

# Society and Economy in North-East India

Volume 3

**Editors**

David R. Syiemlieh

Manorama Sharma

This is the third volume in the three volume series on Society and Economy in North-East India. The first volume covered the pre-colonial period up to the 13<sup>th</sup> Century and the second volume brought the studies to the 18<sup>th</sup> century. This third volume focuses on the social and economic developments in North-East India in the nineteenth and twentieth centuries. The contributions to this volume have covered a wide range of subjects in the context of society and economy in the region. The volume has thus tried to put together hitherto scattered studies on aspects like trade and markets, migrations, the imperatives of colonial policies and the social impact of the various economic processes in North-East India. The academic value of this study has to be seen in the light of the fact that there are numerous tribes and communities in India's North East who are at various stages of social and economic development and studies on many of them are still wanting or have remained obscure. Until and unless well researched historical studies on such tribes and communities are carried out the comprehension of the problems and prospects of India's North East will remain flawed. This volume has thus tried to set this process going by inviting attention to the myriad of issues which need continuous and deeply researched interest. The book should therefore be useful and of interest to students, the academia and also policy makers.

**Rs. 750/-**  
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- Indira Barpujari
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SOCIETY AND ECONOMY  
IN NORTH-EAST INDIA

VOLUME 3

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VOLUME 3

Editors

David R. Syiemlieh  
and  
Manorama Sharma



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# Foreword

The discourses on society and economy in Northeast India in nineteenth-twentieth century do legitimately revolve round the giant historical phenomenon of British colonialism for the explicit reason that colonialism significantly intervened in the social and economic processes in the region to promote and perpetuate its basic objectives of subordinating the productive forces and expanding its own market. The sporadic resistance to changes, though illustrious in many ways, could enforce only certain adjustments in the sub continental framework of colonial articulations for the more marginalized peripheries. In formulating the proposal under Special Assistance Programme of the University Grants Commission, the Department of History, North-Eastern Hill University, from its standpoint of an analytical approach in studying the societal and economic changes and continuities in the region in various historical phases, adhered to scientifically explaining change and development in each phase with reference to the state of society and economy in the earlier phases, by situating the region in larger geo-political contexts and without overlooking the fact of variations within the region. It was, therefore, decided to hold a series of three national seminars under SAP-DRS on 'Society and Economy in North-East India', the first to cover the period from pre-historic times to about thirteenth century A.D., the second thirteenth to eighteenth century, and the third, nineteenth-twentieth century. The studies presented by the scholars in the first two seminars have already been published as *Society and Economy in North-East India*, Volume 1 and Volume 2, ably edited by our colleagues, Professor Mignonette Momin and Dr. Cecile A. Mawlong (Volume 1) and Professor Fozail Ahmad Qadri (Volume 2) respectively. *Society and Economy in North-East India*, Volume 3 contains the studies presented in the third national seminar

held on March 1–3, 2004. The papers selected for publication more or less correspond to the period of British rule in the region. The volume has been edited by our colleagues Professor D.R. Syiemlieh and Professor Manorama Sharma with great care and affection. We are happy that we have been able to hold the entire three seminars on the theme and to bring out the corresponding volumes as per schedule decided by the SAP Advisory Committee. This also completes a part of our project in outlining the major themes in ‘Society and Economy in North-East India’, correlating the authenticated empirical evidence to the overall social processes in respect of three important phases in the history of the region and making a volume on each phase available to the scholars for further research on the subject. It is expected that like the two earlier volumes, the volume 3 shall also be appreciated by a wider circle of readership. We look forward to the comments and suggestions of the experts on our volumes on *Society and Economy in North-East India*, which happens to be one of the thrust areas for us under Special Assistance Programme of the University Grants Commission and is envisaged as an important step in our ultimate goal of ‘Towards a Comprehensive History of North-East India’.

N.E.H.U., Shillong  
25<sup>th</sup> March, 2006

**(J.B. Bhattacharjee)**  
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## Editors' Note

The Department of History North-Eastern Hill University had planned for three national seminars on the theme "Society and Economy in North-East India". The first seminar on this theme "Society and Economy in Pre-Colonial North-East India: Prehistory — 13 Century", was held at NEHU in late February 2002 and had a number of presentations related to the subject. These papers have been edited and the first volume in the series is already in the market. The second seminar "Society and Economy in North-East India 13–18 Centuries" was held in early March 2003, and it developed the theme of society and economy in North-East India further to cover the period up to the 18th century. For the plains and valleys in the region this history covered the phase from the advent of the Ahoms into the Brahmaputra valley to the treaty of Yandaboo 1826. For the hill areas the idea of 'pre-colonial' could not be applied strictly in the general concept of periodisation, however presenters limited their discussions to that phase of history in the hills prior to the extension of British imperialism. The contributions to this seminar have also been published in an edited volume.

In continuation of the general theme, the third national seminar on "Society and Economy in North-East India in the 19<sup>th</sup> and 20<sup>th</sup> Centuries" was organized by the Department of History, North-Eastern Hill University in early March 2004. Funded by the UGC sponsored Special Assistance Programme of the Department, the North-Eastern Hill University and the Indian Council of Social Science Research — North-Eastern Regional Centre, Shillong the seminar brought together a number of scholars of the region to present papers, have these discussed and then to rework the papers for publication. The three days seminar discussed issues relating to the changes brought in the economy of the region as a result of colonial policies and practices and the consequences it had on the lives of the people.

The focus of the seminar was on issues like land revenue and land relations and the new social relations and social forces which emerged as a result; trade and markets and their impact on society, migration, commercialization of agriculture, Industrial developments, transport and Communication and peasants, peasant agriculture, and peasant movements.

The aim of the seminar was not merely to collate economic information for this region but to integrate that information to the processes of social change in the area so that finally it would be possible to arrive at a comprehensive social and economic history of the region. There are works on this region that provide a lot of economic data but there are very few studies, which have integrated economic developments to social and political changes in North-East India. This is a gap, which this seminar sought to bridge, and so the objective of the seminar was to analyse the social and economic developments in the 19<sup>th</sup> and 20<sup>th</sup> centuries for arriving at an understanding of the history of the North-East. The seminar gave an opportunity to scholars to update their research and therefore while inviting scholars to write and make presentations they were requested to keep a few things in mind. (a) The article should/could update information/arguments on the issues raised by the seminar and (b) to relate the economic information to issues of social and political importance. The response of the scholars with expertise on these issues was very encouraging and papers on a variety of themes came forth in the seminar discussions as the collection of papers in this volume will show. This volume thus presents a revised version of most of the papers because in the course of the discussions in the seminar many paper writers as also the editors felt that there still existed a lot of scope for deeper analysis of the data presented in many of the papers. It is this process of revision that has taken time and which also answers for the delay in the publishing of the volume. We of course understand that in the North-East as in many other parts of India historians generally have not gone out of the strait jacket of 'political' 'dynastic' and 'administrative' narratives. Therefore the idea of integrating economic data to the processes of social developments is a novel (and thus also problematic) idea for many. However many of the papers presented here do reveal that a serious thought is going into this understanding of history and

what is more encouraging for the health of the discipline in the region is that the younger researchers are taking up the challenge in a positive way.

The nature of the papers that have become available for publication has enabled us to arrange them in this volume under in several themes. The first section comprises of three papers which have basically tried to conceptualise important phenomena like colonialism, economic history and the peasantry. Taking up the task of making a historiographical query, Manorama Sharma discusses the importance of conceptualizing colonialism in attempts made to write economic histories particularly in countries like India. Dilating on the question of how economic history is different from economic information Sharma critically examines a few works which have been popularly referred to by social scientists in their quest for an economic history of North-East India. The focus of J.B. Bhattacharjee's paper is on the entire issue of colonisation in India and through a discussion of the literature on this concept in the wider context of India he narrows down the discussion to the major factors of colonisation in North-East India. While throwing light on the areas which have been dealt with by historians of the region he concludes that there are still many gap areas which need to be covered by important micro-studies in the region. Mignonette Momin moves into a different area of conceptual issues when she attempts to conceptualise the Garo peasantry in the 19<sup>th</sup> and 20<sup>th</sup> centuries in the context of existing debates on the concept of the 'peasant'. Grounding herself on the available empirical data Momin attempts an 'exploratory' foray into the question of the peasantisation of the Garo economy.

The second section of the volume comprises five papers relating to trade, markets and entrepreneurship and aspects of the economy of the states in the region. The three papers on trade and markets by D.R. Syiemlieh, Sristidhar Dutta, and Sukhendu Debbarma all relate to tribal communities engaging in this economic activity across their borders, with traders in the plains of Assam and Sylhet, other districts of East Bengal and across their hills to the higher mountain communities in Tibet. All three too have directed attention to the changes that came to the economic life of the people, not all of which was of a positive nature. The paper on entrepreneurship by Susmita Sen

Gupta makes an interesting study of tribal entrepreneurs engaged in their business in the state of Meghalaya. The last paper in this section on Mizoram by L. Sailo concentrates both on economic practices in Mizoram and the changes that take place in social relations with the changed conditions of agriculture, trade and commerce with the onset of Colonial rule. The five papers therefore present a view of society and economy in four widespread areas of the North-East.

An issue that has been of continuing interest and importance in this region is the question of migrations into the region. The entire process of encouraging settlers to the area was begun by the colonial rulers in order to 'populate' the sparsely peopled regions of British Assam. This mission of 'colonisation' of the British had important repercussions not only on the economic and demographic contours of the region but also on the social consequences of such a process. The question of migrants and migrations remains a contentious issue in India's North-East even today and it has deep political and social ramifications. It is therefore only natural that scholars turned their attention to this very poignant subject in the course of the seminar. Migration into the North-East in the 19<sup>th</sup> and 20<sup>th</sup> centuries is thus studied in three presentations by Sajal Nag, Ramesh Kalita and Tejimala Gurung. The views of the authors are that the colonial economic policy was largely responsible for the immigration of large numbers of people into the region from East Bengal, Central and Eastern India and Nepal. While those from East Bengal largely worked on the land as cultivators, others were brought in as indentured labour into the tea plantations and a third group of immigrants who had already come for service under the colonial state settled in the region after retirement and drew in others of their kind as graziers. The papers have discussed the socio-political and economic impact these early as also recent migrations have had on the region.

An assessment of the social and economic developments in North-East India cannot be fully done without understanding the imperatives of colonial policy. Whether it was in the sphere of the development of means of transport and communication, or the introduction of revenue systems of the *rayatwari* or *Zamindari* types or the decisions on financial administration, the colonial government definitely had a finger in every pie. The policies

were so manipulated by the colonial rulers that the economic development in real sense of the term became almost an impossibility although it must be granted that some positive fall outs of those policies were definitely there. These features of the colonial agenda are sought to be discussed in the papers on the British India colonial state's economic policies relating to land revenue, landlordism, provincial finance and development including the railways. S.D. Goswami's enquiries into the British revenue policy in the Brahmaputra valley provide an empirical study of the collection of the tax. Another paper related with this overview is Santo Barman's study of Goalpara *Zamindaris* where the author seeks to relate the underdeveloped economy of Goalpara to the indifference and 'consumerist' attitude of the *Zamindars*. Both papers have concluded their studies with insights into the impact the policies and economic relations had on the people. The study on provincial finance and development by I. Hussain argues that the British did not give much attention to the fiscal management and development of composite Assam, consequently its underdevelopment under colonial rule. The role of two of Assam's premiers in correcting the imbalance is given prominent attention. The paper on the construction and operation of railways and their impact on society in Assam by Sarah Hilaly is a detailed presentation on railways as an instrument for the expansion of colonial interests. Railways were introduced as a means of transport not so much for facilitating movement of people as for movement of raw materials from the hinterland to the ports. For this purpose the colonial government had very definite policies which preferred one section of the people against another. These issues which have been raised in this paper will be of use for scholars interested in incorporating the economic history of the region into broader histories of the nation.

The social impact of British economic and administrative policies was an important area that the seminar wished to emphasise on. In the context of understanding society and economy in the North-East the social impact of economic processes needs to find a very integrative place in the discussions. This is a goal that is hoped to be achieved in history writing. In view of this it was important that there were at least five presentations that focussed entirely on this aspect. The British land

revenue policies in Assam as has been discussed in the papers mentioned above had important consequences for the society at large. On the one hand these policies brought in monetization of the economy which, in the long run led to the restructuring and even emergence of new social forces in the society; on the other hand they also led to important phases of peasant mobilization and peasant resistance. The economic changes also brought about social differentiations and in some instances led to the emergence of new social classes. These are the major issues that find place in the discussions presented by Sudeshna Purkayastha, Moushumi Pathak and Arunima Bhattacharjee. Indrani Barpujari too deals with society and economy in Assam though from a slightly different perspective. She highlights the aspect of the very open caste relations in Assam which have therefore made it possible for the socially and economically downtrodden sections from other parts of the country (like Bihar and central India) to find a friendly working and social environment in the state. Another impact of these changes was seen in a very important sector of social relations — that of changing gender relations. Unfortunately the issue of gender relations has not found a prominent place in the proceedings of this seminar, but Meeta Deka has tried to bring this perspective in by dilating on the concept of labour and workforce as revealed in the various government documents. She comments on the very patriarchal bias of those documents and tries to counter it through her field data on women in the village economy.

The last paper in this volume by F.A. Qadri does not strictly discuss society and economy in the region but has been included because it might provide another perspective on social mobilization to researchers working on the economics of the partition and the Sylhet referendum.

We place on record our thanks to the contributors to this volume for the pains they have taken in not only participating in the seminar but also taking the trouble to revise the papers as per the requirements of the seminar. We apologise for the delay in getting the volume in print but have every hope that it will add to the Department of History's continued endeavour to further our understanding of the history of the North-East. We also place on record our appreciation to the members of the Editorial Board, who incidentally are also contributors, for all

the effort put into the preparation of the volume. We thank our colleagues in the Department of History, NEHU for their co-operation and support in the organisation of the seminar and in seeing this volume through to press. But the editors are entirely responsible for any editorial lapses that may have remained despite the closest scrutiny, although the views presented in the papers are those of the authors and the editors have not tampered with them. The publication of this third volume is made possible with financial support of the UGC-SAP-DRS of the Department of History, NEHU. To the UGC, NEHU and the ICSSR-NERC the Department is grateful for the support in its research programme. Finally our thanks to Mr. Arun Verma, of Regency Publications, for the interest he has taken in our publications, for his patience and professionalism.

18 September 2007

David R. Syiemlieh  
Manorama Sharma

# Entrepreneurship in Meghalaya in the Post-1972 Period

## An Analysis

*Susmita Sen Gupta*

Meghalaya emerged as a full fledged State of the Indian Union in 1972. This assumes significance from the point of view of entrepreneurship in Meghalaya which reached new heights in the post-statehood era. This paper begins with the argument that the very demand for Statehood has strong economic implications apart from being a demand for political power. In other words, when the educated elite in the Khasi, Jaintia and Garo Hills raised the demand for statehood, they were also likely to be the potential beneficiaries under the emerging politico-economic arrangement. I propose to examine this argument in the light of some concrete statistical data on entrepreneurship in the post-1972 period. The analysis will be confined to the Khasi Hills.

It may be noted that a general perception prevails among local tribesmen and in the political party circles in Meghalaya that local tribals are lagging far behind the non-tribals in the economic field and also allege exploitation at the hands of the non-tribals, particularly because of the prevalence of corrupt and unfair practices like the operation of *benami*. The Congress (I), for example, has drawn a contrast between the achievements of tribals and non-tribals in an attempt to apply the 'relative deprivation' argument in the context of Meghalaya.<sup>1</sup>

But ground realities present an altogether different picture. As a matter of fact, local tribals are fast catching up with the non-tribals and even outdoing them in several fields. In order to substantiate this point, I propose to take up an analysis of the emergence of the tribal entrepreneurial elite through a statistical survey of the growth of this elite in the post-1972 period. My samples include supply contractors and P.W.D. contractors. Other economic indicators proposed to be analysed in this connection are statistics on industry and on the net contribution of these sectors to the State income.

Selection of P.W.D. contractors as a sample for my statistical survey is significant from the historical point of view. It is interesting to note that a deputation of hill leaders met Prime Minister Nehru in August 1955 in Shillong and stressed that the hills peoples were 'primarily concerned with social and economic development in the hills'. The leaders seemed to believe that the economic backwardness of the people created a fear complex and suspicion in them, which could be removed by an Eastern Hill State. Interestingly, the deputation demanded a separate Public Works Department for the hills.<sup>2</sup> This indicates that the emerging hill elite had already developed keen interest in construction works. This forms the basis of an important research question as to whether local Khasis have actually been able to grab most P.W.D. contracts after statehood.

In order to examine the above question, I propose to present my statistical data in a tabular form.

It is interesting to observe from Table I that the percentage of Khasi Class I P.W.D. Contractors has varied from 97.5% to 99.3% during 1980-82 to 1995-96. The percentage of Class II Contractors reflects a higher representation of Khasis and ranges from 97.71% to 100%. According to information obtained from the Under Secretary, P.W.D., Meghalaya, Khasis constitute cent percent of registered contractors in Jaintia Hills and West Khasi Hills. In Table II, the percentage of supply contractors shows the monopoly of Khasi firms in this field. This indicates that Khasis have been able to grab the bulk of contracts for road construction and for supply of goods to various Government Departments. It may, therefore, be argued that not only has an entrepreneurial elite emerged in Meghalaya, but there has also been a steady growth in their ranks after statehood.

**Table 1: Percentage of Khasi registered P.W.D. contractors (1980-1996)**

<i>Name of the Categories</i>	<i>Total No. of persons recruited</i>	<i>No. of Khasi contractors</i>	<i>Percentage of Khasi contractors</i>	<i>Year</i>
Class I Contractors (East Khasi Hills & Jaintia Hills)	40	39	97.5	1980-82
Class II Contractors (Jaintia Hills)	281	281	100.0	1980-82
Class I Contractors (East Khasi Hills, West Khasi Hills & Jaintia Hills)	144	143	99.3	1984-86
Class II Contractors (Except Garo Hills)	1067	1052	98.59	1984-86
Class I Contractors (Except Garo Hills)	121	118	97.52	1990-91
Class II Contractors (Except Garo Hills)	964	942	97.71	1990-91
Class I Contractors (Except Garo Hills)	241	238	98.75	1995-96
Class II Contractors (Except Garo Hills)	2073	2034	98.11	1995-96

*Source:* Statements issued by the Office of the Superintending Engineer, PWD (Roads), Jowai Circle, Jowai (1980-81 to 1995-96), by the Office of the Superintending Engineer, P.W.D. (Roads), Eastern Shillong Circle, Shillong (1981-82 upto 1995-96) and by the Office of the Superintending Engineer, PWD (Roads), West Khasi Hills (1984-85 upto 1995-96), Showing the list of Class I and Class II Contractors. The number of Khasi Contractors has been worked out by the Scholar in terms of their percentage vis-a-vis total number of contractors in each circle as mentioned by Mr. M.K. Dey, Under Secretary (Works), PWD (Road and Building), Meghalaya.

**Table II: Percentage of Khasi supply contractors during 1980-1995**

<i>Total number of Firms approved for supply of various items</i>	<i>No. of Khasi firms</i>	<i>Percentage of Khasi firms</i>	<i>Year</i>
19	10	52.63	1980
33	19	57.57	1985
Figures not available	—	—	1990
77	50	64.92	1995

*Source:* *The Gazette of Meghalaya*, Shillong, December 18, 1980, p. 1468; *Ibid.*, November 7, 1985, p. 1413, October 3, 1985, p. 1050; October 19, 1995, pp. 839-840; October 26, 1995, p. 863.

Entrepreneurship in Meghalaya can also be viewed from the perspective of other economic indicators like the growth in the number of registered factories, registered small-scale industries, Khadi and Village Industrial Units and so on. I have examined these economic indicators during the period from 1981 to 1998.

Table III throws up some very interesting statistics. First, the number of units have varied from 43 to 58 during 1981–1998. The maximum number of factories was registered in 1990. Thereafter, there was a steady decline in the number of factories and it reached its nadir in 1998 when the number of factories stood at 43. Secondly, with variations in the number of registered factories, there have also been fluctuations in the number of persons employed. Apparently, such fluctuations seem to have been linked with the economic fortune and viability of the units. During 1981–1994, the maximum number of persons (3744) were employed in the year 1983 when 56 factories were registered. In 1985, there were the same number of units, but the number of employees decreased to 3574. The trend of declining

Table III: Number of Registered Factories in Meghalaya

Year	Units	Employees
1981	55	3075
1982	55	2638
1983	56	3744
1985	56	3574
1990	58	3345
1991	55	2478
1992	55	2439
1993	53	2604
1994	56	2746
1998	43	7000

Source: Chief Inspector of Boilers and Factories, Meghalaya. These figures were published by Directorate of Economics and Statistics, Government of Meghalaya, Shillong in *Statistical Handbook, Meghalaya, 1984* and *Pocket Statistical Handbook, Meghalaya, 1994*. The source of the 1998 figures is Central Statistical Organisation and the figures were published in *Where Do We Stand in 2000—Meghalaya in North East and India and the World*, Directorate of Economics and Statistics, Government of Meghalaya.

rate of employees continued till 1994. Thirdly, in 1998, there was a spectacular growth in the number of employees rising upto 7,000, although the number of units decreased to 43. This would seem to indicate that the existing registered factories are economically vibrant, healthy and at least some of them are doing quite well to sustain a total working force of 7,000.

The next economic indicator that may be used for an understanding of the entrepreneurial scene in Meghalaya is the growth in the number of registered small-scale industries.

Table IV shows a fourfold growth in the number of Small Scale industries during 1984–1990. The decade 1983–1993 registered a fivefold multiplication in the number of such industries. Another significant point to be noted in this connection is the growth in the rate of investment in this sector which seems to correspond to the growth in the number of units. It may be inferred, therefore, that capital formation in a gradual manner had been taking place in Meghalaya during this period. This, in turn, gave a boost to employment in this sector.

Table IV: Number of registered small scale industries in Meghalaya

<i>Year</i>	<i>No. of units</i>	<i>Investment in plant and machinery (Rs. in lakh)</i>	<i>No. of persons employed</i>
1983–84	461	206.78	3223
1990–91	1558	850.29	9248
1991–92	1733	932.57	10169
1992–93	1941	1138.36	11212

*Source:* Directorate of Industries, Meghalaya. Figures as published in *Statistical Handbook, Meghalaya, 1984*, Directorate of Economics and Statistics, Government of Meghalaya, pp. 71–74 and *Pocket Statistical Handbook, Meghalaya, 1994*, Directorate of Economics and Statistics, p. 40.

Let us also take a look at the Khadi and Village industries sector in order to explore its potentialities for entrepreneurship in Meghalaya.

This sector assumes economic significance in view of the fact that large-scale industrialisation is yet to take place in Meghalaya. Table V shows a modest growth rate in the number of Khadi and Village industrial units during 1991–93. However, there was a significant increase in total employment and the value of production increased by about 44 lakhs of rupees within

**Table V: Number of khadi and village industrial units in Meghalaya**

<i>Year</i>	<i>No. of centres</i>	<i>Total employment</i>	<i>Value of production (Rs. in lakh)</i>
1991-92	3729	9269	604.83
1992-93	4042	9839	648.28

*Source:* Meghalaya Khadi and Village Industries Board. The figures as published in *Pocket Statistical Handbook, Meghalaya, 1994*, Directorate of Economics and Statistics, Government of Meghalaya, pp. 44-45.

a span of one year. This would indicate that this sector has tremendous entrepreneurial potential which is yet to be fully explored.

Having analysed the factory sector, small scale, Khadi and Village industrial sector as well P.W.D. and Supply Contracts, let us examine the contribution of these sectors to the net state domestic product.

Table VI shows that during 1990-91, the manufacturing sector contributed 3.003% to the State income. During 1991-92, the contribution of this sector was 3.1% and during 1992-93, the contribution was 3.4% of the net income. Interestingly, the unregistered units contributed more than the registered units. As far as construction work is concerned, it contributed 11.8%, 12.1% and 11.3% respectively during 1990-91, 1991-92 and 1992-93. This indicates that construction industry has been thriving more than the manufacturing sector in Meghalaya.

To sum up, it may be argued that the whole issue of entrepreneurship in Meghalaya in the post-Statehood period needs to be viewed in the context of a lukewarm attitude to industrialisation which is shared by all regional parties of Meghalaya. These

**Table VI: Contribution of different sectors to net state domestic product, Meghalaya**

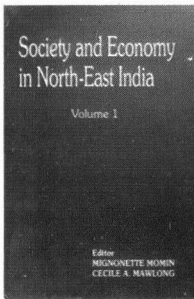
<i>Name of sector</i>	<i>1990-91</i>	<i>1991-92</i>	<i>1992-93 (Rs. in lakh)</i>
Manufacturing	2386	2761	3661
(a) Registered	841	739	1233
(b) Un-registered	1545	2022	2428
Construction	9453	10804	12179
Net State Domestic Product	79461	88720	107072

*Source:* Directorate of Economics and Statistics, Meghalaya, Shillong.

parties seemed to have agreed unanimously that large scale industries will not benefit the local people.<sup>3</sup> The HSPDP in particular, has been of the opinion that establishment of big industries may aggravate the problem of influx in Meghalaya.<sup>4</sup> Such reservations about industrialisation seemed to have stood in the way of a thriving entrepreneurship in Meghalaya. In the absence of indigenous capital formation and capital accumulation, it may be argued that the State has no option but to attract investment from outside the State. Small scale industries during the period under study have shown some entrepreneurial potential, but no major breakthrough has been achieved so far. In this scenario, the need for full-scale industrialisation and capital investment assumes greater significance. An analysis of entrepreneurship in Meghalaya, therefore, has to be associated with a study of these processes.

#### END NOTES

1. This official Congress view was expressed by Shri D.D. Lapang, then President of the Congress (I) in Meghalaya, in course of discussions with Susmita Sen Gupta, on 3<sup>rd</sup> January, 1991 in Shillong.
2. Shri B.B. Lyngdoh's notes for discussion with the Prime Minister, on 25<sup>th</sup> August, 1955, as cited by S.K. Chaube, *Hill Politics in North East India*, Calcutta, 1973, p. 14.
3. For details, See Susmita Sen Gupta, *Regionalism in Meghalaya*, South Asian Publishers, New Delhi, 2005, p. 123.
4. This view was expressed by Mr. E.K. Mawlong, the then General Secretary of HSPDP, during discussions with Susmita Sen Gupta, on 2<sup>nd</sup> May, 1991 in Shillong.



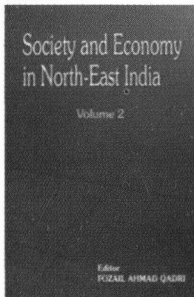
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