

## North East Vision 2020: A Reality Check

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*Look East Policy (LEP) has been India's grandiose design to re-orient its place in the post-Soviet world order. This policy, albeit without a white paper has been seamlessly entwined with many different dimensions, foreign policy, trade, defence, security, strategic, to name a few. Programmatically, 'Look East' meant looking eastward for fostering newer ties with the immediate neighbours of South East Asia. North East India offered the alibi for realising such aspirations. Ironically, although the LEP in its present form got initiated during 1991, it was only in 2008 that North East India appeared in related policy formulation with the launch of NER Vision Document 2020. This document identified the problems of the region to the post-partition (1947) peripheral-trap of North East which isolated the region and exacerbated its socio-economic backwardness vis-a-vis 'mainland' India. Infrastructure development, border trade and better governance are highlighted as the way out for ushering inclusive growth in the region. This paper analyses these aspects of the Vision Document and its recommended modus operandi for changing the economic situation of NER by comparing it with the present 'reality' of the region. But what are the macro-economic indicators of the region? What can be the volume of trade with its present basket of tradable items? Can the flourishing informal trade be formalised? Is the region capable of generating its own financial resources? Will these peripheries be 'partners' or 'passages' for economic co-operation? The paper thereby assess the role of North East in India's Look East Policy*

### I Introduction

For a region and its people who paid enormous price in terms of insurgency, turmoil and dislocation<sup>1</sup> to make sure that their voices are heard, if not understood, at the corridors of power, a 'vision' for their growth and development must have been an important recognition. The document named "North Eastern Region: Vision 2020"(henceforth referred as vision document) launched during July 2008 emphasises six development components, namely, self-governance and participatory development, creation of development opportunities, developing sectors with comparative advantage, capacity building of people and institutions, create hospitable climate for investment and building infrastructure through public investments<sup>2</sup>. The 600 pages of the vision document spread over three volumes emphasizes increase in connectivity and creation of employment opportunities through state investment in infrastructure and reiterates that private investment is to be encouraged in natural resource harnessing, agriculture and tourism<sup>3</sup>.

What is stated above as a development agenda is perhaps nothing new in terms of policy prescription but what sounds to be a departure from the stereotypical framework of analogy of the Indian state seems the recognition that NER was entrapped within a territorial bound during the post-partition period which had adverse consequences for the region. This adversity, according to the Vision Document, has to be minimised through

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border trade with the neighbouring countries. It categorically states that border trade will increase the livelihood prospects for agricultural producers, traders and small business people as well as end the geo-political isolation of the region<sup>4</sup>. Moreover, in terms of the cultural arena, the document accepts that the people of the North East not only have a unique culture but also have commonality with the people in the neighbouring countries. Accordingly, initiatives should be taken for promotion of tourism, communication, trade fairs and sporting events for greater contacts among people within the extended region<sup>5</sup>. The vision document expresses optimism that its agenda for development will elevate NER to the position of national economic eminence that it occupied during the time of independence. A process of inclusive growth through inclusive governance will change the socio-economic condition for the better. Economic prosperity will improve the life of the people and therefore insurgency can be minimised. Thus, NER will become the arrowhead of India's Look East Policy.

But can the region's engagement with its neighbours in the sphere of trade and commerce improve the life of its people? What are the economic fundamentals of the region which can maximise gains through trade? Does the macro-economic trend of the region suggest some positive trends which can be sustained through the agenda spelt in the vision document? This paper intends to understand these questions in the backdrop of the vision document. An outline of the macro-economic trends of the NER is analysed briefly in the next section. The issue of border trade of the region with Bangladesh and Myanmar are analysed thereafter. Aspects related with poverty, human development, infrastructure and the grant of resources from the Central to the State governments are dealt with in the subsequent section. The paper concludes by briefly comparing the vision agenda with the economic reality in contemporary NER and highlights the difference between the intent and practice so far.

## **II Macro-Economic Indicators of North East India**

The overall economic foundation of NER is analysed through selective macro-economic indicators e.g. the Absolute and Per Capita growth rates of NSDP (Net State Domestic Product), the composition of different sectors and accompanying sub-sectors that contribute to NSDP and their changes over the years. What has been the unemployment pattern in NER? Is it similar to the Indian scenario? In our analysis various secondary sources have been used, namely, EPW's Domestic Product of the States in India, 51<sup>st</sup>, 55<sup>th</sup> and the 61<sup>st</sup> Rounds survey of NSSO, Census of India, North Eastern Council Basic Statistics and the North Eastern Development Finance (NEDFi) Data Bank.

### **a) Trends in Absolute NSDP**

Absolute NSDP figures are at constant prices. The overall growth rate of the seven states and the region are given in Table I. Growth rates are considered in four time periods, from 1980-81 to 1990-91 (the pre-liberalization period), 1991-92 to 1999-2000 (the first decade under liberalization), thirdly for the entire time period from 1980-81 to 2005-06 and then for the post-liberalization phase from 1991-92 to 2005-06.

**Table I: Growth Rate in Absolute NSDP (Constant Prices), 1980-81 to 2005-06**

States	1980-81 to 1990-91	1991-92 to 1999-2000	1991-92 to 2005-06	1980-81 to 2005-06
Arunachal	8.01	3.75	4.74	6.59
Assam	3.27	2.02	2.74	2.95
Manipur	4.63	4.57	4.59	4.51
Mizoram	8.38	5.76	5.45	6.48
Meghalaya	4.83	5.94	6.13	5.54
Nagaland	7.31	5.24	6.45	6.80
Tripura	5.38	7.50	7.98	6.82
NER	3.91	3.14	3.86	3.85

\*all values are at 1 per cent significance level

From 1980-81 to 2005-06, NER experienced a growth rate of 3.85 per cent. Assam, which is the largest economy in the region, grew with lowest rates. Tripura registered the highest growth. Nagaland, Arunachal Pradesh and Mizoram have also grown at more than 6 per cent which was higher than the regional average.

The first decade after economic liberalisation (1991-92 to 1999-2000) saw a decline in the overall growth rate of the region compared to the decade earlier. Only Tripura and Meghalaya had higher rates. From 1991-92 to 2005-06, the region had a growth rate of 3.86 per cent. Tripura had the highest rate of 7.98 per cent. But even with slightly higher growth rates NER was yet to surpass the rates that it experienced from 1980-81 to 1990-91. This indicates that the reform process, in terms of growth has yet to show its positive impact in the region except for a higher growth rate in Tripura.

#### b) Trends in NSDP Per Capita

Coupled with lower growth rates, the region has been adversely affected by a high growth rate of population. Table II shows the per capita growth rates during the period 1980-81 to 2005-06. The overall growth for the region has been 3.85 per cent. Assam had the lowest rate of increase in spite of a comparatively lower growth rate of population vis-a-vis other states in the region.

**Table II Growth Rate of Per Capita NSDP, 1980-81 to 2005-06**

State	Per Capita Growth Rates			
	1980-81 to 1990-91	1991-92 to 1999-2000	1991-92 to 2005-06	1980-81 to 2005-06
Arunachal	4.87(36.83)	1.29 (27.00)	2.67	6.59
Assam	1.13 (24.24)	0.24 (18.92)	1.19	2.95
Manipur	2.05 (29.29)	2.31 (24.86)	2.44	4.51
Mizoram	4.86 (32.86)	3.17 (30.65)	3.2	6.48
Meghalaya	1.99 (39.70)	3.32 (28.82)	3.87	5.54
Nagaland	3.21 (56.08)	0.04 (64.53)	1.28	6.8
Tripura	2.44 (34.30)	0.55 (16.03)	6.75	6.82
NER	1.52	1.09	2.05	3.85

Figures in parenthesis indicate the decadal population growth rates, \*all values are at 1 per cent significance level

Per Capita growth rates have been lower during the first decade of liberalization in spite of a slower growth rate of population. Or, in other words, a lower NSDP growth rate adversely affected the per capita rates during this period. After 1999-2000, there was an

increase in per capita rates due to the positive effects of lower population growth and higher NSDP growth rates. Other than Nagaland (which shows the highest rate of decadal population growth), all other states show a higher NSDP per capita during this period.

### c) Contribution of the North Eastern States to National Income

What has been the contribution of the north eastern states to India's national income? Table III shows the percentage of the states in NER to national income. NER's contribution has decreased between 1993-94 and 2003-04 along with Arunachal Pradesh, Assam and Mizoram. There has been an increase in contribution of Meghalaya, Nagaland and Tripura. Tripura registered the highest increase in contribution to India's national income among the states of the region. This is reflective of the growth process of these three states as mentioned earlier.

Bezbaruah and Dutta<sup>6</sup> also indicate similar trends. According to their study during 1980-81, NER's contribution was 2.71 per cent which declined to 2.54 per cent during 1999-2000. This however has not been a linear decline. Between 1982-83 and 1987-88, NER's contribution increased above 3 per cent with 3.19 (highest) during 1985-86. It is also noteworthy that there has been deceleration (-0.69 per cent) for NER since 1991. Arunachal Pradesh (-0.369), Assam (-1.023), Manipur (-0.451) and Mizoram (-1.132) had lower contribution. Only Nagaland (0.3777), Tripura (0.283) and Meghalaya (0.022) showed a higher contribution.

**Table III: Contribution of NER to India's National Income**

States	1993-94	2003-04	Difference
Arunachal	0.12	0.1	-0.02
Assam	1.93	1.54	-0.39
Manipur	0.16	0.16	0
Meghalaya	0.19	0.22	0.03
Mizoram	0.09	0.08*	-0.01
Nagaland	0.18	0.23*	0.05
Tripura	0.23	0.32	0.09
NER	2.9	2.65	-0.25

\*relates to 2002-03

### d) Change in Composition of NSDP

To ascertain the structural changes in the economy of the NER, a simplistic three-tier sectoral classification has been analysed during the time period from 1993-94 to 2005-06. Table IV shows the structural changes among the states in the region.

During the time period there has been a fall in the sectoral contribution of the primary sector (-10.42 per cent). This has been compensated by an increase in the tertiary sector (7.88) followed by the secondary sector (2.53 per cent). The region therefore exhibits a trend of transformation where primary is not replaced by the secondary but by the tertiary sector.

**Table IV Percentage Change in Percentage Composition of Sectoral Contribution to NSDP, 1993-94 to 2004-05**

State	Primary	Secondary	Tertiary
Arunachal Pradesh	-17.27	4.07	13.20
Assam	-11.13	0.22	10.91
Manipur	-9.93	8.91	1.02
Meghalaya	0.84	2.50	-3.34
Mizoram	-8.95	4.45	4.49
Nagaland	11.55	-1.50	-10.05
Tripura	-16.55	15.59	0.95
NER	-10.42	2.53	7.88

Among the states three different trends were observed in terms of structural changes. First, Arunachal Pradesh and Assam follow the regional trend where there has been a significant reduction in the contribution of the primary sector. This is mainly compensated by an increase in the tertiary sector followed by the secondary sector. On the other, Nagaland and Meghalaya exhibit a reverse trend. Nagaland shows a noticeable increase in the contribution of the primary sector with a significant fall in the tertiary sector. There was also shrinkage in the secondary sector but at a much smaller scale. In Meghalaya, the decline in the share of the tertiary sector has been mainly compensated by the secondary sector and marginally by the primary sector. Thirdly, Tripura, Manipur and Mizoram show another trend where a fall in the primary sector is mainly compensated by an increase in the tertiary sector. In Mizoram, however, a decrease in the primary sector is equally compensated by the other two sectors.

So there are diverse trends of sectoral changes among the states of NER and this has to be considered while framing policies for development of the region.

**e) Changes in the sub-sectors' contribution to the NSDP**

There has been a decrease in the contribution of the primary sector and its sub-sectors in NER. Table V presents the sub-sectoral details in the primary sector. Within the primary sector, decrease in the contribution of agriculture has been highest compared to the other sub-sectors. Similar trends are observed in all the states of the region except Nagaland and Meghalaya. In Nagaland there has been a marked increase in the share of contribution of agriculture to the NSDP from 20.80 to 34.3 per cent while for Meghalaya there has been an increase in the share of mining and quarrying from 3.38 to 8.66 per cent. This has led to the rise in the share of primary sector for both these states.

**Table V: Contribution of Primary Sector to NSDP in NER, 1993-94 & 2004-05 (In percentage)**

Sector/ State	Arunachal		Assam		Manipur		Meghalaya		Mizoram		Nagaland		Tripura		NER	
	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2
Primary*	48.3	31.1	48.0	36.9	37.8	27.9	32.0	32.8	33.2	24.2	25.8	37.4	38.0	21.4	43.8	33.4
Agr'ture	34.5	24.3	37.2	28.9	31.1	23.1	26.0	22.3	27.7	22.5	20.8	34.3	31.4	19.3	34.3	26.8
Frst & Log	11.4	4.30	2.19	1.78	3.54	1.87	1.46	1.20	3.71	0.58	4.63	2.48	2.70	1.12	2.83	1.74
Fishing	0.91	1.07	2.62	2.10	3.14	2.94	1.11	0.69	1.66	1.11	0.35	0.50	3.27	0.53	2.37	1.64
M & Q	1.41	1.34	5.97	4.12	-	-	3.38	8.66	0.12	0.07	-	0.09	0.61	0.46	4.31	3.18

1&2 indicates 1993-94 & 2004-05, \*Share of Primary Sector to total NSDP

Table VI shows the sub-sectoral analysis of the secondary sector. The growth of the secondary sector in NER is primarily led by an increase in the contribution of construction. It is interesting to note that during 1993-94, both construction and manufacturing contributed equally in the region. But where the share of manufacturing has fallen significantly during 2004-05, construction has surged ahead. The decrease in the share of manufacturing does not augur well for the fundamentals of an economy.

**Table VI: Contribution of Secondary Sector to NSDP in NER, 1993-94 & 2004-05 (In percentage)**

Sector/ State	Arunachal		Assam		Manipur		Meghalaya		Mizoram		Nagaland		Tripura		NER	
	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2
Seco'nry*	21.3	25.4	13.3	13.5	15.7	24.6	11.8	14.4	9.45	13.9	12.2	10.7	8.1	23.7	13.1	15.6
Manuf.	3.12	2.27	8.42	7.80	7.39	8.88	2.57	2.65	2.74	0.86	3.0	0.65	3.27	1.57	6.85	5.57
Regd.	-	-	6.34	5.90	0.19	0.21	0.88	1.53	1.10	0.34	0.67	0.43	0.86	0.67	4.43	3.64
Unregd.	3.12	2.27	2.08	1.90	7.20	8.67	1.69	1.13	1.64	0.52	2.33	0.22	2.40	0.90	2.41	1.92
Const'on	20.2	22.5	4.95	5.62	7.31	15.7	7.55	11.2	7.09	11.8	8.1	10.7	6.72	20.3	6.27	9.70
Ele,Gs,WS	-2.0	0.64	-0.1	0.17	1.03	0.05	1.77	0.48	-0.3	1.21	1.14	-0.7	-1.8	1.88	-	0.39

1&2 indicates 1993-94 & 2004-05, \*Share of Secondary Sector to total NSDP

This trend is similarly reflected among majority of the states in the region. Only in Manipur and marginally in the case of Meghalaya, there has been an increase in the contribution of the manufacturing sector. Construction, on the other hand, shows a completely different trend among all the states of the region. Tripura exhibits the highest increase in share of construction followed by Manipur. The sub-sector contribution of electricity, gas and water supply is minimal and shows a negative trend indicating a higher rate of depreciation compared to value addition.

Among the various sub-sectors of the tertiary sector as shown in Table VII 'other' services including public administration have been the largest component, except Assam. This has been a common pattern during the entire time period of our study. Public expenditure, especially by the central government, plays a significant role in this category. In other words, instead of market, the state plays an important role in increasing the contribution of the tertiary sector. Trade, hotels and restaurants contribute the maximum after the category of other services. It has been same for all the states in the region during 1993-94 except Nagaland where transport, storage and communication happen to be the second largest sub-sector. It has remained similar in 2004-05; the only change is that Arunachal Pradesh has joined Nagaland in the growth of this sub-sector. In Mizoram, real estate, dwellings and business services have increased significantly during the time period and is the second largest contributor in the tertiary sector. Financial services did not play an important role in terms of a significant contribution to income of the states in the region. Only in Assam it contributed 6 per cent of NSDP.

**Table VII: Sectoral Contribution of Tertiary Sector to NSDP in NER, 1993-94 & 2004-05** (In percentage)

Sector/ State	Arunachal		Assam		Manipur		Meghalaya		Mizoram		Nagaland		Tripura		NER	
	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2
Tertiary*	30.3	43.5	38.5	49.5	46.4	47.4	56.1	52.7	57.3	61.8	61.9	51.8	53.7	54.7	43.0	50.9
Transp't, Sto'age, Com'tion	3.60	8.18	2.45	5.76	3.43	4.97	3.31	5.22	1.13	2.12	16.5	17.8	4.53	9.58	3.60	6.91
Trade/ Hotel/ Resta'nt	6.64	3.86	17.7	17.8	12.1	9.23	14.7	15.7	16.4	9.28	6.17	5.37	16.9	11.2	15.9	14.4
B'nk, Ins	1.22	2.61	3.08	5.93	1.67	2.58	2.23	3.55	1.06	2.72	1.35	1.24	2.25	2.65	2.64	4.48
Real Este, Dwel'ngsB uss Serv	2.0	2.09	2.97	3.30	3.53	3.59	13.6	8.70	11.3	14.6	12.4	9.15	2.13	3.16	4.43	4.86
Pub Admn	9.62	14.9	5.51	6.47	13.6	14.2	13.6	11.5	15.2	19.8	18.1	11.9	12.8	14.2	8.33	9.76
Others	7.22	11.7	6.89	10.2	11.9	12.8	8.55	7.99	12.1	13.1	7.26	6.28	15.0	13.8	8.13	10.5

1&2 indicates 1993-94 & 2004-05, \*Share of Tertiary Sector to total NSDP

### III Sectoral Contribution of Labour in NER

In this section we deal with the workforce associated with each sector of the economy in NER and its contribution to the NSDP. A comparative analysis of the sectoral contribution and the workforce employed helps to understand the quality of growth in various sectors. Table VIII provides the sectoral contribution of labour from 1993-94 to 2004-05.

It is observed that workforce engaged in the primary sector has declined marginally in both rural and urban areas. But the contributions of primary sector to NSDP have declined at a much higher rate. This suggests that the sectoral contribution in value terms has declined with almost the same amount of workforce, which indicates that there is disguised unemployment in the primary sector and a significant reduction in workforce engaged here will in fact not reduce the output of this sector. In fact, it might augment productivity of the sector. The secondary sector has increased its contribution to the NSDP but has failed to create employment opportunities in the region. There has been a marginal increase in rural workforce engaged in this sector while in urban areas there has been a decline. On the other hand, although the tertiary sector grew at a higher rate compared to the other sectors there has been a marginal increase in the workforce involved in this sector, where the urban areas excelled over the rural areas.

It is therefore evident that in NER those sectors which had higher contribution to NSDP failed to create employment opportunities in consonance with their growth while the sector that contributed less failed to shed-off the workforce involved. In this regard a disaggregated analysis of each sector will be meaningful.

**Table VIII: Contribution of Labour in NER, 1993-94 to 2004-05 (In percentage)**

Sector/Population/Year	1993-94	1999-2000	2004-05
<b>Primary</b>			
NSDP	43.82	39.65	33.40
Rural	75.60	75.12	74.19
Urban	15.3	12.6	14.42
<b>Secondary</b>			
NSDP	13.12	13.11	15.65
Rural	6.2	5.8	7.37
Urban	14.7	12.7	14.0
<b>Tertiary</b>			
NSDP	43.07	47.24	50.95
Rural	18.2	19.2	18.4
Urban	70.2	74.6	71.6

Within the primary sector, contribution of agriculture and Mining & Quarrying (M&Q) declined along with the workforce involved. But there are two trends here. While in Nagaland, there has been a positive correlation between increase in contribution and workforce involved in agriculture, in Manipur, there has been an inverse relationship i.e. the contribution of agriculture declined, but workforce involved increased. Again, urban workforce involved in agriculture increased in the region mainly due to an increase in Arunachal Pradesh and Nagaland. On the other, M&Q has declined both in terms of contribution and employment generation in NER. This sub-sector is important only for Assam and Meghalaya. In Assam there has been a decline in contribution as well as employment over the years but in Meghalaya both have increased positively. It is also observed that M & Q is located in urban areas in Assam whereas it is rural in Meghalaya i.e. in Assam it is quarrying (supplies to the construction sector) and in Meghalaya it is mining.

**Table IX: Sub-sectoral Composition of Labour in the Primary Sector (In percentage)**

States	Arunachal			Assam			Manipur			Meghalaya			Mizoram			Nagaland			Tripura			NER		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
<b>Agriculture</b>	35	32	24	37	34	29	31	26	23	26	27	22	28	22	23	21	28	34	31	25	19	34	31	27
<b>Rural</b>	87	83	82	79	68	75	64	76	70	87	87	83	89	86	87	76	80	79	48	46	43	76	75	74
<b>Urban</b>	8	9	11	3	1	1	29	28	28	3	1	0	41	30	36	6	8	13	6	3	4	14	12	14
<b>M &amp; Q</b>	1	1	1	6	6	4	0	0	0	3	6	9	0.1	1	0	0	0	0	1	1	1	4	4	3
<b>Rural</b>	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	1	0	0	0	0	0	0	0	0
<b>Urban</b>	0	0	0	6	1	1	0	0	0	0	0	0	0.2	2	0	1	0	0	0	0	0	2	0	0

1, 2 & 3 indicates 1993-94, 1999-2000 & 2004-05 (50<sup>th</sup>, 55<sup>th</sup> & 61<sup>st</sup> NSSO Rounds)



Table X: Sub-sectoral Composition of Labour in the Secondary Sector (In percentage)

States	Arunachal			Assam			Manipur			Meghalaya			Mizoram			Nagaland			Tripura			NER		
Sub-sectors	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
Manuf	3.1	2.8	2.3	8.4	8.5	7.8	7.4	8.3	8.9	2.6	2.1	2.6	2.7	1.2	0.9	3	0.8	0.6	3.3	1.9	1.6	6.8	6.2	5.6
Rural	0.8	2.8	0.4	3.5	4	3.1	12.3	7.4	8.6	1	0.7	3.7	0.5	1	0.9	0.2	0.6	2.1	5.4	4	5.1	3.4	2.9	3.4
Urban	13.3	0.4	3.6	10	7.2	9.8	14.4	11	14.8	2.2	3.8	6	4.4	3.8	5.2	4.1	6.2	6.6	8.7	3.7	7.8	8.2	5.1	7.7
E,G &WS	-2	2.3	0.6	-0.1	-0.5	0.2	1	0.3	0.05	1.8	0.5	0.5	-0.4	0.7	1.2	1.1	0	-1	-2	0.2	1.9	0	-0	0.4
Rural	0.8	0.3	0.9	0.3	0.1	0.1	0.3	0	0	0.3	0	0.4	0.1	0	0	0.2	0.7	0.4	0.2	0	0	0.3	0.2	0.3
Urban	3.6	1.8	0.2	0.6	0.6	2.7	1.1	0	0	0.5	0.3	1.6	0.3	0	0	0.4	0.7	1.3	0.2	0.3	0.2	1	0.5	0.9
Constr	20.2	15	23	4.9	3.9	5.6	7.3	12	15.7	7.5	9.4	11	7.1	12	12	8.1	10	11	6.7	13	20.3	6.3	6.9	9.7
Rural	2.6	4.4	4	0.7	1.8	2.5	2.8	0.9	3.1	1.6	1.6	2.2	1.2	1.1	1	1.8	0.8	1.7	6.8	8	11.4	2.5	2.7	3.7
Urban	9.3	11	8.1	2.8	5.2	5.5	2.6	4.2	4.4	8	8	4.9	4.8	9.4	5.1	7.8	5.2	3.5	2.8	4.1	6.4	5.5	7.1	5.4

1, 2 & 3 indicates 1993-94, 1999-2000 & 2004-05 (50<sup>th</sup>, 55<sup>th</sup> & 61<sup>st</sup> NSSO Rounds)

For NER, within the secondary sector, construction and manufacturing have failed to create employment significantly. While in manufacturing there has been a decline for both contribution and as well as employment, in construction an increase in NSDP contribution has failed to generate employment except marginally in rural areas. The sub-sector, electricity, gas and water supply had little contribution to make in the region.

In Arunachal Pradesh, Assam and Tripura, a decline in contribution of the manufacturing sector has been followed by a decline in workforce engaged in both rural and urban areas. On the other, Mizoram and Nagaland exhibit an increase in workforce involved in manufacturing in spite of a decline in their contribution. In Manipur, an increase in its contribution has resulted in a decline in employment in rural areas and a marginal increase in urban areas.

Among the states, manufacturing has shown a declining trend for all except Manipur in terms of NSDP contribution. Workforce involved in this sector has declined in Arunachal Pradesh, Assam and Tripura in both rural and urban areas. Meghalaya, Mizoram and Nagaland exhibit an increase in workforce in manufacturing activities despite a fall in its contribution to NSDP. In Manipur, contribution of the manufacturing sector has increased with a substantial fall in rural employment and only a marginal rise in urban areas. Although construction has contributed significantly in terms of NSDP among the states in the region, yet in terms of employment it has hardly contributed significantly.

'Other' services contributed one fifth to one fourth of the NSDP in the tertiary sector where public administration played the major role. Among the states it contributed one-fifth to one-half of the NSDP. Workforce involved in this sub-sector has declined over the years but still it continued to be the most significant sector of employment generation, particularly in the urban areas of NER. In Meghalaya more than 63 per cent of the total urban workforce was engaged in this sub-sector whereas in Arunachal Pradesh and Tripura it was nearly 50 per cent. This shows the importance of government spending even in tertiary sector of NER, which otherwise is supposed to be market-driven.

Trade, Hotels and Restaurant have been a declining yet significant contributor to the NSDP in the region. The employment component of this sub-sector was comparatively higher especially in the urban areas. In these areas it has increased from 19.5 to 24.4 per cent from 1993-94 to 2004-05 despite a fall in its contribution to the state's income in the region. Among the states, NSDP contribution of this sub-sector has increased only in Meghalaya with a significant fall in employment from 25.2 to 15.2 per cent in the urban areas and a small increase in rural areas. Among the other states, trade, hotel and restaurant have added to the employment generation process both in rural and urban areas despite a falling contribution.

Transport, storage and communication have shown an increasing trend both in terms of contribution to the NSDP and generation of employment in the region. It was similar for all the north eastern states. Nagaland had the highest contribution from this sub-sector while Meghalaya had similar employment pattern in rural and urban areas for the people involved in this sub-sector. Assam had the highest employment in this sub-sector comprising 13 per cent of the urban workforce in the state. In fact, it was the main source of employment for the urban workforce in Assam (next to those engaged in the aggregated sub-sector "other services").

Financial services exhibit a rising trend though these did not contribute much to the state's income. Except for Assam, where its contribution has risen to nearly 6 per cent of NSDP, no other state earns sizeable contribution from this sub-sector. In terms of employment, this sub-sector shows a lower employment generation vis-à-vis income generation. In fact, rural employment is insignificant and the urban employment shows a declining trend.

From the above analysis it is evident that agriculture continues to be the largest employer in the rural areas of all the states in the region. In the urban areas, the broad based aggregated sub-sector termed 'other' services in the tertiary sector happen to be the largest employer. Other than this, trade, hotels and restaurants happens to be the (second) largest employer of the urban workforce in the region. Nowhere, manufacturing occupies a significant position in employment generation in NER.

**Table XI: Sub-sectoral Composition of Labour in the Tertiary Sector (In percentage)**

States	Sub-sectors	Trade, Hot, Res	R	U	Transport Storage, Comm	R	U	Fin Srv	R	U	Other Srv	R	U
Arunachal	1	6.6	0.2	15	3.6	1.6	5.3	1.2	0.4	2.9	18.8	6.8	42.5
	2	5.1	0.6	33.5	6.2	0.1	1	2.1	0.2	0.9	28.4	8.1	42.5
	3	3.9	2.3	23.2	8.2	0.6	2.3	2.6	0.6	1.3	28.8	9.2	50.2
Assam	1	17.7	6.9	29	2.4	13	7.5	3.1	0.2	2	15.4	7.7	38.6
	2	14.2	8.1	30	1.5	2.7	8.3	5.9	0.3	5.6	21.4	15	36.6
	3	17.8	9	27.6	5.8	2.4	13	5.9	0.2	2.3	20	8.1	33.4
Manipur	1	12.2	4.5	13.7	3.4	1.5	3.1	1.7	0.9	2.2	29.1	14	33.3
	2	11.2	3.7	19.9	3.5	1.4	3.6	1.7	0.2	1.2	32.3	11	31.2
	3	9.2	6.6	20	5	2.1	4	2.6	0.2	1.3	30.6	9.5	27.3
Meghalaya	1	14.7	3.8	25.2	3.3	3.8	1.7	2.2	0	1.8	35.8	5.8	56.9
	2	15	4.2	22.2	3.2	4.2	4.8	2.8	0.2	0.9	32.4	5	56.2
	3	15.7	5.5	15.2	5.2	5.5	5	3.5	0	1.6	28.2	4.1	63.5
Mizoram	1	16.5	1.9	14.6	1.1	0.1	1.3	1.1	0.1	2	49.4	9	31.4
	2	10.5	3	18.7	1.4	0.1	1.3	1.1	0.1	2	49.4	9	31.4
	3	9.3	3.5	17.2	2.1	0.5	2.7	2.7	0.2	1.2	47.7	6.5	32.4
Nagaland	1	6.2	4.5	22	16.5	0.6	3.7	1.3	0	1.7	37.9	17	53.5
	2	5.6	2.8	24.6	13.7	1.3	0.3	1.1	0.1	2.1	35.7	14	65.4
	3	5.4	4.9	40.4	17.8	1.4	5.1	1.2	0.3	0.8	27.4	10	29.4
Tripura	1	17	10.7	17.3	4.5	3.2	6	2.2	0	3.9	30	26	53.8
	2	15	12	25	4.4	2.3	4.9	2.4	0.1	2.8	33	28	57
	3	11.2	10.9	27.2	9.6	3.7	4.3	2.6	0.2	2.1	20.9	12	44.5
NER	1	15.9	4.7	19.5	3.6	1.3	4.1	2.6	0.2	2.1	20.9	12	44.5
	2	13.1	4.9	22.9	3	1.3	3.7	4.4	0.2	2.2	26.8	13	45.8
	3	14.4	6.1	24.4	6.9	1.7	5.1	4.5	0.2	1.5	25.2	10	40.6

1, 2 & 3 indicates 1993-94, 1999-2000 & 2004-05 (50<sup>th</sup>, 55<sup>th</sup> & 61<sup>st</sup> NSSO Rounds)

In such a scenario of skewed employment what is the quantum of unemployment in the region. In the next section we deal with this issue in detail.

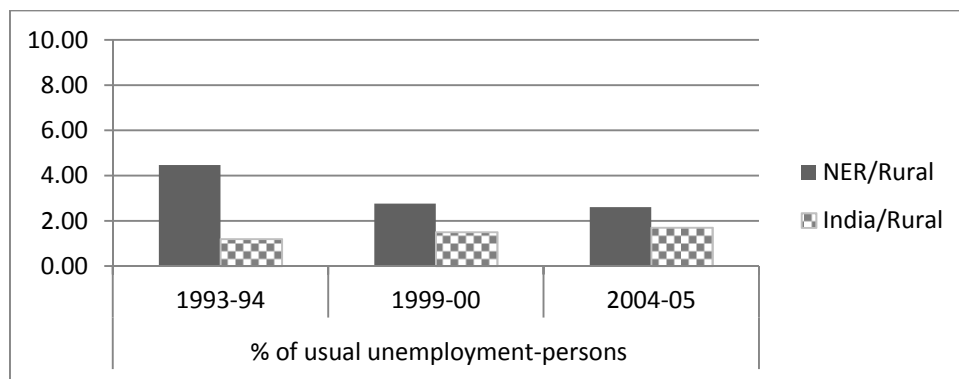
#### IV Unemployment in NER

Unemployment data generated by NSSO have been included in this analysis. The 50<sup>th</sup> (1993-94), 55<sup>th</sup> (1999-2000) and 61<sup>st</sup> (2004-05) rounds have been compared to understand the unemployment scenario in NER vis-à-vis India. The three different categories of unemployment 'the usual status (adjusted)' indicating the number of persons unemployed for a reference period of 365 days in both the usual principal and subsidiary status (ps+ss); 'weekly status' indicating persons who were unable to find work in a short period of 7 days during the period of survey and 'daily status' indicating the unemployment scenario during the day of the survey have been considered in this section along with unemployment among youths (15-29 age group) and educated among the states in North East India.

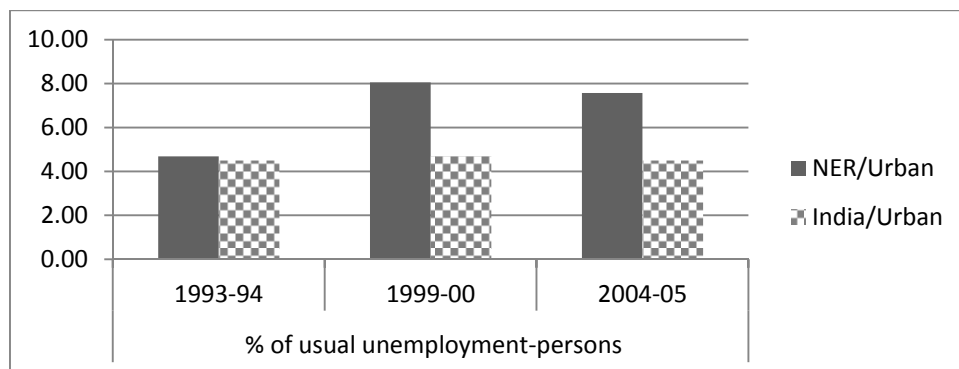
A comparative analysis of the usual status rural unemployment during the three rounds in Figure-I shows that there has been an increase in the rates for India whereas in the North East there has been a steady decline (for the rates see Appendix-I). But the rate in

the region continues to be higher than in India. In NER, Tripura, Assam and Nagaland exhibited a higher rate compared to India. In fact, there has been a phenomenal increase in Tripura which has inflated the average for the region. On the other, Figure-II shows that the scenario is opposite in the urban areas. There has been an increase in the rates of usual urban unemployed in NER during the three survey rounds whereas the Indian rate has remained the same (Appendix-I & II). During 1993-94, the urban rates were similar in NER and India but thereafter these have increased steeply in the region. Similar to the rural areas, Tripura also exhibits a trend of rapid increase in urban unemployed during 2004-05.

**Figure I: Usual Status (Adjusted) Unemployment in Rural Areas**



**Figure II: Usual Status (Adjusted) Unemployment in Urban Areas**

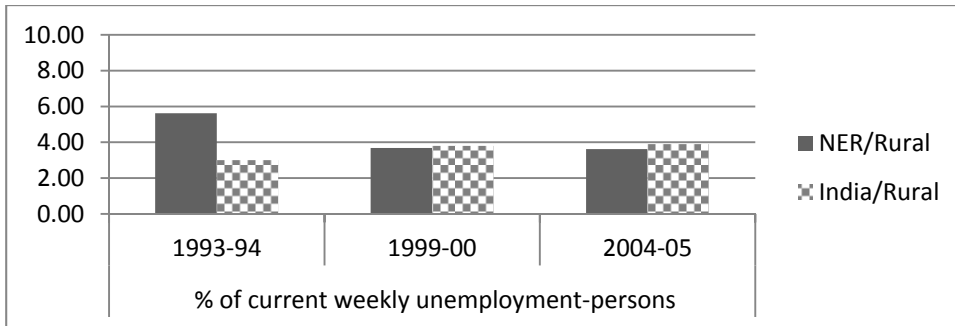


It is usually agreed that when most of the people have regular wage employment, the usual status and the weekly and/or daily status unemployment rates do not diverge. This is usually the case among the advanced industrial nations. But in economies which are comparatively less industrialised, these rates vary substantially<sup>7</sup>. Comparing the usual rates of unemployment along with the weekly and the daily rates is therefore a worthy exercise in our analysis also.

When we compare the usual status with the weekly status unemployment rates, it is observed that there are divergences between these two rates, where the weekly rates are comparatively higher. For NER, the weekly rates are higher in the urban areas compared to the rural. Tripura had the highest rates in the category of weekly status unemployment among the states in the region. However Appendix-III & IV reveal that the divergence of

rates between the usual status and the current weekly status was highest in rural areas of Assam and urban areas in Arunachal Pradesh. In terms of gender, the divergence among these two rates was highest for the rural males in Nagaland and rural females in Assam. The same divergence was highest in Tripura for the urban male and Arunachal Pradesh for urban female.

**Figure III: Current Weekly Status Unemployment in Rural Areas**



**Figure IV: Current Weekly Status Unemployment in Urban Areas**



Divergence becomes more acute when we compare the daily status unemployment rates. The rates are higher in urban areas for both male and female. This exhibits the seasonal nature of employment generation in the region particularly in the urban areas. Appendix-V & VI shows that among the states, rural underemployment is higher for both male and female in Assam while in urban areas it was higher among the male in Tripura and female in Arunachal Pradesh.

**Figure V: Current Daily Unemployment in Rural Areas**



Considering the higher rate of urban unemployment in NER, it is worthwhile to look at the prevailing rate of unemployment among the youth in the region. Usual status unemployment among the youth in the rural areas was highest during 1999-2000 which thereafter has shown a declining trend. But the rates in Tripura, Assam, Manipur and Nagaland continue to be higher than in India (See Appendix-VII). During 50<sup>th</sup> (1993-94) and

the 55<sup>th</sup> (1999-2000) survey rounds, Assam had the highest rate of usual status unemployment among the youths in the rural areas which have now been replaced by Tripura during the 61<sup>st</sup> (2004-05) survey round. In the urban areas of the region there has been a consistent rise in the rates of youth unemployment. During 1993-94, Assam had the highest rate in urban areas. It was replaced by Nagaland during 1999-2000 and then by Tripura during 2004-05. A separate analysis is in fact necessary to ascertain the rise of unemployment in Tripura during the recent years.

**Figure VI: Current Daily Unemployment in Urban Areas**



Comparing the figures from Appendix-VII and VIII it is observed that the divergence rates between usual status and weekly status youth unemployment are comparatively higher among the populous states in the region compared to India. From the regional perspective, divergence was highest among male and female in the urban areas compared to the rural. Among the states in the region, rural divergence was highest for both male and female in Assam. In the urban areas, it was highest for males in Tripura and females in Arunachal Pradesh. In the overall analysis, youth unemployment rates were very high in NER and these were significantly higher among the female in the urban areas.

Comparing the usual status and the current daily status unemployment rates among the youths in the region it is observed that urban rates (daily unemployment) are more than double compared to the rural areas (Appendix-IX). Among the states, the divergence between these two rates was highest in rural areas of Assam for both male and female, whereas it was similar for Tripura in the urban areas. It indicates the severity of youth unemployment and casualization of employment in Assam and Tripura.

The severity of educated unemployment has increased in the region both in urban and rural areas. Of course the severity has not been similar among the states and gender. Educated unemployment in NER among rural male has doubled during 1999-2000 and 2004-05 mainly due to an increase in Arunachal, Manipur, Meghalaya and Tripura, where the increase in Tripura has been highest. On the other hand, among females, educated unemployment increased almost 10 times in Tripura and by 4.5 times in Manipur. This has substantially increased the unemployment rate among the educated female in the rural areas of NER. Urban educated unemployment rates in the region have increased constantly over the years. Male educated unemployment has increased significantly in Tripura whereas for the female it has risen substantially in Manipur and Tripura, which has inflated the regional figure. Appendix-IX exhibits this in a tabular form.

The macro-economic scenario in NER is far from encouraging, neither the growth rates nor employment suggest vibrancy. Under such conditions we deal with the issues

related with border trade in the next section, an aspect which has been portrayed as a panacea for the beleaguered region.

## **V Border Trade and North East India**

The location of NER is such that it shares only 2 per cent of its border with the Indian mainland whereas 98 per cent is surrounded by various neighbouring countries. In the West and South West, it shares 1880 km with Bangladesh, 1643 km with Myanmar in East and South East, 1000 km with China in the East and North East and 1100 km with Bhutan in the North and North West<sup>8</sup>. This unique location of the region vis-à-vis the neighbouring countries suggests that there are huge geo-economic potentials related with NER. But history shows that while dealing with the region, geo-political considerations have always dominated over geo-economic considerations. The Partition of the country in 1947 resulted in transforming the North East into a 'territorial trap' whereby traditional social and trade links were suddenly curtailed which had long term implication for the region. This situation is sought to be changed by opening the region to trade, commerce and communication and therefore various policy documents recommend measures towards the same direction. But the rhetorical statements and vision documents require substance to transform them into reality. Under such a situation, we wish to take a stock of the existing trade relation of the region with the neighbouring countries during recent years. In the earlier sections we have discussed the contemporary economic fundamentals of the region and now a look at the trade pattern will help to understand the picture in its totality.

### **a) Border Trade with Neighbouring countries**

Estimating the quantum of border trade with the neighbouring countries is a difficult task. Firstly, there are problems associated with data pertaining to such trade. Disaggregated data at the state or regional level are not available in India. Secondly, there are lot of discrepancies regarding information available with various agencies of the government. Thirdly, it is difficult to trace the value addition of (such as in case of horticultural crops, jute etc.) a commodity in a different region/state before it is exported. Fourthly, in those regions where the volume of unofficial trade is substantially high any estimation of trade from that region to other countries risks gross underestimation<sup>9</sup>. Border trade estimates in the North East also suffer from these shortcomings.

Before dealing with the volume and composition of trade we briefly discuss the most important medium that facilitates the process - the Land Customs Stations (LCS) in NER. The Land Custom Stations are an important medium of official border trade. There are 40 LCS in the region connecting three neighbouring countries- Bangladesh, Bhutan and Myanmar. Majority of the LCS are with Bangladesh (33). There are 4 LCS with Myanmar and 3 with Bhutan. But only 50 per cent of the LCS are functional. There is only 1 functional LCS each along Bhutan and Myanmar, the rest are with Bangladesh (18)<sup>10</sup>. The long list of non-functional LCS does not portray a satisfactory picture for trade facilitation. A detailed list of LCS in NER is provided in Appendix-X.

The average value of trade of NER and NC's has been around Rs. 406 crores from 1997-98 to 2005-06. Table-XII shows the details of export and import from NER to the NC's. Balance of trade is heavily in favour of the North Eastern Region (India). Exports constituted more than 88 per cent of the total trade while imports were just over 11 per cent of the total trade during 1997-98. This pattern of trade remained similar during 2005-06<sup>11</sup> also.

**Table XII: NER'S Trade with NC's from 1997-98 to 2005-06 (In Rs crore)**

Year	Export	Import	Total Trade
1997-98	389.69 (88.78)	49.25 (11.22)	438.94
1998-99	406.54 (94.84)	22.1 (5.15)	428.64
1999-00	393.55 (95.45)	18.75 (4.54)	412.3
2000-01	404.23 (95.38)	19.57 (4.62)	423.8
2001-02	384.47 (96.02)	15.94 (3.98)	400.41
2002-03	409.36 (90.78)	41.57 (9.22)	450.93
2003-04	434.96 (87.71)	60.95 (12.29)	495.91
2004-05	392.03 (92.75)	30.64 (7.24)	422.67
2005-06	437.81 (86.99)	65.46 (13.00)	503.27

Source: [http://megplanning.gov.in/report/Task\\_Force\\_Report.pdf](http://megplanning.gov.in/report/Task_Force_Report.pdf)

The Planning Commission's report on NER 's border trade with the NC's (Table-XIII) shows that the region mainly exports primary products like boulder stone, limestone, fruits, tea, coal etc. Nearly 94 per cent of exports from the region consist of tea and coal. On the other hand, manufactured goods have a negligible presence in the export basket. Even the manufactured goods produced in areas other than North East are not very significant in official border trade<sup>12</sup>.

**Table XIII: Major Export Items from NER (In Rs crore)**

Item	Point of Export	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Tea	ICD, Amingaon	219.59	250.32	195.64	200.73	184.86	188.65	199.66
Coal	LCS, Bangladesh	105.62	135.87	150.67	188.61	227.14	175.08	199.14
Limestone	„	29.20	4.34	13.75	4.46	7.46	9.24	12.05
Boulder	„	3.99	3.62	2.18	1.99	0.99	0.65	0.52
Ginger	„	2.27	0.26	2.75	3.04	1.16	3.63	2.90
Fruits	„	0.56	0.95	1.36	1.12	1.31	1.25	1.65
Vegetables	„	0.05	0	0.05	0.02	0.11	0.16	0.006
Perfumery	LGBI, Guwahati	0.03	0.24	0.39	0.72	0.42	0.87	0.64
Soyabari	Moreh, Myanmar	2.24	4.43	0.97	1.28	1.44	1.53	2.08
Cumin	„	0.13	0.47	0.12	1.91	0.46	1.04	1.07
Flour	„	0.77	0.35	N A	N A	3.17	1.70	N A
Others		31.45	3.22	11.27	6.23	6.48	8.24	18.08
Total		395.90	400.85	379.15	410.12	435.00	392.04	437.81

Source: [http://megplanning.gov.in/report/Task\\_Force\\_Report.pdf](http://megplanning.gov.in/report/Task_Force_Report.pdf)

Total exports from the NER have increased from Rs 395.90 to Rs 437.81 crores in the period 1999-2000 to 2005-06 with fluctuations in between. In terms of the items of export, the major commodities have remained the same although there has been change in their quantum and contribution to total exports from the region. During 1999-2000, tea (55.47 per cent), coal (26.68 per cent) and limestone (7.38 per cent) contributed nearly 90 per cent of the total exports from the region. The share of these three items increased to 94 per cent in 2005-06. The share of tea (45.60 per cent) has fallen significantly although it is still the singlemost exported item from the North East. Share of coal has increased significantly from 26.68 to 45.49 per cent, while that of limestone has fallen from 7.38 to 2.75 per cent<sup>13</sup>. Export of coal is fast becoming the most important item, mainly to Bangladesh in order to



meet the rising demand of the household and the industrial sector. Other items of export show marginal changes over the years.

Imports to NER mainly consist of manufactured products and processed food items like fish, dry ginger, yellow peas, cement, multi-wall paper sacks, laminated poly bags, machinery equipment and parts, mustard, soya and pamolein oil. These items comprise 50 per cent of the imports to the region.

#### **b) NER-Myanmar Trade**

NER shares 1643 kms border with Myanmar. Four states of the region - Arunachal Pradesh (520 kms), Mizoram (510 kms), Manipur (398 kms) and Nagaland (215 kms) - share their borders with Myanmar. Both the regions enjoyed age old trade relations. Contemporary border trade with Myanmar involves three areas, the Champhai border in Mizoram, Lungwa border in Nagaland and the Moreh-Tamu sector in Manipur. However, the major part of trade takes place through the Moreh-Tamu sector due because of the better infrastructural facilities available in this area.

To facilitate official trade The Indo-Myanmar Border Trade Agreement was signed on January 21, 1994. Accordingly, Moreh was transformed into a Land Custom Station on April 12, 1995. The Indo-Myanmar Border Trade Agreement introduced a three tier trade system<sup>14</sup>

- i) **Traditional Free Exchange:** where locally produced items up to US \$1000 are allowed to be exchanged between the indigenous people residing up to 40 kms on either side of the border with simple documentation without any GR formalities.
- ii) **Barter Trade:** where 22 agreed items up to US \$20,000 can be traded with GR formalities and payment of customs duties. The items include locally produced agricultural items and minor forest produces. (See Appendix-XI for list of items)
- iii) **Normal Trade:** trade is allowed here under the Letter of Credit System as per the EXIM Policy guidelines

As mentioned, Indo-Myanmar formal trade has been mainly in the Moreh-Tamu sector. Analysis of data in this sector reveals that after the initial spurt in trading activities there has been a sharp fall in the volume of trade. In the period 1995-96 to 1997-98 there has been a sharp increase in the total volume of trade in this sector, where both exports and imports increased considerably. Total volume of trade rose from Rs 15.84 to Rs 62.35 crores, exports increased from Rs 10.45 to Rs 25.16 crores whereas imports increased sharply from Rs 5.39 to Rs 37.19 crores. Thereafter, there has been a substantial decline in trade<sup>15</sup>.

One of the earliest studies<sup>16</sup> related to border trade between NER and Myanmar shows that out of the total exports of about Rs 30 crores in 1996-97 nearly 80 per cent consisted of manufactured goods and the rest were agro-horticultural products. Most of the manufactured items that were traded through Moreh originated from outside NER. Similarly, agricultural and horticultural products imported from Myanmar originated from outside the country. This shows that the Moreh-Tamu sector is a transit route through which goods originating from outside the sector are exchanged.

**Table XIV: Value of Export and Import in the Moreh-Tamu Sector** (In Rs crore)

Year	Export (from India)	Import (from Myanmar)	Total Trade
1995-96	10.45	5.39	15.84
1996-97	29.79	16.70	46.49
1997-98	25.16	37.19	62.35
1998-99	4.88	3.74	8.62
1999-00	3.31	6.52	9.83
2000-01	5.68	12.41	18.09
2001-02	1.29	8.13	9.42
2002-03	3.84	11.90	15.74
2003-04	9.45	8.85	18.30

Source: Office of the Commissioner of Customs, Shillong

It is also observed that the diversity of tradable items through the Moreh-Tamu sector has drastically reduced with the decline in volumes of trade. Earlier, wheat flour consisted of 70 per cent of the total exports, which in subsequent years have fallen to 10 per cent. Now Indian variety has been replaced by Australian wheat flour which is costlier compared to the Indian product. So wheat has now been replaced by Buffalo Appall (a dried buffalo meat product), Soyabari and Cumin seed. Similar is the case of imports from Myanmar. The diversified export profile has now been restricted to beetle nuts only<sup>17</sup>. (See Appendix-XII and XIII).

There are a number of reasons behind the decline in formal trade between India and Myanmar. Firstly, formalising border trade has resulted in limiting the number of items to be traded as per the Agreement norms. Secondly, formalised barter trade now requires the value of exports to be matched with the value of imports, which was not so prior to the Trade Agreement. Similarly, exchange rates of currencies involved are a major source of problem among the traders. The huge difference between the official exchange rate and the prevailing unofficial rate (between Rupee and Kyat) in the Moreh-Tamu sector adds to the complication<sup>18</sup>. All these factors result in restricting the operation of formal trade. This is being aptly exploited by the people involved in informal trade.

### **c) Informal Trade**

Informal trade along the Indo-Myanmar border is a huge business. It is not only difficult to estimate the volumes of such a trade but also difficult to understand it in its totality. Estimation varies from one study to another. During the recent years, the Indian Institute of Foreign Trade, New Delhi<sup>19</sup> tried to estimate the annual volume of trade in the NER-Myanmar border. It is estimated to be Rs 2200 crores during 1995. The Moreh-Tamu sector contributed Rs 1600 crores, Champhai Rs 500 crores and Lungwa Rs 100 crores to the informal trade. But this calculation has been described as simplistic and suffering from over-estimation. However, even if for argument's sake the estimates of IIFT are taken into consideration, the gap between the formal and informal trade seems to be enormous, about 44 times compared to the formal trade<sup>20</sup>. In another exercise, Indian Institute of Entrepreneurship, Guwahati,<sup>21</sup> has estimated the volume of informal trade based on custom seizure data. According to this report, the value of informal trade was Rs 224.90 crores, during 2000-01, where 86.88 per cent was routed through Manipur. The rest occurred through Mizoram. If we take the value of trade as calculated by IIED, then estimates for

informal trade is 10 times more than the formal trade in the Manipur sector. In a separate estimation, also based on custom seizure data, Bezbaruah<sup>22</sup> has calculated the volume of informal trade at Rs 227.73 crores for the year 2003-04. According to his estimates, Manipur contributed about 80 per cent to the value of informal trade. Here, the volume of informal trade will be more than 12 times higher than formal trade. Thus although there are huge variations in the estimation of the value of informal trade, it is very clear that formal trade represents only a small portion of the total trade between NER and Myanmar and the bulk of trading takes place through informal channels.

#### **d) Route and Composition of Informal Trade**

Myanmar has borders with four North Eastern states but informal trade mainly takes place through Manipur and partly through Mizoram. In other areas, strict border vigilance to curb insurgency as well as the poor economic condition of the people on either side of the border resulting in little demand for imported consumer goods are some of the reasons for the absence of informal trade<sup>23</sup>. Along the routes used for informal trade, Moreh in Manipur and Champhai in Mizoram are most active. It is a group-functioning activity through wide ranging networks from the local agents at the border to those at the marketing centres. See Appendix-XIV and XV.

There can be several reasons for informal trade between these two regions. First, although geographically they are divided through political boundaries of the nation state they continue to enjoy a shared ethnic boundary (with varying degrees) and so what appears to be international trade for New Delhi is nothing but traditional trade for these people. In fact, political boundaries have severed their normal economic ties leading to shortages and higher prices<sup>24</sup>. Secondly, the demarcation between the formal and informal trade becomes thin because of widespread involvement of people from different walks of life, such as politicians, bureaucrats, security personnel, enforcement agencies as well as other people from civil society. Thirdly, trade with Myanmar is more often a transit trade of goods and commodities produced in other countries, which creates conditions for informal trade.

Commodities and items entering from Myanmar vary widely. Among them agricultural and forest products such as agar woods, pulses, groundnuts, betelnuts, gems, precious stones originate from Myanmar, while other goods ranging from electrical and electronics, textiles and footwear, cosmetics and toiletry as well as high value metals and other stationaries are from other South East Asian nations. Moreover, drugs, narcotics as well as arms comprise an important (which is yet to be properly estimated) component of informal trade through these borders. On the other hand, informal exports to Myanmar include manufactured items such as motor cycles, bicycles, agricultural implements, paints, baby food, medicines, fuel etc. Chemicals used as inputs for producing narcotics also comprise an important item of informal exports from the North East<sup>25</sup>

During 2003-04, composition of imports from Myanmar comprised about 50 per cent electronics and electrical equipment. Textiles and footwear were the second biggest items of imports, at over 17 per cent. There were various other categories of items that were

imported from Myanmar but their share was much less compared to these two categories. In this regard, it is interesting to note that there was a difference in the import profile of the two states of Manipur and Mizoram through which the informal items entered from Myanmar. While in Manipur, electronics & electrical items comprised the largest component of imports, along with generator sets, inverters and inverter batteries mainly to meet the local requirements in the state where power shortage is a severe menace. On the other hand, a better-off state like Mizoram shows preference for textiles and footwear. It is also observed that recently Mizoram is slowly becoming the preferred route for informal imports vis-à-vis Manipur because of the prevailing adverse law and order situation in the latter<sup>26</sup>.

#### e) NER-Bangladesh Trade

NER and Bangladesh have shared age old social, economic and cultural ties. Partition of the country disrupted these ties yet communication prevailed. NER and Bangladesh share a boundary of 1880 km marked by land and rivers. Four north eastern states namely Tripura, Meghalaya, Mizoram and Assam share their boundaries with Bangladesh (Table-XV). Presently, there are 33 LC's along the NER-Bangladesh border, among them 18 are functional, which co-ordinate official border trade between these two regions.

**Table XV: NER-Bangladesh Border (in kms)**

Type/State	Tripura	Meghalaya	Mizoram	Assam
Land	773	443	58	160
Riverine	83	-	260	103
Total	856	443	318	263

During 1999-00 to 2005-06, average trade between NER and Bangladesh was in the tune of Rs. 208.50 crores, where average exports were Rs.193.51 crores and imports Rs.14.99 crores<sup>27</sup>. NER enjoyed a trade surplus during this time period.

**Table XVI: Total Trade between NER and Bangladesh (in Rs crores)**

Year	Exports (to Bangladesh)	Imports (from Bangladesh)	Total Trade
1999-00	169.81	9.44	179.25
2000-01	151.27	7.19	158.42
2001-02	186.13	5.50	191.39
2002-03	201.99	6.10	208.09
2003-04	239.01	11.51	251.52
2004-05	190.43	19.59	210.01
2005-06	215.93	45.64	261.57

Source: [http://megplanning.gov.in/report/Task\\_Force\\_Report.pdf](http://megplanning.gov.in/report/Task_Force_Report.pdf)

During 1996-97, NER's export to Bangladesh accounted for 3.36 per cent of the total India's exports to the nation. Among the states in the region Meghalaya contributed more than 83 per cent, Assam 16.80 per cent and Tripura 0.16 per cent. Among the items exported, mineral products comprised 90 per cent and horticultural products a little over 5 per cent<sup>28</sup>. The rest consisted of agro-horticultural products produced outside the region but exported through the LCS's of the region. Almost all the items exported from the region are without any value addition. Minerals mainly comprising coal and limestone are supplied from Meghalaya to meet the demand of industrial units such as Chhatak Cement Company, Lafarge Surma Cement Company, jute mills, brick kilns and tea gardens in Bangladesh. The

situation has not changed over the years. Table-XVII shows the details of the items exported through NER.

**Table XVII: Items Exported to Bangladesh through LCS's in NER**

Items	2000-01	2001-02	2002-03	2003-04	2004-05
Mineral Products	148.01	182.49	197.39	235.58	185.05
Fish & Animal products and feeds etc.	0.11	0.16	0.004	0.18	0.35
Fruits	0.96	1.37	1.19	1.31	0.71
Agricultural & Forest Products	1.19	1.73	3.52	1.88	4.20
Others	0.96	0.14	0.60	1.06	0.11
Total	151.23	185.89	202.704	240.01	190.42

Source: Office of the Commissioner of Customs, Shillong

Mineral products comprised 97 per cent of the total exports through the region during 2004-05, while agricultural and forest products contributed 2.2 per cent to exports. Minerals included coal, limestone, boulders, stone chips, and sandstones. Fruits included orange, pears, citrus fruits, grape, jackfruits, while agricultural and forest products included vegetables, ginger, onion, turmeric, dry chilly, potato, betel leaves, tomato, bamboo etc. 'Others' mainly comprised electronic goods, motor parts and handloom items.

If we analyse the exports of various items to Bangladesh through the LCS located in NER<sup>29</sup>, it is observed that Shillong division deals with the major chunk. During 2000-01, this division handled over 61 per cent of the total exports (in terms of value) from the region. This share increased to more than 77 per cent during 2004-05. The share of Karimganj division has remained same at around 13 per cent. But the other two divisions in Assam, namely, Guwahati and Dhubri have experienced a fall in their share. As the export of mineral products has increased over the years the quantum of exports handled by the Shillong division has also increased accordingly.

Imports from Bangladesh to NER take place mainly through the Agartala division. Srimantapur LCS handled more than 85 per cent of the total imports from Bangladesh during 2000-01, which increased to 95 per cent in 2002-03. Items of import which are consistently found over the years comprise raw and processed items such as *hilsa* fish and dry fish. Other than these two, a host of other items including electronics goods, confectionaries, soft drinks, garments etc. appear sporadically.

**Table XVIII: Value of Exports through different LCS in NER** (in Rs. Crores)

Land Custom Stations	2000-01	2001-02	2002-03	2003-04	2004-05
<b>Shillong Division</b>	<b>92.38</b>	<b>132.2</b>	<b>139.44</b>	<b>164.78</b>	<b>147.1</b>
Dawki	55.22	80.91	86.21	88.16	55.49
Borsorsa	29.44	45.27	47.7	69.51	74.14
Shellabazar	3.62	2.34	1.87	1.47	10.58
Bholaganj	4.1	3.68	3.66	5.64	6.89
<b>Karimganj Division</b>	<b>20.74</b>	<b>17.83</b>	<b>29.13</b>	<b>48.35</b>	<b>25.11</b>
Karimganj Ferry & Steamer Station	2.63	3.91	6	2.02	3.64
Sutarkandi	18.01	13.78	22.87	46.16	21.34
Manu	-	0.0012	0.0012	-	0.02
Old Ranga Bazar	0.1	0.14	0.26	0.17	0.11
<b>Agartala Division</b>	<b>0.65</b>	<b>1.33</b>	<b>1.66</b>	<b>1.2</b>	<b>1.35</b>
Agartala	0.52	1.07	1.06	1	0.96
Srimantapur	0.13	0.26	0.6	0.2	0.39
<b>Guwahati Division</b>	<b>25.26</b>	<b>28.97</b>	<b>25.6</b>	<b>18.2</b>	<b>24.36</b>
Ghasupara	24.41	27.86	22.67	15.47	17.46
Baghmara	0.02	-	0.05	0.06	-
Dalu	0.83	1.11	2.88	2.67	6.9
<b>Dhubri Division</b>	<b>12.19</b>	<b>5.74</b>	<b>7.05</b>	<b>5.64</b>	<b>1.47</b>
Mankachar	-	-	0.1	0.11	0.16
Mahendraganj	12.19	5.74	6.95	5.53	1.31
<b>Total</b>	<b>151.2</b>	<b>185.87</b>	<b>202.54</b>	<b>238.11</b>	<b>190.39</b>

Source: Office of the Commissioner of Customs, Shillong

**Table XIX: Value of Imports through different LCS in NER** (in Rs. Crores)

Land Custom Stations	2000-01	2001-02	2002-03	2003-04
<b>Shillong Division</b>	<b>0.0039</b>	<b>0.02</b>	<b>0.02</b>	<b>0.05</b>
Dawki	0.0039	0.02	0.02	0.05
<b>Karimganj Division</b>	<b>0.9021</b>	<b>1.09</b>	<b>0.24</b>	<b>1.68</b>
Karimganj Ferry & Steamer Station	0.01	0.33	0.13	0.005
Sutarkandi	0.87	0.73	0.08	1.55
Manu	0.0021	-	-	-
Old Ranga Bazar	0.02	0.03	0.03	0.13
<b>Agartala Division</b>	<b>6.16</b>	<b>4.39</b>	<b>5.79</b>	<b>9.14</b>
Srimantapur	6.16	4.39	5.79	9.14
<b>Dhubri Division</b>	<b>-</b>	<b>-</b>	<b>0.04</b>	<b>0.21</b>
Mankachar	-	-	-	-
Mahendraganj	-	-	0.04	0.21
<b>Total</b>	<b>7.19</b>	<b>5.5</b>	<b>6.09</b>	<b>11.52</b>

Source: Office of the Commissioner of Customs, Shillong

## **f) Informal Trade**

There are several probable reasons for the growth of informal trade between NER and Bangladesh. The unmanned, unprotected and less than properly demarcated borders create ideal conditions which are exploited for informal trade. Secondly, the linguistic and cultural homogeneity of the people residing on either side of the border sometimes creates conditions where law enforcing agencies find it difficult to locate people involved in informal trade. Thirdly, the depreciation of the Indian Rupee in 1991 resulted in a spurt to informal trade as Indian goods particularly food grains became cheaper and therefore exported to Bangladesh. Similar was the case with fish, where particular varieties from Andhra Pradesh were exported informally through NER to Bangladesh.

NCAER<sup>30</sup>(1995) conducted a study related to informal trade covering 3 districts each from Assam and Tripura (other than 9 districts of West Bengal) and then generalised their findings at the state level. According to this study, the value of informal trade in Assam was Rs. 35.50 crores and the same for Tripura was Rs. 8.10 crores. The study identified sugar as the single most important commodity of informal trade followed by printed saris along the Karimganj sector in Assam. In other districts of Assam and Tripura, wood and timber-based products were the major commodities informally exported to Bangladesh. In terms of the group of commodities, food and live animals comprised 40 per cent from Assam, while in Tripura, forest products comprised more than 52 per cent of all the commodities exported informally.

RIS<sup>31</sup>(1996) conducted a study titled India's Border Trade with Select Neighbouring Countries where they quantified the value of exports at Rs. 42010 lakh (Rs.42.01 crores) and imports at Rs. 13162 lakh (Rs. 13.16 crores). The study found that exports from NER were higher through Mizoram and Meghalaya whereas through Assam and Tripura imports were prominent. Tripura and Assam were the main states in the region through which informal trade was practised.

There are a few other studies concerned with the volume and composition of informal trade. Bakht<sup>32</sup> (1996) estimated that informal exports to India were at least 6 times higher than legal exports thereby showing the huge quantum of informal trade. On the other, Rahman<sup>33</sup> (2004) calculates that illegal imports and exports are as large as their formal counterparts. He states that illegal exports from Bangladesh to the NER are limited to few high value items such as gold. Halder<sup>34</sup> (2008) estimates the ratio of legal to illegal import from India at 1:1.5. Notwithstanding the variety of estimates provided by scholars about the quantum, direction and composition of informal trade it is easily understood that there exists a huge network of informal trade between Bangladesh and the NER.

## **g) Route and Composition of Informal Trade**

Scope for Informal trade in areas where the functional LCS are located is limited because of the presence of vigilance and enforcement authorities. But there is a lot of scope for informal trade in the adjacent areas of functional LCS and non-functional LCS due to the operation of various syndicates on both sides of the border. It is sometimes puzzling to find that the items included under formal trade are also found in informal trade. This may be

because of quota and restriction on the quantum of items to be traded. There are thus limitations in case of formal trade but as the market for such items is bigger, there is therefore a lot of scope for informal trade. Moreover, it is also possible that the items which are traded informally are those which have escaped the vigil of the enforcement authorities as well.

Informal exports from NER to Bangladesh include spices (23 per cent), textiles (13 per cent), sugar (12 per cent), pharmaceutical products (10 per cent), processed food (9 per cent), cereals (8 per cent), fish (6 per cent) and fruits (3 per cent). On the other hand, informal imports from Bangladesh comprise electronic items (20 per cent), jute (15 per cent), plastic products (10 per cent), palm oil (7 per cent), spices (4 per cent), textiles and fish (4 per cent each)<sup>35</sup>. See Appendix-XVI

The amount of seizures of informally traded goods and commodities can be used as an indicative measure for ascertaining the quantum of informal trade. They provide some insight regarding informal trade. According to the Commissioner of Customs, Shillong, from 2000-01 to 2004-05 there were 36,983 cases of seizure in NER where the total value involved was Rs. 3785.35 lakhs. The value of seizure per case works out to Rs. 10,235 which indicates that there is trade of valuable items in the region<sup>36</sup>. A list of informally traded items is provided in the Appendix- XVII as per the records of Customs officials of Shillong.

#### **h) Border *Haats***

There can be a perceptual hiatus related to border between the nation-state and its people. In a terrain which is inhabited by people of similar socio-cultural traits, the border is a marker of spatial categories for the nation-states where two nations are separated, but for the people who find themselves separated, it is a line where they can meet their ethnic counterparts. Here, trading activities for the nation-state will be a case for border trade embedded in the paradigm of international trade but for the people, it will be a traditional practice where they share their surplus goods and commodities. This scenario is common among many borders around the world and is more so among the foothills in various places in north east India. This has also been an age old practise through various *haats* between the hills of Meghalaya and the plains of Bangladesh (especially Sylhet). Large number of *haats* developed as an age-old practice for trade and commerce between these two regions. It is estimated that during 1876-77, total import from the Khasi and Jaintia Hills was Rs 1,576,483. Rice was the principal commodity imported followed by fish and dry fish, clothes, salt, tea, coffee, liquor, country soaps etc. On the other hand, potato was the principal exports from the hills, worth Rs 501,250 followed by limestone, cotton, lac, betel nuts and leaves, oranges etc. Total exports were estimated to be Rs 1,603,530<sup>37</sup>.

But redrawing of political boundaries in 1947 changed the situation. Trade was restricted if not totally stopped as the Khasi Hills and the Sylhet Plains were located on two different sides of the international border. Even then limited trade operations in the form of *haats* continued till 1971 when they were completely closed and trade abandoned. It has resulted in great hardship for the people of both the regions who earlier being cut off from the centres of trade within their own nations, found themselves to be isolated from their



traditional trade routes also. However, in order to survive and meet the basic requirements of life, people in these areas tried to maintain barter trade in a limited way through the border *haats* of the Meghalaya-Bangladesh border.

Recently there has been lot of hue and cry in Meghalaya in general and the Khasi dominated areas in particular for the recognition of these border *haats*, so that the people on either side can once again fully revive their age old traditional trading links. In a memorandum submitted to the President of India during in 2001, the Khasi people urged for Constitutional recognition of these *haats* for exporting items such as areca nut, papaya, various types of citrus fruits, jackfruit, broomstick, bay leaves, rice, pulses and other seasonal fruits in exchange of fish, eggs and fresh vegetables and seasonal fruits from the Sylhet plains. The memorandum stated that the present system of declaring an area as export and import route will not solve the problem of the thousands of poor people as they are not in a position to involve themselves in the intricacies of international trade. According to the memorandum, the people just wanted to barter one or two baskets of their perishable items in exchange for fish etc. through these *haats*. It is noteworthy that this memorandum identified more than 33 *haats* (name and location of the *haats* are included in the Appendix-XVIII) which according to them should be constitutionally recognised and opened up for trading. These *haats* are all far off from the main markets, located at a distance of 80 to 110 kms from the trading centres<sup>38</sup>.

Trading through these border *haats* will certainly bring about minimum relief to the people in these areas on both sides of the border. According to press reports, India and Bangladesh are about to sign an agreement allowing makeshift *bazars* at *haats* on their common border to boost bilateral trade. The agreement proposes to allow an individual to trade up to US\$50 with both Indian and Bangladeshi currencies where farm and homemade items produced within 10 kms radius of the border *haats* would be allowed to be traded. These *haats* are proposed to be set up within 75 meters of the border. Trading at these markets will not be taxed and will initially function once a week. Initially two *haats* will be set up, one, at north eastern Sunamganj and the other at north western Kurigram along the India Bangladesh border<sup>39</sup>. While this proposal for opening up of two border *haats* seems to be a welcome step, its success will depend how they are made operational reflecting the aspiration and participation of the people concerned from both sides of the border.

## **VI Other Indicators**

After analysing the economic fundamentals and the trade situation in the NER, we deal with some other important indicators related to the region. In this section we deal with the aspects of poverty, human development as well as the status of infrastructure so as to understand the impact of the development process. The revenue generation issues of the concerned states and the central assistance provided to them will also be discussed briefly.

### **a) Poverty Estimates**

The poverty estimates used here are based on the data generated by the Planning Commission in its Tenth Plan document<sup>40</sup>. It is observed from Table-XX that during 1973-74

and in 1983, the states in the region were better off compared to the all India rate. Poverty ratios in NER were lower. But during 1993-94, the poverty estimates in the region showed a deteriorating trend. Except Manipur and Mizoram, all other states show a higher poverty ratio vis-à-vis India. The same trend continued during 1999-2000. In other words, from 1973-74 to 1983 all the states in the region were better off compared to the all India average but during 1993-94 and 1999-2000 except Mizoram, all other states became worse off.

**Table XX: Percentage of Population Below Poverty Line**

States	1973-74	1983	1993-94	1999-00
Arunachal	51.93	40.88	39.35	33.47
Assam	51.21	40.47	40.86	36.09
Manipur	49.96	37.02	33.78	28.54
Meghalaya	50.20	38.81	37.92	33.87
Mizoram	50.32	36.00	25.66	19.47
Nagaland	50.81	39.25	37.92	32.67
Tripura	51.00	40.03	39.01	34.4
NER	50.77	38.92	36.35	31.21
All India	54.88	44.48	35.97	26.10

Source: Xth Plan Document, Planning Commission

If we compare the decline in poverty during different time periods it is evident that from 1973-74 to 1983, decline was highest both for the region and India. From 1983 to 1993-94, poverty reduction was lowest, both for the region and India. But in terms of percentage decline, NER fared much worse than India. In the subsequent period although the depressive trend of 1983-94 was reversed India fared much better compared to the NER. In the overall analysis from 1973-74 to 1999-2000, the rate of decline in poverty was 19.56 per cent for the region while it was over 28 per cent for India.

For rural and urban poverty estimates the Planning Commission has a bizarre logic of substituting the rates of Assam with that of all other states in the region. The fact is that the rate of urbanisation varies widely e.g. Mizoram has 50 per cent urban population while in Assam it is less than 13 per cent. In such a scenario it is not judicious to substitute the rate of Assam for all other states in the region. According to the estimates of the Commission, rural poverty was 52.67 per cent in NER and 56.44 per cent in India during 1973-74 which declined to 42.60 and 45.65 per cent in 1983. Thereafter, whereas the urban poverty rates in the region declined by one-third, those in rural areas declined much slowly. In fact, rural poverty rates in NER, which were lower than the national rates, became higher in the post-1983 period. Poverty, according to the estimates of the Planning Commission, was a rural phenomenon in the north eastern region. Among the states in the region, poverty reduction was highest in Mizoram (30.85 per cent) from 1973-74 to 1999-2000, which was higher than the decline in national average. Assam had the lowest rate of decline during the same time period.

#### **b) Human Development Index**

The North Eastern Region witnessed an alarmingly high population growth during the 20th century. Population in the region increased 9 times as against 4.3 times for India. The average annual growth rates were 1.77 per cent from 1901 to 1951 and 2.68 per cent from 1951 to 2001. From 1901 to 1951, population in NER increased by 140 per cent while for that of India it was 51 per cent. In the post-independence period, population increased

by 275 per cent against the national average of 185 per cent. Migration to the region has been an important contributing factor to the rapid increase in population in the region<sup>41</sup>. In such a scenario it is worthwhile to look briefly at the various human development components of the region. Few selected indicators have been considered e.g. total fertility rate, literacy, gender difference in literacy, sex ratio, and infant mortality rate. Estimation on these measures leading to a composite human development index has not been undertaken since these measures are very limited considering the wide ranging issue of Human Development Index.

**Table XXI: Selected Human Development Indicators in NER**

Indicators	Year	A P	Asm	Mnp	Mgh	Mzo	Nag	Trp	India
Total Fertility Rates	1998	2.52	3.2	3.04	4.57	2.89	3.77	N A	3.2
	2005-06	3	2.4	2.8	3.8	2.9	3.7	2.2	2.7
Literacy (%)	2001	54.34	63.25	70.53	62.56	88.8	66.6	73.19	65.38
	2011	66.95	73.18	79.85	75.48	91.6	80.1	87.75	74.04
Male Literacy (%)	2001	65.43	75.23	80.33	71.18	92.5	76	82.42	75.85
	2011	73.69	78.81	86.49	77.17	93.7	83.3	92.18	82.14
Female Literacy (%)	2001	40.23	51.85	61.46	50.43	86.8	56.9	64.33	54.16
	2011	59.57	67.27	73.17	73.78	89.4	76.7	83.15	65.46
Gender Difference In Literacy (%)	2011	14.12	11.54	13.32	3.39	4.32	6.6	9.03	16.68
Sex Ratio (Total Population)	1991	859	923	958	955	921	886	945	927
	2001	893	935	974	972	935	900	948	933
	2011	920	954	987	986	975	931	961	940
Sex Ratio (0-6 age)	2001	964	965	957	973	964	964	966	927
	2011	960	957	934	970	971	944	953	914
Infant Mortality Rate	1998-99	63	69	37	89	37	42	44	67
	2004-05	61	66	30	45	34	38	52	57

Source: 1998-99 data are from NFHS-I and 2004-05 data are from NFHS-III, literacy rates are accessed from <http://www.census2011.co.in/literacy.php> other data relate to The Planning Commission's, Xth Plan Document

During 1991-2001, the highest growth rate of population among the states in India has been registered in Nagaland (4.97 per cent) followed by Manipur (2.63 per cent) and Meghalaya (2.62 per cent). Migration from within India as well as from outside must have played an important part in this growth rate but the Total Fertility Rates of these states in the region have also added to this rise. In demographic studies where a TFR of 2.1 is considered to be the replacement level of fertility, or in other words the desired rate for population stabilisation<sup>42</sup>, none of the states in NER have achieved this level. Tripura is the only state near to the stabilisation level with a TFR of 2.2, which is in fact lower than the national rate. Assam has also a lower level of TFR. But states like Nagaland, Mizoram, Manipur and Arunachal Pradesh have still a long way to go before reaching the ideal TFR level.

In NER, Arunachal Pradesh, Assam and Meghalaya had lower literacy rates than India in 2001. Mizoram has been the second most literate state in the country. During 2011, Meghalaya has moved ahead and is now above the India average. This has been possible mainly due to a higher rise among the female literates. In fact, among the states, the highest increase (14.56 per cent) in literacy rates between the two census periods has been in Tripura. It is also interesting to note that while Arunachal Pradesh, Assam and Meghalaya have lower male literacy compared to India, in case of female literacy, only Arunachal has a lower rate. The gender differences among all the states in NER are lower than in India and Meghalaya has the least gender difference in literacy among all the states in India. This certainly indicates lesser discrimination of the girl child in the North East in terms of access to education.

Whereas four states namely Arunachal Pradesh, Assam, Mizoram and Nagaland had a lower sex ratio than India during 1991, it has improved thereafter. During 2011, Arunachal and Nagaland have lower sex ratio than the national average. But both the states have remarkably improved their overall sex ratio during the last two decades. Sex ratio among the 0-6 age group was higher among all the states in the region compared to India. When this ratio declined in almost all the states in India, Mizoram showed an increasing rate from 964 to 971 per thousand. This is certainly an encouraging attribute for human development in the region.

The infant mortality rates were higher in Arunachal Pradesh, Assam and Meghalaya vis-à-vis India during NFHS-II<sup>43</sup> in 1998-99. During NFHS-III<sup>44</sup> in 2005-06, Meghalaya has reduced its IMR by half, which is now lower than India's rate. Arunachal Pradesh and Assam have higher rates in NER. But a disturbing trend is observed in the case of Tripura where there has been an increase in the IMR from 44.2 to 52 during NFHS-I & III. This needs to be studied analytically in order to identify and rectify the impediments which are adversely affecting the infant mortality rate in the state.

An overall analysis shows that the human development indicators of the region are comparatively better compared to its economic indicators. As per the Planning Commission's Human Development Report 2001, there has been noteworthy progress in Assam. While the state stagnated at the 26<sup>th</sup> position in the listing of all the Indian state from 1981 to 1991, its ranking improved to 14<sup>th</sup> position during 2001. But due to the non-availability of data pertaining to 2001, the HDI ranking of other states could not be ascertained. However, there are studies<sup>45</sup> (2005) which place Mizoram (0.79), Nagaland (0.77), Manipur (0.707) and Arunachal Pradesh (0.617) above the all India rates (0.612) whereas Tripura (0.608), Meghalaya (0.585) and Assam (0.534) remain below the national average. However, all the states in NER are placed in the Medium Human Development Category States.

### **c) Index of Production and Consumption Dependency**

Estimating the production and consumption share of agricultural, horticultural and animal products of NER and comparing them with the all India estimates would have

highlighted the difference between production and requirement of the region as well as the level of imports from outside the North Eastern region. But due to non-availability of data from various states a calculation has been attempted based on the state's share in the national consumption expenditure along with the state's share of production of selected items with national production. A study<sup>46</sup> was undertaken whereby the dependency index has been estimated as the ratio between the consumption share and production share. Items reporting a dependency index of greater than 100 showed the dependence of the state on that particular item from outside supplies.

**Table XXII: Dependency Index in NER**

Items	Arunachal	Assam	Manipur	Meghalaya	Mizoram	Nagaland	Tripura
Cereals	119.15	151.6	143.45	310.52	419.3	182.87	146.49
Cereal Substitute	-	129.35	9.66	38.82	21.91	-	731.7
Pulses & Products	270.27	459.64	-	-	-	133.15	442.44
Edible Oil	26.88	81.19	326.03	252.25	255.35	69.05	197.18
Fruits	47.94	86.02	33.52	16.95	30.99	379.96	23.3
Spices	-	288.15	273.21	19.9	20.5	131.99	234.34
Pan, Tobacco & Intoxicants	-	618.7	-	260.12	37.71	-	974.8
Clothing	-	34814	4946.31	479.48	627	8158.52	2489.59

Source: Calculated from the paper of Swandwip Das and Monica Das: 2005 in Alokesh Baruah (ed.) India's North-East

It is indicative from Table XXII that all the states have to overwhelmingly depend upon supply from outside the region for cereals. Arunachal Pradesh, Assam and Nagaland have some advantage in case of edible oil. Dependence on fruits is found in Nagaland while other states enjoy local production. There is an overwhelming dependence for clothing all throughout the region. Though these are very crude estimates and are not based on current figures they are indicative of the trend of production and consumption of various commodities and they show that in order to meet the consumption requirement of NER, it is by and large dependent on supplies from outside the region.

### **c) Infrastructure Index**

Infrastructure is a multiple and complex phenomenon in an economy as it not only augments production and consumption but also has a spill over effect that further adds to the process of economic regeneration. Infrastructure means a lot of things taken together e.g. road, communication, power etc. to name a few. Instead of dealing with each component of infrastructure separately we will consider the Index of Social and Economic Infrastructure as used in the Plan documents based on Finance Commission Reports<sup>47</sup>.

**Table XXIII: Index of Social and Economic Infrastructure**

States	Index	Difference
Arunachal	69.71	-130.86
Assam	77.72	-122.85
Manipur	75.39	-125.18
Meghalaya	75.49	-125.08
Mizoram	82.13	-118.44
Nagaland	76.14	-124.43
Tripura	74.87	-125.7

Source: Xth Plan Document, Planning Commission

In spite of the huge propaganda about infrastructure development in order to end the region's isolation it is observed from Table-XXIII that Arunachal Pradesh has the lowest index of infrastructure in India. Among NER, Tripura, Manipur and Meghalaya have very poor infrastructure. Among all the north eastern states Mizoram has somewhat better levels of infrastructure. The third column in the Table shows the difference in the levels of infrastructure with the highest ranked state, namely, Goa (200.57). The differences are striking. With such a low level of infrastructure available in NER isn't it a fanciful wish that the region should become the arrowhead of India's Look East Policy?

#### **d) Central Assistance**

To bridge the development deficit of the NER vis-à-vis India a plethora of agencies, schemes and assistance programme have been initiated at various points of time. It includes among various measures the special category status and the non-lapsable central pool of resources (operationalized during 1998-99); the formation of North Eastern Council (NEC, 1972) and Department of Development of North Eastern Region (DONER, 2001) as institutions as well as the Special Area Programme of the Planning Commission etc. with all attempting to initiate the process of development in the region. It is a different story as to how effective these mechanisms are; here we limit our analysis with the amount of resource transfer from the central government as well as agencies to the state governments in the region in order to understand whether it has been at par or below other regions in the country.

To deal with the special problems of the region higher levels of central assistance to the State Plans have been an inseparable part of public finance in the region. The Xth Plan documents states that for the year 2001-02, the average per capita central assistance for state Plans for all the states in the region taken together was Rs.1, 546, compared to Rs.356 for the country as a whole<sup>48</sup>. (These figures are arrived at without taking into account the special arrangements and initiatives routed through the NEC and/or DONER). This increased to Rs.2, 574.98 for NER against the all India average of Rs.683.94 during 2006-07.

The higher per capita central assistance is apparent from Table-XXIV where we have estimated the same during the Xth Plan periods. The central assistance for state plans in the region is nearly three to four times higher compared to the all India average. This is indicative of the amount of resource transfer through various central agencies to NER.

**Table XXIV: Per Capita Central Assistance to State Plans in NER during Xth Plan Period**

NER-States	2002-03	Per Cap	2003-04	Per Cap	2004-05	Per Cap	2005-06	Per Cap	2006-07	Per Cap
Arunachal	653.16	5937.82	695.49	6322.64	802.49	7295.36	859.31	7811.91	939.50	8540.91
Assam	1962.99	737.97	2043.48	768.23	2720.99	1022.93	2907.45	1093.03	3008.02	1130.83
Manipur	609.72	2540.50	668.79	2786.63	874.39	3643.29	1080.70	4502.92	1216.46	5068.58
Meghalaya	452.59	2262.95	492.24	2461.20	611.36	3056.80	656.23	3281.15	695.78	3478.90
Mizoram	471.24	5236.00	555.42	6171.33	675.72	7508.00	705.00	7833.33	717.25	7969.44
Nagaland	497.36	2486.80	546.34	2731.70	662.06	3310.30	642.64	3213.20	721.97	3609.85
Tripura	683.61	2136.28	754.93	2359.16	876.17	2738.03	860.98	2690.56	976.22	3050.69
Total North East	5330.67	1395.46	5756.69	1506.99	7223.18	1890.88	7712.31	2018.93	8275.20	2166.28
Non-special Category States	43829.92	455.75	46568.41	484.23	50343.89	523.49	51455.24	535.04	54820.41	570.04
India	54179.74	528.38	58862.69	574.05	64224.13	626.34	66014.98	643.80	70130.74	683.94

Source: Calculated from the Xth Plan Document, Planning Commission

**Table XXV: Central Assistance through NEC and NLCPR (Rs. in crores)**

Agency	1997-98	1998-99	1999-00	2000-01	2001-02	Total
NEC	319.16	368.55	413.53	409.58	414.82	1925.64
NLCPR	-	111.95	387.91	307.26	442.10	1249.22

Source: Xth Plan Document, Planning Commission

Through the North Eastern Council and the Non-Lapsable Central Pool of Resources a sum of Rs.3174.86 crores was transferred from 1997-98 to 2001-02. On the other hand, DONER was created in 2001 for a dedicated approach to planning and implementation in the region. It acts as a nodal agency for the thrust areas for the rapid development of NER & Sikkim, and it has identified 28 programmes/schemes which are implemented with an estimated expenditure of more than Rs13, 300 crores<sup>49</sup>.

Transfer of resources from the central agencies to the states of NER seems to be apparent when we consider the persistent development-gaps plaguing the region. But in that case has there been equal effort by the states to mobilise resources from within. There are few studies dealing with this aspect concerning the states in NER. One study was undertaken by Mishra<sup>50</sup> for two states of the region, namely, Nagaland and Meghalaya over a period of thirty years. The study illustrates that the ratio of states own tax revenue to the total tax revenue in Nagaland has fallen from 0.66 to 0.12 from 1963-64 to 2000-01. For Meghalaya, it has increased marginally from 0.36 to 0.43 from 1972-73 to 2001-02. On the other hand, Meghalaya's own tax revenue to NSDP has increased from 1.15 per cent to 4.30 per cent during the same period while for Nagaland it has increased at a much slower rate from 1 per cent to 2.80 per cent. As a result, total resource transferred to aggregate state's expenditure for Nagaland was 82 per cent during the Third Plan (1963-64 to 1965-66) which declined marginally to 78 per cent during the Ninth Plan period (1997-98 to 2000-01) and for Meghalaya it increased from 62.29 per cent in 1972-73 to 63.65 per cent during 2001-02. So, if one goes by the parameter of transfer of financial resources from the Central agencies to the states, the NER surely enjoys a very limited amount of self-reliance and therefore has to depend upon the Indian state for its sustenance. The figures related to such transfers during the Xth Plan (Table-XXVI) also exhibit similar patterns.

Thus there are substantial amount of transfer of resources from the Central agencies to the state governments in the region. As to how far these resources are efficiently utilised and accountability maintained by the respective state governments and their agencies while implementing the programmes is a different question?

**Table XXVI: Central Assistance and States Own Resources in the Tenth Plan (Rs. Crores)**

State	States Own Resources	Central Assistance	Total
Arunachal Pradesh	492.07	3396.25	3888.32
Assam	-1212.37	9527.6	8315.23
Manipur	-362.42	3166.42	2804
Meghalaya	-23.71	2323.15	2299.44
Mizoram	-346.93	2399.44	2052.51
Nagaland	-366.82	2594.47	2227.65
Tripura	491.55	4008.45	4500
NER	-1328.63	27415.78	26087.15

Source: Xth Plan Document, Planning Commission

## VII In Lieu of Conclusion

The vision document for NER is in tune with the Look East Policy primarily premised to enhance India's political and economic relationship with South East Asia. India's participation in various regional and sub-regional groupings including the ASEAN, BIMSTEC, Mekong-Ganga Co-operation, Bay of Bengal Initiative, The Indian Ocean Rim Association for Regional Co-operation, Kunming Initiative, Asian Highway as well as the Trans Asian Railway Network<sup>51</sup> are all part of its effort to re-define and re-locate its position in the region. The Look East Policy is seamlessly entwined with foreign policy aspirations, strategic initiatives, economic co-operation and security considerations of the Indian state.

The North East with its geo-economic potential could be vital for India's co-operation with its immediate neighbours such as Bangladesh, China and Myanmar and not so distant neighbours in the ASEAN. Similarly, co-operation with the neighbouring countries carries dual prospects for India's economic and strategic interest. On the one hand, the hydro-power of Nepal and Bhutan, gas reserves of Burma, transit facility through Bangladesh, as well as inter-regional private sector investments can add to the India's growth story and on the other, it possesses a security advantage, where strategic co-operation with these nations can give India the upper hand in dealing with the scores of insurgent groups belonging to the NER and also act as a bulwark against Chinese machinations<sup>52</sup>. The region is therefore needed to become the arrowhead of India's LEP.

But how has NER viewed this vision document? How reflective is the document about peoples' aspirations? Questions are often raised by critics and 'not so critical' minds associated with the region because when the vision document was launched with much fanfare in New Delhi, people in North East were "indifferent to this grand vision"<sup>53</sup>. It is argued that in NER "who initiates" a programme is sometimes more important than "what is initiated"<sup>54</sup>. So, the agency initiating the programme should not only be friendly to the



people but also a knowledgeable part of the process. Any new formulation undertaken by the Indian state often leads to indifference among the people as they are more influenced by retrospection instead of future windfalls. There were some attempts made prior to the finalisation of the vision document, to place it for discussion in the public domain. But either they were meant to be mere window dressings or the draft committee had little knowledge of the public space in NER. Public space or for that matter public sphere and their organisations e.g. the civil society in the region is jettisoned between the state and its agenda of counter-insurgency from 'above' and the ethno-nationalist politics of identity assertion from 'below'. This leaves very little space for the people and the civil society to speak in a different tone that does not adhere to either of the two viewpoints. It is not only a constricted domain but a dangerous space to fiddle with. In this 'controlled' public space, the 'public' which occupies the space is either the beneficiary of the state or the representatives of dominant ethnic groups rewarded for playing to the tunes of the state<sup>55</sup>. Therefore, it is hardly surprising that there was no recorded dissent related to the vision document prepared by six authors and six research associates where only one belonged to from the region (Assam)<sup>56</sup> during the so-called discussion with the people of the region. So the view that people of the region overwhelmingly accepted the document may have few takers.

Secondly, what are the benefits that will accrue to NER with its current macro-economic fundamentals? The trends in our analysis reveal that the contribution of the primary sector or more specifically agriculture has fallen to nearly a quarter of the NSDP yet the workforce engaged in this sector has stagnated at about 75 per cent in the rural areas. On the other hand, there has been an increase in the workforce engaged in this sector in the urban areas. This indicates that agriculture is overcrowded and also shows that the development agenda has failed to create opportunities for the shift of workforce to other sectors. Under these circumstances can only technology-infusion in agriculture change the situation?

The secondary sector shows a marginal rise in its contribution to NSDP. But in terms of workforce employed there is hardly any significant change both in rural and urban areas. Moreover, whatever improvement that occurred in terms of contribution of this sector has come from construction. Manufacturing has shown a declining trend both in terms of state income and employment. Does this indicate a process of deindustrialisation in the region? The vision document seems to have minced few words to reverse this situation. The long list of resources endowments that the region is bestowed with does not carry any meaning if they are not utilised through manufacturing units. There is another aspect to this argument and that is related to the employment potential that manufacturing possesses. It is calculated that during the period 1999-2000 and 2004-05, manufacturing had the highest employment elasticity among all other sectors in the economy despite its lower growth rate<sup>57</sup>.

The contribution of the tertiary sector has grown by more than 7 percentage points but it has failed to create additional employment opportunities. Here it is noteworthy that

public administration plays the most significant part in this sector and is the largest source of urban employment among all the states of NER. Trade, hotels and restaurants employs nearly one-quarter of the urban workforce in the region. The question therefore is whether the higher tertiary sector contribution to the state's income in the region portrays a strong economic foundation in NER? The answer seems to be less than affirmative since the robustness of this tertiary sector is based on public administration and 'other' services instead of other sub-sectors such as transport, trade, financial services etc. This skewed nature of the composition of the tertiary sector fails to add much vibrancy to the economic system and is therefore more of a residual category.

We have observed in our analysis that the rates of unemployment in NER for all categories (usual, weekly, daily, youth and educated) are very high compared to the rest of India. It is acute among the youth and more so among the educated youths in the region. Urban unemployment is higher than in rural areas. Among the youth, the rate of rural unemployment is higher among males other than in Assam and Tripura while for urban youth females outnumber males except for Manipur and Meghalaya. For the educated youth, female unemployment is substantially higher in urban areas. This raises some serious questions about the type of education imparted as well as the development agenda pursued in the region in terms of its ability to utilise the manpower generated in NER.

Even a cursory look at the macro-economic trends and the associated figures will suggest that the region is caught in a trap of low equilibrium which is sub-optimal by all parameters. It needs stimulus for growth which perhaps the vision document identifies in the form of infrastructure creation and generation of border trade.

Thirdly, the entire hullabaloo in the vision document about border trade being a panacea for the development of the beleaguered North East generates more heat than light. Analysis of border trade reveals that the trade that flourishes between NER and the NC's is not formal but informal. The range of commodities, the quantum of trade and the innovation in trading routes are more dynamic in case of informal trade. Ironically, a more vibrant informal trade is lucrative not only for its players but also for the state and non-state agencies. While enquiring about the reasons for high transportation cost of goods through roadways in NER it was clear that other than hire charges, payment to various underground groups and to every police station and forest check posts were essential. It was more so because the trucks carried smuggled goods from Myanmar. But even the vehicles carrying legal goods had to cough up similar amounts thereby adding to the cost of transportation e.g. transportation expenditure from Moreh to Dimapur was about Rs. 50,000 per truck whereas the same for Imphal to Guwahati was Rs. 35,000<sup>58</sup>.

Here it should be remembered that the aspiration for trade openness is an important but not a sufficient condition for rapid growth of trade. Trade facilitation, which is still a far cry in case of trade between NER (India) and its NC's, happen to be the key factor that promotes trade. Similarly, while highlighting the importance of tariff liberalisation to foster trade it is often forgotten that transport liberalisation is also of equal importance in this regard<sup>59</sup>. This has somewhat been neglected by our policy framers. India's contradiction

regarding the opening of the Stilwell road connecting NER with Myanmar is a pointer in this direction where formal trade liberalisation has failed to be substantiated by transport liberalisation. In the same vein, trade liberalisation with Bangladesh is yet to bring about major changes in transport liberalisation. The inability to access Chittagong port for the traded goods and commodities of NER and the long list of non-functional LCS's does not augur well for a transformation of trade relation.

There are other trade related problems between NER and the NC's which have to be dealt with policy reformulations. Formal trade with Myanmar has in fact become restricted to fewer items (22) now compared to pre-1994 Border Agreement. These items are found to be unfavourable for exchange by the traders due to their short supply. The list of viable items for trading has to be expanded further to boost normal trading relations. On the other, the local Moreh market has been adversely affected after the Indo-Myanmar Border Trade Agreement. It is reported that after the completion of the Nonpalang Market (later on Tamu Market) on Myanmar's side by their respective authorities, people from Moreh and other nearby areas walk to this market through Gate-II (through which trade on head load is allowed) and come back after purchasing their required commodities. The local market at Moreh therefore bears a forlorn appearance<sup>60</sup>.

The NER-Myanmar trade suffers from another set of problems. The official exchange rate of Kyat (the Myanmar currency) is highly overvalued. The official value of Kyat is about 200 times over-valued in relation to the Indian Rupee<sup>61</sup>, which makes informal trade more lucrative. The rule whereby exports from India must precede imports from Myanmar and the balancing to be completed within a period of six months complicates the process further. Moreover, India's obsession with Rule of Origin (ROO) certificates for the trading items i.e. the original country certificate where the commodity is produced and/or manufactured and Myanmar's stand of opposing it is hampering regional trade<sup>62</sup>. Although India's concern about ROO is a desperate measure to check dumping of cheap Chinese goods in Indian markets, considering the fact that Myanmar is already a member of ASEAN, Rule of Origin certificates does not stand on firm grounds. In fact, it is high time that the RTA with Myanmar should be re-looked and updated accordingly to reflect the ground level trade requirements.

Now with what basket of goods will the NER trade with the NC's? Has there been any change in the composition of trade after trade liberalisation? A glimpse into the list of traded commodities shows that there has been absolutely no change in the commodity basket. The main formal exports to Myanmar is dried buffalo meat comprising 59 per cent of the total value of exports while more than 97 per cent of the exported commodities from NER comprises primary materials namely, tea, coal, limestone and boulders. The latter items are exported to Bangladesh<sup>63</sup> to meet their industrial requirements. While a 14 km conveyer belt supplying limestone from Kommorah mines to Chattak Cement Company and another 150 km conveyer belt supplying the same raw material from Nongtraï mines to Lafarge Surma factory in Bangladesh can be regarded as unique industrial architectures, it also raises important questions about the inability of the state to properly utilise these materials.

Under this situation, where does the vision for “establishment of export oriented units in the NER the fall out of which is acceleration in social and industrial facilities in the region”<sup>64</sup> work out? Has the region been able to benefit from the economies of scale in production, externalities and technological innovation? It doesn't, since there is no production units located here. In that case the benefit to the region is minimal. It is only that of a supplier of raw material and a pathway through which the commodities pass.

Fourthly, while one of the cornerstones of Indian development agenda seems to be 'decentralisation' the vision document of NER chalks out a different path albeit without mentioning it. As discussed in our analysis, all the states of NER are severely dependent upon transfer of resources from the Central agencies due to their inability to garner own financial resources. Thereby, the vision document reiterates that it is therefore necessary to have not only centralised funding through DONER but framing of policies and guidelines should also be done by the same agency. The state governments in the same way will distribute the funds to the district and village level institutions<sup>65</sup>. This is not only centralisation of funding but of thought process too. The centre-state client-patron relation works down to the district level so that loyalty and control is not vitiated. This sort of centralisation not only breeds corruption but also lessens accountability. Moreover, it will also lead to further alienation in this already alienated periphery of India.

It should be remembered that as the spatial entity of NER does not overlap with its economic entity (there are wide ranging variations among the states as well as within them); there is an urgent requirement for synchronisation of policies and the agenda for development. This synchronisation should lead to integration rather than centralisation (as visualised in the vision document). Each individual state in the region is small by all standards, geographical limits as well as the size of the market. Hence, it is imperative that we move towards an agenda for a common regional market whereby there is mobility of goods, factors of production as well as division of labour and lesser duplication of investment along with opportunities for specialisation. Only then can we have a common development programme covering the entire region<sup>66</sup>. The North East Industrial Policy, 1997, is a failure in this direction where the disbursed incentive and revenue forgone for all the individual states in the region has been Rs.1664.76 crores for a total investment of Rs.1067.28 crores<sup>67</sup>. This is surely a case of lack of synchronization in the development agenda. Can this be regarded as an efficient instrument for promoting industrial growth?

Trade can be an option once we have this kind of integrated approach for NER. But it must be regarded that trade liberalisation (in terms of international trade) does not have the same consequences for all the areas. Effects of trade liberalisation on poverty reduction are not uniform over districts. District level analysis in India<sup>68</sup> shows insignificant benefits of liberalisation with respect to poverty reduction for districts with more exposure to potential foreign competition. In this regard, regional trade within NER will be a better option instead of overemphasis on cross border trade (of course without denying its potential) where geo-political rather than geo-economical consideration reign supreme. Establishment of transport linkages and infrastructure development hereby gains momentum. Efforts should

be undertaken to link all the states with Assam in a much more broadbased way as for them it is not only the gateway to Indian mainland but also the only pathway to travel from one state to another and also among the state itself<sup>69</sup>. Economic integration of the market can bring about the much required unity of the region which has been otherwise affected by a process of political disintegration.

Only pumping of central funds and stamping of authority through big development<sup>70</sup> projects will lead to dysfunctional development. Centralisation of funds and policy making will lead to further corruption and alienation. Mere lip service regarding border trade and showcasing North East as the arrowhead of the much hyped Look East Policy will mean 'little' to the people in the region if their growing realisation suggests that under the present scenario securing the pathway for trade (with only few commodities from the region) is prime for the Indian state, while ameliorating their condition happens to be the secondary agenda. Therefore, unless the vision is embedded in the reality of how people foresee their wellbeing, grandiose designs that the Indian state aspires to erect in the region will not be realized.

### Acknowledgement

I am grateful to all my faculty members, especially Md. Zakaria Siddiqui for his analytical skills, Professor Amiya Kumar Bagchi and Dr. Ramkrishna Chatterjee for their encouragement during the course of writing this paper. I owe a lot to Prof. Arunodoy Saha, Vice-Chancellor, Tripura University for his critical comments, Mr. Susobhan Talukdar, Planning Commission, New Delhi, for providing me with publications related to North East India and Dr. Panchanan Das, formerly associated with IDSK for technical insights.

### Notes & References

- 1 The Prime Minister of India, Dr Manmohan Singh, launched the North Eastern Region: Vision 2020 in July 2008 in New Delhi. For a region which hit the headlines for reasons other than development such as insurgency, dislocation, security threat, drugs and smuggling, this was surely a moment with difference. Retrospectively, insurgency in North East India is a prolonged phenomenon and so is the counter-insurgency operation launched by the Indian state. All the states in the region except for Arunachal Pradesh (which also has a substantial presence of Naga insurgents in Changlang district and adjoining areas) have been a victim of these operations. More than 2, 80,000 military personnel are deployed in the region and more than Rs 1,858 crores have been spent from 2004-05 to 2009-10 and more than 4,551 persons have been killed between 2007 to March 2010 due to various insurgency related operations. The Armed Forces Special Power Act 1958 (AFSPA) which was passed in the Parliament as a "temporary" measure confined to deal with Naga hostilities has been extended to 101 districts in India. But the end to insurgency remains a distant dream as new entrants join the ranks and groups of insurgents. Dealing with this ethnic violence has remained within the precincts of law and order for the Indian state while for those fighting against the state, it remains a legitimate cause. In the on-going saga of violence and counter-violence, the state attempts to relocate the population groups who are supposedly regarded as the sympathisers to the cause of the insurgents. Mizoram bears a testimony to this pattern, whereas loss of life and property has affected each and every state in the region with varying proportions. For a detailed analysis on human rights violation and the role of AFSPA see Navlakha, Gautam, "On Ending the War against our Own People", *Economic & Political Weekly*, February 19, 2011, vol. XLVI, No.8, pp.24-28 and for dislocation in Mizoram see, Sundar, Nandini, "Interning Insurgent Population: The Buried Histories of Indian Democracy", *Economic & Political Weekly*, February 5, 2011, vol. XLVI, No.6, pp.47-57. For an account of deaths and cost of internal security see [http://mha.nic.in/uniquepage.asp?id\\_Pk=238](http://mha.nic.in/uniquepage.asp?id_Pk=238)
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- 9 *ibid*
- 10 *ibid*
- 11 *Task Force on Connectivity of Trade and Investment in North-East Regions* (New Delhi: Planning Commission, 2006), p. 38
- 12 [http://megplanning.gov.in/report/Task\\_Force\\_Report.pdf](http://megplanning.gov.in/report/Task_Force_Report.pdf)
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- 24 There is huge price difference of various commodities in Moreh (due to accessibility from Myanmar) and other areas in Manipur e.g. nationals from Myanmar sold onion at Rs 5 per kg while the shops in other parts of Manipur charged Rs 28, Manipuri rice sold for Rs 12.50 a kg in Manipur whereas such varieties are sold for Rs 9 at Moreh border. For a detailed discussion on price difference, see, Sarma, B,K & Goswami, S,N, Border Trade in North East India: An Overview, in Das, Gurudas, Singh, Bijoy, N and Thomas, C.J, *Indo-Myanmar Border Trade: Status, Problems and Potentials* (New Delhi: Akansha Publishing House, 2005), p.98
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Agriculture	Mining & Quarrying	Manufacturing	Construction	Trade & Hotels	Transport & Communication	Financial services	Public administration, other services	Overall
0.98	-6.09	2.47	0.66	0.73	0.44	-0.81	-3.05	0.29

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63 It is found that during 2002-03 Meghalaya earned Rs 171.99 crores by exporting 36.54 per cent of its total limestone production and in case of coal it was 23.79 per cent of total production where it contributed 6.70 per cent of the NSDP. Although in terms of earning it is surely a boost for the otherwise resource starved economy of the state but it would have been more sustainable if these raw materials were used for generation of manufacturing units in the state itself. For a detailed discussion on limestone exports from Meghalaya to Bangladesh, see De, Utpal, Kumar & Kharlukhi, R,D,H, Status and Prospects of Limestone Quarrying in Meghalaya and its Trade with Bangladesh, in Das, Gurudas & Thomas, C, J, *Indo- Bangladesh Border Trade: Benefiting From Neighbourhood* (New Delhi: Akansha Publishing House, 2008), pp.333-47 and for coal exports to Bangladesh, see Rout, Lambodar, Meghalaya's Coal Export to Bangladesh and its Impact on Regional Economy, in Das, Gurudas & Thomas, C, J, *Indo- Bangladesh Border Trade: Benefiting From Neighbourhood* (New Delhi: Akansha Publishing House, 2008), pp.351-56

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70 Infrastructure development projects are of huge proportions. Big development in NER is always associated with resource extraction by an external authority, mainly the state. This more than often leads to dissent and suspicion among the people. The present turmoil, related to the hydro-electric potential of the region and building of dams to harness such potentials, not only between the people and the Indian state but also among the various state governments, namely, Arunachal Pradesh and Assam, is an example in this direction. Similar incidents can be cited from various parts of the region such as resistance to uranium extraction in Meghalaya and oil in Rohomoria in Dibrugarh district in Upper Assam by the people and the agencies of the state. Moreover, the issues of land acquisition and displacement should also be given due consideration while



undertaking these development programmes. It is important to understand that in a society where capitalist relation of production is not the dominant form, the connotation attached to resource implies that it is people's resource and the ownership of state is not absolute in nature.

**Appendix I: Usual Status (Adjusted) Unemployment Rates in NER**

Place	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	16	8	11	2	1	6	10	5	9
Assam	46	32	24	77	66	31	52	39	26
Manipur	12	21	14	7	15	7	10	19	11
Meghalaya	4	5	1	0	3	5	2	4	3
Mizoram	14	14	5	4	3	1	10	9	3
Nagaland	21	26	22	0	20	14	14	24	18
Tripura	14	7	96	58	44	320	23	12	133
All-India	14	17	16	8	10	18	12	15	17
<b>Urban</b>	<b>Male</b>			<b>Female</b>			<b>Person</b>		
Arunachal Pradesh	17	14	11	73	100	28	26	29	12
Assam	55	77	24	256	189	91	89	97	72
Manipur	48	69	14	32	62	63	42	67	55
Meghalaya	10	34	1	31	68	35	17	46	35
Mizoram	5	34	5	5	24	26	5	30	19
Nagaland	69	93	22	64	87	72	68	91	55
Tripura	60	54	96	174	85	568	85	58	280
All-India	40	45	16	62	57	69	45	47	45

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix-II: Percentage of usual unemployment (Adjusted)-Persons**

Rural	1993-94	1999-00	2004-05	Urban	1993-94	1999-00	2004-05
NER	4.47	2.76	2.61	NER	4.68	8.05	7.57
India	1.2	1.5	1.7	India	4.5	4.7	4.5

**Appendix III: Current Weekly Status Unemployment Rates in NER, 1993-94 to 2004-05**

Place	Rural									Urban								
	Male			Female			Person			Male			Female			Person		
	50 Th	55 th	61 St	50 Th	55 th	61 st	50 th	55 Th	61 st	50 th	55 th	61 st	50 Th	55 th	61 St	50 th	55 th	61 st
Aru'chal	18	11	18	4	1	6	12	7	13	17	24	23	72	91	108	26	27	42
Assam	54	45	36	111	88	62	65	53	41	57	84	75	267	197	113	91	104	81
Manipur	17	25	19	7	27	9	13	25	15	48	66	54	27	68	79	42	67	62
Megh'ya	5	5	1	0	3	6	3	4	3	14	34	32	32	68	36	18	46	34
Miz'am	14	18	7	5	4	7	11	12	7	2	29	12	4	24	22	4	27	15
Naga'nd	20	26	36	6	22	17	17	24	27	69	97	45	68	98	92	69	96	59
Tripura	21	9	97	85	46	333	32	13	135	70	57	167	203	89	578	97	62	282
All-India	30	39	38	30	37	42	30	38	39	52	56	52	84	73	90	58	59	60

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix IV: Percentage of current weekly unemployment-Persons**

Rural	1993-94	1999-00	2004-05	Urban	1993-94	1999-00	2004-05
NER	5.62	3.69	3.62	NER	4.81	8.26	7.93
India	3	3.8	3.9	India	5.8	5.9	6

**Appendix V: Current Daily Status Unemployment in NER, 1993-94 to 2004-05**

Rural	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	19	11	16	4	1	11	13	7	14
Assam	70	45	60	124	88	87	78	53	65
Manipur	22	25	19	11	27	11	18	25	16
Meghalaya	6	5	2	2	3	7	4	4	4
Mizoram	10	18	8	5	4	3	9	12	6
Nagaland	21	26	40	6	22	22	17	24	32
Tripura	34	9	122	104	46	374	46	13	161
All India	56	39	80	56	37	87	56	38	82
Urban	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	18	24	26	73	91	119	27	27	47
Assam	65	84	81	256	197	140	94	104	90
Manipur	50	66	55	31	68	81	44	67	63
Meghalaya	16	34	37	41	68	39	22	46	38
Mizoram	4	29	13	5	24	22	4	27	16
Nagaland	69	97	47	67	98	104	69	96	64
Tripura	82	57	189	215	89	589	108	62	300
All India	67	56	75	105	73	116	74	59	83

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix VI: Percentage of Current Daily Status Unemployment-Persons**

Rural	1993-94	1999-00	2004-05	Urban	1993-94	1999-00	2004-05
NER	6.81	3.69	5.23	NER	5.02	9.60	8.62
India	5.6	3.8	8.2	India	7.4	7.7	8.3

**Appendix VII: Usual Unemployment Rates among Youth (15-29 years) NER, 1993-94 to 2004-05**

Rural	Male			Female			Person		
	50th	55th	61st	50 <sup>th</sup>	55th	61st	50 <sup>th</sup>	55 <sup>th</sup>	61st
Arunachal Pradesh	43	23	30	6	4	17	24	52	13
Assam	118	71	66	160	140	72	128	236	87
Manipur	40	49	35	14	45	14	28	120	48
Meghalaya	10	11	2	0	7	14	5	62	10
Mizoram	36	34	11	8	6	3	25	15	22
Nagaland	54	88	75	0	59	36	34	149	74
Tripura	47	26	252	126	125	572	58	227	321
All-India	35	43	39	19	27	42	29	108	37
Urban	50th	55th	61st	50 <sup>th</sup>	55th	61st	50 <sup>th</sup>	55 <sup>th</sup>	61st
Arunachal Pradesh	30	91	54	121	185	74	52	119	48
Assam	159	189	196	461	375	213	236	228	199
Manipur	163	199	192	60	150	146	120	182	174
Meghalaya	38	119	119	99	177	100	62	143	107
Mizoram	16	108	44	14	51	61	15	87	48
Nagaland	175	307	183	73	195	196	149	262	189
Tripura	178	219	449	345	167	808	227	211	601
All-India	96	108	88	150	139	149	108	112	101

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix VIII: Unemployment Rates Among Youth (15-29 years) According to Current Weekly Status in NER, 1993-94 to 2004-05**

Rural	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	49	31	35	6	2	17	27	18	27
Assam	134	96	89	214	189	143	153	115	101
Manipur	58	56	48	18	72	21	39	62	36
Meghalaya	10	11	2	-	7	16	5	10	8
Mizoram	36	39	13	13	12	16	27	28	14
Nagaland	54	85	102	18	62	50	43	75	76
Tripura	52	30	257	153	131	583	74	42	327
All-India	58	73	69	48	68	75	54	72	71
Urban	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	31	72	71	123	158	138	53	98	94
Assam	156	185	216	453	384	254	228	226	223
Manipur	168	203	202	65	154	199	133	186	201
Meghalaya	53	119	102	113	176	102	72	142	102
Mizoram	10	91	32	14	45	50	11	72	40
Nagaland	174	307	184	82	213	245	154	269	209
Tripura	185	228	451	436	157	834	253	218	611
All-India	114	124	110	185	166	183	128	131	125

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix VIII: Unemployment Rate among Youth (15-29 years) According to Current Daily Status in NER, 1993-94 to 2004-05**

Rural	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	50	34	35	8	2	23	29	21	30
Assam	166	123	119	238	249	172	179	146	129
Manipur	65	57	49	24	75	23	49	62	38
Meghalaya	11	13	2	2	10	18	7	11	9
Mizoram	25	41	15	11	11	8	19	30	12
Nagaland	55	93	134	18	85	65	44	90	98
Tripura	69	44	278	181	157	598	92	57	345
All-India	90	111	120	76	106	127	86	110	121
Urban	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	31	73	75	126	141	160	54	93	103
Assam	170	224	226	439	427	324	229	266	245
Manipur	173	216	204	83	168	201	145	200	202
Meghalaya	60	121	119	120	182	109	78	145	114
Mizoram	12	100	34	15	63	53	12	84	42
Nagaland	174	310	207	83	234	282	154	283	237
Tripura	206	231	471	444	182	842	267	224	625
All-India	137	147	137	212	191	215	150	154	153

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix IX: Unemployment Rates (Principal and Subsidiary) for the Educated (15 years and above) in NER, 1993-94 to 2004-05**

Rural	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Arunachal Pradesh	358	3	33	118	49	29	65	8	32
Assam	226	112	106	390	366	225	247	152	127
Manipur	46	51	87	37	90	402	44	60	222
Meghalaya	17	14	19	-	68	43	12	39	21
Mizoram	102	62	32	58	0	25	92	38	31
Nagaland	30	49	43	6	99	47	26	65	45
Tripura	97	28	362	337	78	776	144	34	463
All-India	65	56	44	160	146	152	75	67	65
Urban	Male			Female			Person		
	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>	50 <sup>th</sup>	55 <sup>th</sup>	61 <sup>st</sup>
Ar. Pradesh	6	5	9	171	164	48	29	30	16
Assam	97	110	99	449	285	140	160	141	105
Manipur	89	106	82	86	123	471	88	110	240
Meghalaya	10	50	46	73	108	57	27	70	47
Mizoram	10	65	44	12	54	64	11	62	46
Nagaland	100	140	84	89	150	119	98	143	95
Tripura	108	70	205	31	117	696	160	78	377
All India	60	62	51	182	143	156	78	74	71

Source: 50<sup>th</sup>, 55<sup>th</sup> and 61<sup>st</sup> Rounds of NSSO

**Appendix X: List of Land Custom Station in North East India**

<b>Arunachal Pradesh</b>				
<b>Sl. No.</b>	<b>LCS in India</b>	<b>LCS in neighbouring country</b>	<b>Neighbouring country</b>	<b>Status</b>
1	Nampong (Pangsu Pass)	Pangsu	Myanmar	Notified but non-functional
<b>Assam</b>				
2	Sutarkhandi	Sheola	Bangladesh	Identified to be developed as Integrated Check Post
3	Karimganj Steamer Ghat	Zakiganj	Bangladesh	Functional
4	Mankachar		Bangladesh	Functional
5	Golakganj	Bhurungamari	Bangladesh	Not Functional
6	Karimganj Ferry Station	Zakiganj		Functional
7	Mahisasan Railway Station	Sahabajpur		Not Functional
8	Silchar R.M.S. office			Not Functional
9	Dhubri Steamerghat	Rowmati	Bangladesh	Functional
10	Gauhati Steamerghat			Functional
11	Darranga		Bhutan	Functional
12	Hatisar	Galemphoo	Bhutan	Functional
13	Ultapani	Sorbhong	Bhutan	Not functional
<b>Manipur</b>				
14	Moreh	Tamu	Myanmar	Identified to be developed as Integrated Check Post
<b>Meghalaya</b>				
15	Borsora	Borosora	Bangladesh	Functional
16	Dawki	Tamabil	Bangladesh	Identified to be developed as Integrated Check Post
17	Ghasuapara	Karoitoli	Bangladesh	
18	Shellabazar	Sonamganj	Bangladesh	Functional
19	Bholaganj	Chattak	Bangladesh	
20	Dalu	Nakugaon	Bangladesh	Functional
21	Mahendraganj	Dhanua Kamalpur	Bangladesh	Functional
22	Baghmara	Bijoypur	Bangladesh	Functional
23	Kuliang	Lubacherra	Bangladesh	Non-functional
24	Maheshkhola	Bandrasora	Bangladesh	Non-functional
25	Bolanganj	Chattak		Functional
26	Ryngku	Kalibari, Sonamganj		Not functional
27	Balat	Natun Bandar	Bangladesh	Not functional
<b>Mizoram</b>				
28	Kawrapuchiah	Thegamukh	Bangladesh	Identified to be developed as Integrated Check Post
29	Demagiri	Rangamati	Bangladesh	Functional
30	Zokhawthar	Rangamati	Myanmar	Functional
31	Champai	Melbek Tiau	Myanmar	Non-functional
<b>Tripura</b>				
32	Agartala	Akhaura	Bangladesh	Identified to be developed as Integrated Check Post
33	Srimantpur	Bibir Bazaar	Bangladesh	Functional
34	Old Raghonabazar	Betuli (Fultali)	Bangladesh	Functional
35	Manu	Chatlapur	Bangladesh	Functional
36	Sabroom	Ramgarh	Bangladesh	Non-functional
37	Belonia (Muhurighat)	Belonia	Bangladesh	Non-functional
38	Dhalaighat	Khurma	Bangladesh	Functional
39	Khowaighat	Balla	Bangladesh	Functional
40	Kailashahar	Chatlapur	Bangladesh	

**Appendix-XI List of items included for trade in the Indo-Myanmar Trade Agreement, 1994**

Mustard/Rape Seed, Pulses and Beans, Fresh Vegetables, Fruits, Garlic, Onion, Chillies, Spices, Bamboo, Minor Forest Products excluding Teak, Betel Nuts and Leaves, Food Items for local consumption, Tobacco, Tomato, Reed Broom, Sesame, Resin, Coriander Seeds, Soya bean, Roaster Sunflower Seeds, Katha, Ginger, Any other commodities as may be mutually agreed upon

**Appendix XII: NER-Myanmar Formal Exports (percentage share in Total Value)**

Commodities	1997-98	2003-04
Wheat flour	76.31	9.75
Buffalo appall		58.01
Seeds	7.49	
Soya Bari nuggets	4.62	25.38
Rose powder	3.73	
Cumin seeds	2.92	5.91
Peas	1.33	
Powder milk		0.95
Sugar	0.28	
Stainless steel	1.71	
Electric bulb/ switch	0.41	
Hand saw	0.27	
Saw blade	0.24	
Bleaching powder	0.38	
Ammonia chloride	0.11	
Solamonic bar	0.09	
Coriander	0.06	
Gold finger	0.04	
Common salt	0.01	
Total	100	100

**Appendix XIII: NER-Myanmar Formal Imports (percentage share in Total Value)**

Commodities	1997-98	2003-04
Betel nuts	65.67	99.24
Chick peas	12.58	-
Turmeric	4.77	-
Mustard seeds	3.31	-
Red kidney beans	2.82	-
Resin	2.15	-
Urad pulse	1.80	-
Pulse beans	1.71	-
Mug beans	1.49	-
Kathha	1.15	0.07
Rice beans	0.72	-
Kuth	0.60	-
Chana	0.31	-
Achar	0.28	-
Ginger	0.21	0.68
Cumin seeds	0.16	-
Reed broom	0.12	-
Serpentine roots	0.08	0.01
Dry cagor	0.04	-
Nimosa peedica	0.02	-
Total	100	100

**Appendix XIV: Trends in Informal NER-Myanmar Border Trade**

Sectors	Volume of Trade (in Rs. Crores)		Percentage change over 2000-04
	2000-01	2003-04	
Manipur	195.39 (86.88)	181.69 (79.98)	-7.01
Mizoram	29.51 (13.12)	46.04 (20.02)	56.08
Total	224.90	227.73	1.26

**Appendix XV: Composition of Imports across NER-Myanmar Border**

Sl. no	Commodities	Percentage share in Total		
		Manipur	Mizoram	Overall
1	Textiles & Footwear	11.87	39.48	17.39
A	Blanket	4.16	17.17	6.76
2	Food & Beverages	10.47	6.44	9.66
3	Livestock	-	25.75	5.15
4	Electrical & Electronic items	57.38	16.74	49.25
A	Generator	7.51	5.15	7.04
B	Inverter	9.58	1.72	8.01
C	Inverter Battery	12.38	1.29	10.16
5	Plastic & other synthetic products	6.52	2.23	5.66
A	Floor mat	5.64	2.15	4.94
6	Cutlery & Utensils	3.81	2.19	3.49
7	Cosmetics & Toiletry	2.90	1.67	2.65
8	Other	7.05	5.49	6.74
A	Miscellaneous Consumer goods	7.05	5.15	6.67
B	Precious stones	-	0.34	0.07
9	Total	100	100	100

**Appendix XVI: Main Items of Informal Trade in NER-Bangladesh Border**

Exports	Imports
<b>Shillong Sector</b>	
Bidi	Gold
Sugar	Currency
Motor parts	Pirated CD
Betel leaves & nuts	Audio cassette
Ganja	Cosmetics
Phensedyl	Cigarettes
Liquor	Potato chips
Timber	Dry fish
Bolder stones	
<b>Agartala Sector</b>	
Cotton Sarees	Rape seed oil
Metal scraps	Readymade garments
Phensedyl	Old garments
Sugar	Synthetic fabrics
Bidi	Garlic (Chinese)
Ganja	Dried peas
	Fruit drinks
	Fish
	GCI sheets
<b>Karimganj Sector (including North Tripura)</b>	
Bidi	Readymade garments
Cattle	Vegetable oil
Electrical items	Gas lighters
Motor parts	Synthetic fabrics
Sugar	Soap
Kerosene oil	Potato chips
Diesel	
<b>Dhubri Sector</b>	
Ganja	Readymade garments
Sugar	Fish
Betel leaves & nuts	Dry fish
Diesel	Pirated CD
Livestock	
Liquor	



**Appendix XVII: Seizure in NER-Bangladesh Border***(Value in Rs. lakhs)*

Year	Case	Value
2000-01	6828	528.17
2001-02	7274	892.18
2002-03	7405	969.83
2003-04	7687	581.90
2004-05	7789	813.27

**Appendix XVIII: Haats identified for Trade****Federation of Ri-War Local Durbars**

Name of the Haat	Hima/ Sirdarship	Villages Involved	Distance from Main Market (in kms.)
Nongiri	Nongiri	35	85
Dearbally	Umnui-Timar	45	87
Thymmai	Nongskhen-Khyrim	35	83
Lyngkhat	Lyngkhat-Khyrim	43	82
Shimaw	Tynriang	12	85

**Federation of Five Border Khasi States**

Name of the Haat	Hima/ Sirdarship	Villages Involved	Distance from Main Market (in kms.)
Mawdon	Mawdon	35	78
Balat	Maharam	45	91
Danger	Bhowal	40	102
Sunatola	Dwaranontynrem	40	96
Ryngku	Dwaranontynrem	35	92
Shella	Shella	35	105
Tyllap	Mawlong	35	110
Ishamati	Mawlong	40	115
Kyrdoh	Nonglait	35	80
Parkan	Shella	45	110
Majai	Sohra	50	112
Tharia	Mawlong	45	110
Bholaganj	Mawlong	50	105
Ranikor	Langrin	55	110

**Other Haats included Without Specific Details**

Muktapur, Borkhat, Kalaicherra, Rajara, Dawki, Dalu, Mahendraganj and Baghmara

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