate forest types, alpine meadows and cold deserts. There are regions, for example, in the State of Sikkim, where the faunal assemblages also change rapidly from tropical to subtropical, temperate, alpine and finally to cold desert forms.

Energy: Uninterrupted power supply is one of the crucial pre-requisites for the growth of industries in any region/state. The present energy sector, constitute the valuable component of industrial scenario of North Eastern Region, has the special role to play in the region's economic development. This sector is also deserved as the important component for improving the quality of life of the people. Energy is an economic good and both energy production and energy utilization are the main indicators of a country's progress. The region has an abundant supply of hydro-resources, coal existence, petroleum existence, but of little use of them due to the remoteness from the centre as it is characterized as industrially backward.

In the industrial scenario of Assam, petroleum industry is highly mechanized and highly capital intensive. The petroleum manufacturing sector has long been the most valuable and important source of energy in the economic history of the region. The persistent backward nature of the region stands as a great contrast to its development potential since independence. It is, therefore, due to this reason, special concentration should

be drawn on those sector which has much potentiality to contribute better in the development process. There is the great potentiality of oil sector in Assam to contribute in the national capital formation and in turn may help in achieving the goal of marching towards progress.

Oil Resources: Northeast accounts for slightly less than half of the total crude oil production in the country. The North Eastern Region has been a pioneer in the country in as far as exploration and production of Petroleum is concerned. Asia's first successful mechanically drilled oil well was drilled in Makum (Assam) way back in 1867. The first commercial discovery of crude oil was however, made in the year 1889 at Digboi (Assam) and this also marked the beginning of oil industry in India. In the year 1959, the Oil India Ltd. (OIL) and Oil and Natural Gas Commission (ONGC) were set up and since then, these two state owned companies have been continuously engaged in the exploration and production of hydrocarbons in the North East.

In addition, the North-east region is the host to a variety of economic minerals. The important minerals are coal, dolomite, limestone, graphite, marble, etc., besides crude oil and natural gas. Most of the mineral deposits are found in forest area which calls for economic exploitation and development with due regard to eco-system.

Water Resources: Endowed with a sub (extra) tropical type of monsoonal climate, the region shows remarkable variability of weather and climate on a regional scale and forms a distinct climatic zone within the Indian landmass. Comprising mainly of the basins of three of the large river systems of the world viz. the Brahmaputra, the Barak (Meghna) and the Irrawady, the NER possesses the richest treasure-trove of water resources in India. It possesses about 30% of the total water resources potential and about 41% of the total hydropower potential of India. The per capita and per hectare availability of water in this region is the highest in the country. The NE India is one of the wettest as well as most acutely flood prone zones of the world.

Horticulture: Each state has vast possibilities for growing a range of fruit and vegetables, tuber crops, tapioca and spices. This region is home to certain citrus and rice strains and is yet to be completely mapped for the full range of its biodiversity. Productivity could also be greatly improved in the case of citrus, pineapple, banana and other varieties through tissue culture and the development of breeder seed farms. Likewise, vegetables Ratoon crops like banana can be replaced by more productive and disease free annuals. The hills can exploit niche markets and provide off-season fruit and vegetables to the plains, including Bangladesh.

The National Horticulture Board (NHB) has urged the North-east states for “crop zoning” of horticultural products so that it could help boost the product’s quality to capture the international market. Addressing the newspersons, NHB managing director, J.N. Chamber said that North East Region has tremendous potential for horticultural farming and if proper care is taken, it will become the horticulture destination of the world. He visited Assam, Meghalaya, Mizoram and Arunachal Pradesh to acquaint himself with various horticultural schemes and different varieties of unique fruits and vegetables. Special focus was given to the north east for its several unique products, which are not available in other parts of the world (Arunachal Times, September 13, 2005).

Floriculture: The North-East region is endowed with the rich natural resources, which needs to be transformed into wealth through entrepreneurship development. Floriculture is a labour intensive economic activity generates large employment opportunities. Hence, Floriculture will be one of the avenues for employment and empowerment for women, unemployed educated youth and development of weaker sections of the society and overall poverty alleviation programmes. Diversification of cut flowers with high value flower crops, which have the export demand, is urgent need of the hour for the Floriculture Industry. Anthurium, which is important exotic commercial cut flower, which can be grown in North Eastern Region of India (mizoram, meghalaya, Nagaland, Arunachal Pradesh).

Other crops like Orchids, gerbera, liliun, bird of paradise etc can be cultivated successfully in this region. Government of India has also declared some of the hill states as Special Economic zones (S.E.Z.) for Floriculture due to certain strategic advantages in Sikkim and Jammu & Kashmir for Floriculture, Uttarakhand for growing Gladiolus flower crop. The potentials of Commercial floriculture are increasingly recognized and the expectations are that the Floriculture is an important growth engine for sustainable and wide spread development, augmenting economic opportunity, income and employment in hilly states of the region *viz.*, Arunachal Pradesh, Mizoram, Nagaland, Meghalaya and Sikkim. The economy of the north-east people can be strengthened through the Floriculture Village or cluster village model for rural development in areas with good accessibility. This involves the sustainable use of natural resources and introduction of the market driven non-farm enterprises business opportunities through post harvest processing and value addition to primary products through cultivation of commercially important flowers crops suitable to the region.

Trade: The North Eastern region of India has often been visualized as the remote landlocked backward region of a dynamic economy. The difference between the potential and actual economic performance is most startling for the region that has large international borders with several neighbours like Bangladesh, Bhutan, China, Myanmar and Nepal. The North East region of India comprising of eight states has a unique geographical configuration with 98% of its borders shares with neighbouring Asian countries. This along with the fact, that most of these states distinctly vary in terms of their ethnic composition, political ideologies, socioeconomic characteristics and cross border interactions make a major differences in the national and local perspectives of borders. The most critical aspects of the border trading regime is to bring forth the genuine traders who are looking forward to a sustainable exchange of goods and services with the neighbouring countries. The 'Look East Policy' of the Union Government

and the emerging trends of sub-regional cooperation among Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand Economic Cooperation (BBIMNSTEC) and South Asia Growth Quadrangle (SAGQ) have in them cross border policy intervention with a view to harness the comparative advantages of all the eight North Eastern states. The 'Look-East Policy' of India is of added importance to this region that all goods from and to India in the trade relation with South-East Asian market have to pass through this region and hence, it will reap an extra advantage of commercial transaction -benefits. The then Indian Prime Minister Atal Bihari Vajpayee's Southeast Asian tour to participate in the Association of Southeast Asia Nations (ASEAN) summit in Bali, Indonesia on 7th and 8th October 2003, marks the success of a decade-long shift in Indian foreign policy-known as the "Look East" strategy-initiated by former Prime Minister Narasimha Rao in the early 1990s. On November 23, 2004, Prime Minister Manmohan Singh flagged off the first ever India-ASEAN car rally in Guwahati. The non-competitive rally, organised by CII, has emphasized India's new found stress on the 'Look East' policy signifying new trade initiatives with the country's eastern neighbours and ASEAN nations. The Indo-ASEAN car rally has revived the speculation on vast possibilities of reaping benefits from trade that could take place between the north-eastern states and South-East Asian nations. If the concerned governments, particularly that of India, Myanmar and Thailand, and local authorities of these countries are serious about their declared intentions, then these new initiatives would indeed rediscover, renew and rejuvenate the age-old cultural and historical ties between the peoples of South-East Asian nations. In turn, greater interaction would undoubtedly boost trade, commerce and tourism prospects in the entire region.

The 'Look East Policy' when successfully implemented will make NE Region the gate way of India to Asian countries. It is a fact that once trade with Myanmar is in full swing, it could enter the South East Asian market. Since all goods from and to India have to pass through the north eastern region, the

latter will certainly develop commercially through the 'Look East policy' of the Government. With Myanmar being an ASEAN member, common markets of as many as 500 million consumers are at the door step of North Eastern region for which Myanmar will be the entry point to South East Asian market. However to achieve the end, it is not only that the road conditions have to be improved but also that the already experienced frequent disruption of transport due to agitations and militant activities of insurgent groups have to be brought under control. The most urgent need at this moment is to develop Special Economic Zones at appropriate places of the region to start with the trade ventures.

There is no doubt that this vast population could have great advantage for establishing any kind of trade and commerce. But the vary geographical condition basically the rivers and mountains of the country stand as a barrier and create geo-political tensions which ultimately act as most disadvantages factors in creating a conducive atmosphere in the path of developing trade relation among those countries. But in the recent developments in the field of communication and technology, some visible changes are taking place. Now the NER have felt the need of the hour regarding the modern facilities of lives. They have realized that in order to develop the economy of the nation, the border trade could be an effective solution. Border trade would help to great extent in the field of economic development and also the route between production points of India to the Northern district of Myanmar via North-East region is economic viable as it is much shorter than sea route.

The term 'development' is used for the process of allowing and encouraging people to meet their own aspirations. It, therefore, must relate to transforming the entire society enmeshing together its economic, social, political and administrative aspects on all round balanced upward change (Basu, A.R., 1985).

Epstein (1972) rightly pointed that the study of development requires the simultaneously analysis of a large number of

variables and relationships on both the individual and the social level in the several major institutions of any community. Development process has to be ultimately assessed for impact on quality of life and human well being.

Vidyarthi (1981) defines development as 'growth' plus 'change'. It involves material and human factors. He is of the view that the economic approach of development is not acceptable for an anthropologists who firmly believes that socio-cultural factors are integral part of the dynamics of growth and that social change is not a simply anon functional effect of planning. Thus, development is a holistic phenomenon.

Belshaw (1977) described development as an increase in the capacities of the society to organise for its own objectives and to carry out its programmes more effectively. From this point of view, development is an organised activity and a multi-dimensional process to improve the social, cultural, economic and human conditions of the people for balanced growth of the society.

What Happens

All the States in the NER are Special Category States whose Development Plans are centrally financed on the basis of 90% Grant and 10% loan. Further, the Special Category States are allowed to use up to 20% of the Central Assistance for Non-plan expenditure. Development of NER has always remains high on the agenda of both the central Government and the respective states government. The North East Council (NEC) which was set up in 1972 has been playing a major role. As a regional planning body it has taken up a series of projects for balanced regional development of the region. To provide further focus to the development initiatives of this region, the Government had also setup Department of North East Region (DONER) in 2001.

Per capita devolution of Central assistance to the state plans in NER is among highest in the country; the average per capita Central Assistance for state plans in NER was placed

at Rs. 1,546 in 2001-02 as compared to Rs. 356 at the All-India level. The government of India has also been providing special central assistance in respect of some of the states in the region for special programme such as the Hill Area Development Programme (HADP) and Border Area Development Programme (BADP). Other policy initiatives includes announcement of a new industrial policy for NER (December, 1997) which encompassed a comprehensive incentive package to stimulate development, creation of non-lapsable central resource pool (1998-99) to ensure speedy development of infrastructure in NER, the PM special packages. In addition, Projects of inter-State nature in the Region are funded through by the North-Eastern Council (NEC), which has a separate additional budget for the purpose. Thus this region is not lacking in policy attention and programmes. The flow of funds is also not a problem.

The regional economies are simple, heavily deficit and dependent on the rest of the country for many basic needs. All states in north eastern region are special category states whose development plans are almost entirely centrally financed on the basis of 90 per cent grant and 10 per cent loan. The development funding pattern for the special category states accords them built-in preferential treatment. There is no agricultural surplus and limited capital formation and entrepreneurial skills. Assam has seen development activities around tea, oil and timber; the region is, however, basically pre-industrial despite a number of saw mills and plywood factories, a few cement plants and other miscellaneous enterprises apart from oil and coal. Handlooms and handicrafts, once the pride of the Northeast, are on the decline but have a considerable potential if it is given contemporary functionality through design, marketing and other inputs. After independence, some efforts were made to diversify the economic activities, but industries that came up were mostly remaining concentrated in certain pockets of Assam. The prospects for modern industries are not encouraging, as there is a lack of local or regional markets and distance from the main land of the country. Another important

reason for the economic stagnation of the north eastern region is the socio-economic resistance of the people and the structural rigidity of the society. Development has been a major casualty of insurgency and rampant violence. Hence, the region continues to remain mainly dependent on subsistence agriculture. Further, the agriculture has not undergone any significant transformation and the most primitive farm practices of slash and burn (jhum) is still dominating the sector. It is an irony that despite being an agriculture economy, the northeast remains food deficient.

The hilly States of Northeast are the most densely administered region of the country. Uncontrolled and unproductive employment in government sector resulted in the stagnation of the development process. On the whole the economy of this region reflects underdeveloped agrarian societies with very weak industrial sector and inflated services (government) sector. Today, the saturation point has reached in most of the NE States.

The region is bountifully endowed with rich mineral deposits, hydropower potentials, forests, biodiversity, etc. It is ideally suited to produce a whole range of plantation crops, spices, fruit and vegetables, flowers and herbs much of which could be processed and exported to the rest of the country and worldwide (Shukla Commission, 1997). But the region is considered as one of the backward regions of the country. It indicates that a high percentage of households is lying below poverty line. It varies between 55.48 per cent in Meghalaya and 78.39 per cent in Arunachal Pradesh. The unemployment problem in the region is also higher than the national scenario. A study of Srivastav and Dubey (2003) shows that in the age group of 15-23 years in NER in 1993-94, 8.70 per cent of the rural youths and 12.62 per cent of all the urban youths are unemployed as against all India level of 7.8 per cent and 11.36 per cent respectively. Out of the total unemployed youths in this age group in the region, the urban unemployed youths constituted 66.99 per cent as against all India level of 37.74 per cent. Contrary to unemployment situation, there is demand for

labour from outside as the intensity of development activities increases with successive plan periods. In another study, Dutta (2003) has found the per capita Net Domestic Product of the north-eastern states lying below the national level. In 1996-97 the all India per capita NDP at current prices was Rs. 12,237 while that of Arunachal Pradesh was Rs. 10,205, Assam Rs. 6,663, Manipur Rs. 7,510, Meghalaya Rs. 8,474, Mizoram Rs. 9,758, Nagaland Rs. 9,985 and Tripura Rs. 5,083.

Corruption: The local tribal people especially in Arunachal Pradesh do not pay income tax. The national government is extending liberal financial aid to the state for her socio-economic development. An appreciable amount of this state sponsored for investment funds channellised to a new category of contractor-entrepreneur-politicians. This newly emerged neo-rich class has been to control a good amount of what is known as the 'black money'. A chunk of this is being spent in acquiring luxurious items (Sinha, 1994). All the states of Northeastern region depend on the financial aids of the centre. 90% of their states' budget comes from the centre. In addition to that, funds for different developmental activities of the north-east states are granted by the centre. Hardly, a nominal amount of these funds are utilized for the concerned activities. Most of the funds are channellised by the officers or political leaders from top to bottom. This is the real economic scenario of the north-east states.

Some people within a very short period of time have experienced income and wealth inequalities to a high degree. Very few of them have been found to become very rich over night and enjoy luxurious life and prefer conspicuous consumption which has been adversely affecting the rest of the society. The income inequalities in the north-east states' society are very much strong. Some are very rich and some are very poor. Some peoples in rural areas are living on self growing food and common property resource forest product without functioning of money. The presence of high degree of corruption at all levels and existence of underground economy has also gone against in development of market economy. The consumer durables

and non-durables are purchased by the easily earned money or easily available credit (consumption loans) from the markets located in big cities of the country or some growing urban centres in the State. This has regrettably led to the emergence of the consumption economy without the economy of production and hence obstructed the growth of market economy.

References

1. Ahmed, J.U. (2007): *Industrialisation in North-Eastern Region*, Mittal Publications, New Delhi.
2. Ali, N. (2007): "Constraints in Growth in Market Institutions in Arunachal Pradesh" in Borbora, S. & Gogoi, J.K.(ed): "Development Issues in Northeast in the Turn of the Century", NEEA, Papyrus, Guwahati.
3. Arunachal Times, Vol. 19, No. 251, February 20, 2008, Itanagar, Arunachal Pradesh.
4. Arunachal Times, Vol. 17, No. 98, September 13, 2005, Itanagar, Arunachal Pradesh.
5. Behera, M.C. (2004): *Globalisation and Development Dilemma: Reflections from North East India*, Mittal Publications, New Delhi.
6. Behera, M.C., (2000): 'Tribal Development and Environmental issues in Arunachal Pradesh' in Sharma P.D (Ed): *Environment, Health and Development: An Anthropological Perspective*, S.C. Roy Institute of Anthropological Studies, Ranchi.
7. Bhattacharjee, P.R. (2002): 'The Problem of Ensuring Financial Efficiency in the North-Eastern States', *Dialogue*, Vol.4 (1), July-September.
8. Datta Ray and Baishya, P., (1998): *Sociological Constraints to Industrial Development in North-East India*, Concept, New Delhi.
9. Ganguly, J.B. (1998): 'Status of and Sociological Constraint on Industrial Development in North-east India', in Datta Ray and Baishya P., (eds): *Sociological Constraints to*

- Industrial Development in North-East India, Concept, New Delhi.
10. Govt. of Indi: Census Reports, 1961 1981, 1991 and 2001.
 11. Haksar, P.N. (1984): 'Problem of Building a Diverse Society', in North-East Region, Problems and Prospects of Development, Abbi, B.L., (ed), Centre for Research in Rural and Industrial Development, Chandigarh.
 12. Kulshrestha, U.C. (2003): Economic Development and Planning, Educational Publishers, Agra.
 13. Kundu, A. (2004): Infrastructure, Financing and Emerging Pattern of Urbanization: Vision 2020, India Vision 2020, Planning Commission, New Delhi.
 14. Kundu, A, (2006): "Social Development Report", Oxford Univ. Press, New Delhi.
 15. Mandal, R.K. (2005), "Trend of Diversification of Arunachal Economy with Special Reference to Agriculture: A Strategy for Sustainable Development" Resarun: journal of the Directorate of Research, Vol. 29, Itanagar
 16. Mandal, R.K. (2008): "Position of Women in Tribal Society of Arunachal Pradesh with special Reference to Galo Women" in Pandey, B.B.(ed): Impact of Globalisation on the Himalayan Tribes of India, Himalayan Publishers, New Delhi, Itanagar.
 17. *Mandal, R.K. (2005): "Arunachal Pradesh Emerging as Power House" Journal of Global Economy, Vol. 01, No. 4.*
 18. Megu, K. (2007): Development Issues in North-East Region, Mittal Publications, New Delhi.
 19. Mitra, A. (2002), "Internal Migration and Economic Development in the hill, Omsons pub., Gouhati, New Delhi
 20. Nathan, Dev (2009): "Social Security, Compensation and Reconstruction of Livelihoods", EPW, Vol. XLIV, No. 30, July 25-31, Mumbai.
 21. NEDFi, quarterly data bank, 2005

22. Pandey, B.B. (2008): *Impact of Globalisation on the Himalayan Tribes of India*, Himalayan Publishers, New Delhi, Itanagar.
23. Pandey, G.S.: *Buddhism and Khamtis*, SanPark Press Pvt. Ltd. Ashok Vihar I, Delhi.
24. Prasad, P. (1995): *Urban Slums: Health, Education and Development*, Delta Publications, New Delhi.
25. Rao, N.A. and *et al* (2004): "Urbanization Trends in Andhra Pradesh: A Region-wise Study", *Asian Economic Review*, 46(1).
26. Sen, A. (2002): 'Globalisation, Inequality and Global Protest', *Development*, 45, June, pp.11-16.
27. Shukla Commission, (1997): "Transforming North-East, Tackling backlogs in Basic Minimum Services and Infrastructural Needs", High Level Commission Report to the Prime Minister, Planning Commission, New Delhi.
28. Singha, Komol (2009): *Village Development in North-East India*, Concept Publishing, New Delhi.
29. *Sinha A.C. (1994): "North-Eastern Frontier of India: Structural Imperatives and Aspects of Change", Indus Publishing company, New Delhi.*
30. *UNDP (1993: Human Development Report.*