

Government of India's Northeast policy

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The Northeast- a Short Introduction

The ‘Northeast’ of India is commonly referred to the eight states of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. The whole area encompasses 262,230 square km with a total population of 38, 495,089 (2001 Census), which is about 3% of India’s total population. These states are only connected to the “mainland” of India through the so-called chicken neck. This small channel constitutes only about 1% of the region’s borders, thus, the region is surrounded by thousands of kilometers of international border.



(Source: Annual Report of the Ministry of Home Affairs, 2008-09)

The Northeast is a region, as the Ministry of Home Affairs put it in its Annual report (2008), which “[...] presents an intricate cultural and ethnic mosaic with over 200 hundred ethnic groups with distinct languages, dialects, and socio-cultural identities. Coupled with factors related to geographical location and connectivity this, in turn, poses a variety of challenges on the development and security fronts. [...] The regional aspirations of the different groups in various States of the area, have added a further dimension to the complexity of the situation.”

However, this is only one side of the coin, in order to understand contemporary politics on the Northeast India one also has to consider the economic situation of the region, for which one has to bear in mind that the Northeast was at the forefront of development 150 years back. This was due to the expansion of global trade, which was conducted in the Northeast via the sea-route, a network of inland waterways, and land transportation through road and railways. However, with August 15, 1947 and India gaining independence the region was subject to sudden change. The partition of the land and the creation of East Pakistan led to the Northeast being virtually disconnected from other parts of India with the only remaining link being “chicken neck”, the narrow 27 km Siliguri corridor (NE Region Vision Document). This had immense effects on the economic situation of the Northeast and its capability to trade its goods. Further, the variety of different identities and cultures represented in this region, together with the geographical distance to the main part of India and a feeling of ‘distinctiveness’, led in many parts of the Northeast to violent conflicts. Independentist demands in some states led to armed insurgencies since the early 1950s. Thus, “the quest for ethnic and regional identity, nationalism, and ideological motivations have fomented a climate of insurgency in several parts of the North Eastern region, which has led to political fragmentation of the region; the climate has been further fuelled by the slow pace of development” (NE Region Vision Document 2020), that followed the aftermath of independence.

The incessant conflict scenario in the Northeast seems to be far away from the “mainland” of India, not only from the geographical perspective, but also from the notion of how it is perceived. To engage in the region is a great challenge for the Central Government of India (GoI), as well as a necessity. Therefore, this paper aims at reviewing the Central Government involvement in the Northeast. However, due to the scope of the paper it will focus only on particular aspects of those broad and complex issues surrounding the North Eastern Region (NER).

The paper will, among others, highlight the policies and tasks of the Ministry of Development of the North Eastern Region (MDoNER). In the following section it will provide an overview of factors influencing the Government’s approach towards the NE, whereas the ensuing chapter will shed light on the role Foreign Investment and International Financial Institutions play. The paper will continue in examining the attitude of the incumbent government, which is followed by an overall conclusion on the Northeast.

However, the first chapter will concentrate on the situation in the Northeast (NE), after the partition of the Indian landmass, which called for certain policies to stabilize and develop the NER. Thus, special approaches for India’s Northeast were put in place. This was the beginning of an ongoing process, whereby the GoI issued several policies and special laws on the Northeast. One example of a law, particularly applying to some states in the NER, is the 6th Schedule. This law, which is going to be examined in the following

section, sheds light on one example of an approach the GoI took towards some states in this particular region.

The 6th Schedule

The 6th Schedule contains provisions as to the administration of tribal areas in the states of Assam, Meghalaya, Tripura and Mizoram. The aim of a constitutional set up for the tribal areas of the Northeast was to “see that the aspirations of the people of the area are met, on the one hand, and on the other, that these areas are assimilated with the mainstream of the country” (Framing of the 6th Schedule, n.d.). This law gives enormous freedoms to the autonomous regions and districts. Thus, this particular law, for instance, contains the provision that each autonomous region shall have its own autonomous Regional Council and every autonomous district its own autonomous District Council (Sixth Schedule 1(2)) in which the administration shall be vested respectively (1(4)). Those Regional and District Councils also have the power to issue laws in certain fields. The Regional Council or District Council can further constitute village Councils or courts for the trial of suits and cases between the parties all of whom belong to scheduled tribes within such areas (4(1)). Article 5(3) further states that: “[..] the Code of Civil Procedure, 1908, and the Code of Criminal Procedure 1898_485, shall not apply to the trial of any suits, cases or offenses in an autonomous district or in any autonomous region to which the provisions of this paragraph apply”. The District Councils, additionally, are given the power to establish, manage and construct primary schools, dispensaries, markets, cattle pounds, ferries, fisheries, roads, road transport and waterways in the district (5(6)), which gives them a stake also in many other fields, besides administration. The Regional Councils and District Councils are also endowed with the power to assess and collect revenues (8(1)).

In the course of the framing of the 6th Schedule an investigation committee was set up in 1947. One of its members stated that “the measure of self-Government will make the tribals feel that the whole of India is sympathetic with them and nothing is going to be forced on them to destroy their feelings and culture” (Framing of the 6th Schedule, n.d.). It was also found by the investigation committee that at that time already the people would have been “immersed with ideas of isolation and separation”. Thus, the committee was “confronted with the question whether for the purpose of integration methods of force, [..], should be used, or a method should be used in which the willing cooperation of these people can be obtained [..]”. Thus, the autonomous districts and regions were given legislative and executive power with the introduction of the Sixth Schedule.

With regard to the actual implementation of financial means, which are made available from a consolidated fund of the state, the Central Government of India recently decided to amend the Sixth Schedule for the sake of bringing financial discipline to the autonomous districts, to avoid corruption and the money going into the coffers of militants. This decision is grounded on foregone misuse of funds by some Autonomous

Councils. The reduction of corruption and the creation of financial discipline should be achieved by Village Councils under the Autonomous Councils as this would make more people aware of the development schemes issued to decrease the chances for corruption. Further, it is intended to have an audit of all Autonomous Councils under the Sixth Schedule (The Assam Tribune, August 2, 2009)¹.

The Ministry of Development of North Eastern Region (DoNER)

The Central Ministry of Development of the Northeastern Region was created in 2001 but only in May 2004 granted the status of a fully-fledged ministry. DoNER was created for the purpose of facilitating the relations and the work between the Central Ministries and Departments and the State Governments of the NER mainly with regard to economic development. This includes the improvement the functionality of the infrastructure, and the provision of an investment friendly environment. Those aims, among others, foster the development of the Northeast, which is seen as being vital to ensure sustainable peace and stability in the region. Shri B.K. Handique, veteran Congress Member of Parliament (MP) from Assam, is the incumbent Minister of DoNER.

In general DoNER takes care of issues which range from the planning and execution to the monitoring of development schemes and projects in the North Eastern Region. Furthermore, DoNER coordinates with and hands some tasks over to other Central Ministries and Agencies. Additionally, it remains in constant touch with the North Eastern State Governments in order to detect areas, which need some further attention or the follow up with other Central Ministries or Agencies. At this point also the opinions of VIPs and interested parties flow in. References on matters involving developmental issues in the Northeast are being followed up by the respective Ministry.

According to the Allocation of Business Rules 1961, the following subjects have been allotted to the Ministry of DoNER (MDoNER) :

1. Matters related to the developmental schemes and projects of the NER including those in the sectors of power, irrigation, roads and communications
2. Road works financed in whole or in part by the Central Government in the NER
3. Planning of roads and inland waterways transport in the NER
4. Hill Area Development Programme and Border Areas Development Programme in the NER
5. Non-Lapsable central Pool of Resources for the NER
6. North Eastern Council
7. North Eastern Development Finance Institution
8. North Eastern Regional Agricultural Marketing Corporation Ltd.
9. The Sikkim Mining Corporation Ltd.
10. North Eastern Handlooms and Handicrafts Development Corporation

¹ <http://www.assamtribune.com/scripts/details.asp?id=aug0209/edit>

(For further information see <http://mdoner.gov.in/>)

However, the success and the efficiency of DoNOR depends a lot on the leader as Sanjoy Hazarika puts it, since he considers DoNOR to be one of the weakest Central Ministries of the Indian Government. He thinks that another problem is that the Ministers are usually neither specialists on the NER nor are they from the Northeast themselves. Hazarika, therefore, suggests that the money would best be given to the North Eastern Council, to endow it with more powers and to make it more functional in that sense².

The North Eastern Council (NEC) is probably one of the most important bodies through which development work is intended to flow. It is basically an advisory body for the Central Government discussing the socio-economic development of the Northeast. Furthermore, it acts as the main regional planning body for the region. The NEC was constituted in 1971 by an Act of Parliament and the constitution of the Council has marked the beginning of a new chapter of concerted and planned endeavor for the rapid development of the region. The NEC has been instrumental in setting in motion a new economic effort aimed at removing the basic handicaps that stood in the way of the development of the region and has ushered in an era of new hope in the NER.

It consists of eight Governors and Chief Ministers of the respective Northeastern states, plus three members nominated by the President.

Today the main tasks of the NEC are to formulate and forward proposals to the Central Government (securing a balanced development) especially regarding the Regional Plan, which is a form of land use planning dealing with the efficient placement of land use activities and infrastructure across a larger area of land. The NEC further reviews the implementation of projects and schemes, which are included in the Regional Plan to recommend how the project should be executed, implemented and managed. It also reviews the progress of expenditures and recommends the Central Government on the quantum of financial assistance for the implementation of any project included in the Regional Plan. Moreover, the NEC gives recommendations to the State-or Central Government on necessary surveys/investigations of projects for the inclusion of new projects in the Regional Plan. It is also thought to review measures taken by states to maintain security and public order and recommend further measures to the State Government where necessary.

Overall speaking the evolution of a fully-fledged Central Ministry specifically on the development of the Northeast of India is good, as it shows greater political attention. Sanjoy Hazarika opines that the GoI's current policy towards the NER pays relatively more emphasis on dialogue and taking the opinions of the people into consideration³ compared to previous approaches that were dependent on coercive and hardlined measures. However, there is still considerable room for improvement especially

² Sanjoy Hazarika, August 13, 2009, Interview at Jamia Milia Islamia

³ See footnote 2

concerning efficiency and an effective implementation, as Hazarika's above mentioned comment also suggests.

Factors Shaping the Government's Approach towards the Northeast

There are different aspects having an impact on the policy framing and the Central Government's approach towards the Northeast. Sanjoy Hazarika, first of all remarks, that there are no policies on the Northeast as such, but that the Government rather pursues certain approaches towards the Northeast as well as issuing laws⁴. Others refer to the national security angle when talking about the defining factors. Thus, some argue that the government responded to the violence, which has been accompanying the partition of the landmass in the aftermath of independence in some states of the NER, in quarantining the insecurity there, not letting it spill-over to the rest of India, as Dr. Samir Das put it⁵.

Also Bhagat Oinam argues that "all the policies that the Government has initiated with the Northeast are associated with a very specific aspect and that is [...] from the security angle." Thus, suggesting that the security angle has always been playing a very strong role in the formulation of policies. He also says that "even what we call developmental policy is merged with how to contain insurgency, how to contain violence not in the sense of democratizing or empowering the people to sustain for themselves". According to him policies are framed taking into consideration a premise, which acts on the assumption of the lack of development being responsible for the insurgencies and ethnic crisis in some states of the NE. Thus, this would be the backdrop, from which all problems would emerge and to which the Central Government responds accordingly by applying pieces of legislation such as the Armed Forces (Special Power) Act (AFSPA), for instance. This law shows a tendency of militarizing a policy, which the "Government frames in the name of national security"⁶. This aspect is also reflected by many policies of the Ministry of Home Affairs, such as the Central Government Assistance for States (in police matters), the Units of Central Para-Military Forces, or the Counter-Insurgency and Anti-Terrorism Schools⁷, which also apply to the Northeast.

However, there is still more to this as also Foreign Policy plays a crucial role with regard to how the GoI is approaching the situation in the Northeast and how its attitude and policies are shaped regarding this region. Sanjoy Hazarika, for instance is of the opinion that the Northeast must become a player in India's Foreign Policy itself⁸. According to Mr. Mani Shankar Aiyar the NE is land-locked by its neighboring countries and there is

⁴ See footnote 2

⁵ Dr. Samir Das, July 28, 2009, Seminar on the Northeast ("The North-east and its Neighborhood Governance and Security: India's North-east and Bangladesh") at Jamia Milia Islamia

⁶ Bhagat Oinam, August 4, 2009, JNU

⁷ Details to be found in the Annual report of the Ministry of Home Affairs:

http://www.mha.nic.in/uniquepage.asp?Id_Pk=288

⁸ See Footnote 4

little infrastructure that connects the NE with the mainland of India, which hampers its economic development⁹. With the so-called Look East Policy (LEP), which is a term defined by a liberalized Foreign Policy towards Southeast Asian countries, this should change. That policy was launched in 1992 and was mainly strategic in nature as “they are thinking of opening the Eastern corridor not for the development of the NE but it is India’s overall interest towards the Asian countries” as Bhagat Oinam puts it. “Instead of the sea-route it is better to open the land-road”¹⁰. Since the NE falls in the route it is through the NE that trade would flow, hence, making development of the NER necessary for the sake of India’s overall economic interest. Thus, the Northeast has generated considerable interest to expand and trade and investment cooperation for which the development of the NER is “critically important for the Indian government’s economic and geo-political ambitions” (IFIs in Northeast India, 2006, p. 12).

This already adds to another dimension as with the economic liberalization, ensuing the LEP, foreign investment was also attracted to the NE adding to the premise that the problems in the NER are arising out of the region’s lagging behind. Thus, foreign investment is tended to be seen as a solution for the development of the NER. However, there is considerable division among scholars and policymakers on whether outright development and opening of the region is the key to the resolution to the problems afflicting the NER. There are apprehensions that the opening up of the region, in the name of development and as a part of the LEP, might adversely impact not only the traditional way of life and culture in the NE but also the economic life of the people in the NE, which is based on self-sustenance, and respect for the fragile ecology and environment of the region. In fact the maintenance of that traditional cultural knowledge, which is still practiced in many parts of the NER, is vital for the conservation of biodiversity of this region and to ensure a sustainable development (IFIs in India’s Northeast, 2006).

Nonetheless, international organizations and private enterprises sometimes fail to take into consideration the real needs of the people, whose lives are still very much shaped by a communitarian way of living. “Developmental initiatives” which “are insensitive to the way of life of indigenous communities have most often produced undesired results and threatened their very survival. (IFIs in India’s Northeast, 2006, p.72)

In the following chapter, the paper will specifically refer to a study on International Financial Institutions by the Intercultural Resources in 2006, which raises the question “whether the process of ‘development’ benefits people and whether the changes enhance social justice, equity as well as the sustainability of the ecosystem of a region” (IFIs in India’s Northeast, 2006, p. 72).

⁹ Mr. Mani Shankar, July 28, 2009, Seminar on the Northeast (“The North-east and its Neighborhood

¹⁰ Governance and Security: India’s North-east and Bangladesh”) at Jamia Milia Islamia
See footnote 6

Foreign Investment (FI) and International Financial Institutions (IFIs)

As a consequence of the economic liberalization in the early 1990s, International Financial Institutions (IFIs) have increasingly entered the scene in the NER given its rich natural and mineral resources. The IFIs introduced many projects aimed at developing the region, many of which are currently still under way or in the pipeline, in sectors ranging from infrastructure and energy to agriculture and tourism (IFIs in India's Northeast, 2006, p. 12).

The issue of interest is how the IFIs found their way into the development policy on the Northeastern leads. There are some assumptions, put forward by the study of the ICR on IFIs, for instance, that the upgrading of DoNOR to a fully-fledged Ministry and the increasing presence of IFIs in the NER are interconnected. In essence, hinting that particular IFIs helped in the creation of the Ministry in order to further their own interests in the NER (IFIs in India's Northeast, 2006, p. 30).

Furthermore, the ICR study suggests that the problem with many of the IFIs, such as the World Bank (WB) or the Asian Development Bank (ADB), is that they "have provided the content and legitimacy to a particular set of developmental priorities with a view to integrate the region into a pattern of economic development that largely benefits a narrow band of corporate, economic and political interests" (IFIs in India's Northeast, 2006, p. 6), thus directing the path of development while undermining traditional and natural systems (p. 7). The consequences are "adverse economic, social, cultural and ecological impacts" (p. 17), due to the neglect of incorporating the real needs of those who should ideally benefit from a sustainable development of the region they live in. This is also in line with Bhagat Oinam who argues that much of the developmental work, such as the generation of energy, is not for the sole profit of the NER but that major parts of it are also sold to other parts of India, not profiting the region in the first place¹¹.

The following section will shed light on the attitude of the re-incumbent Congress-led UPA Government toward the Northeast by looking at its Common Minimal Programme, as well as pointing out the expectations linked to the new legislative period.

Attitude of the Incumbent UPA-Government towards the Northeast

In its Common Minimum Programme (CMP) launched in May 2009, the UPA, considering the NER, states that:

"The UPA government is determined to tackle terrorism, militancy and insurgency in the northeast as a matter of urgent national priority. All northeastern states will be given special assistance to upgrade and expand infrastructure. The Northeastern Council will be

¹¹ See footnote 6

strengthened and given adequate professional support. The territorial integrity of existing states will be maintained.”

There are many policies which could satisfy those ambitions, thus, there is a policy framework given to promote the development of the Northeast. However, there are still some critical views on the effectiveness of the implementation of those policies especially with the entry of IFIs and the nature of development they are supposed to bring about. However, with the re-elections of the UPA, expectations are high.

‘Peace’ and ‘development’ are probably the most commonly stated nouns with regard to what the Central Government should succeed in bringing into the Northeastern Region. The Chief Minister of Assam, Tarun Gogoi, for instance, stated that they anticipate a better focus on issues such as infrastructure and connectivity, which is of extraordinary relevance in view of the landlocked NER. He said: “We are definitely optimistic that the new UPA government will give more attention towards development of the region. The Assam government will definitely be asking for more economic packages and we are confident of getting a positive response” (Hindustan Times, August 12, 2009).

How effectively the policies are implemented and how sufficiently they are monitored, in order to improve the situation; how successful the Congress-led UPA-Government will be in satisfying the needs of the Northeastern people and how successful they are in meeting the people’s demands for peace and security, and whether there will be a change with the new legislative period, is yet to be seen.

However, what is certain is that the Central Government and state policies in the NER have to be tuned to further suit the region’s specificities.

Conclusion

This paper aimed at examining the Central Government involvement in the NER to analyze what factors define the shaping of policies and the attitude and approaches the Government pursues towards the NE.

One factor, which seems to influence the framing of policies as well as defining the Government’s stance on the Northeast, is security. Thus, it is argued that the containing of violence, prominent in some of the Northeastern states, and the maintenance of security in the rest of India impacts on developmental schemes in the NER.

Development is also seen as the key to bringing peace and stability to the region. Appropriately, the nature of development seems to be decisive in achieving the aims of peace, stability and development. However, this is exactly the point at which opinions part. With economic liberalization and India’s Look East Policy since the early 1990s, one aspect of development saw Foreign Investment and International Financial Institutions being granted an increased access to the region. However, this also had

adverse implications for the unique structures, traditions and resources in the states of the NE. Hence, it is important to treat this sort of development with caution as it has its side effects that might be irreversible, especially, it might further aggravate the conflict situation in the NER instead of ameliorating it.

In fact, there is a policy framework existing, which could serve the aim of developing the NER for the sake of achieving peace and stability, however, the efficiency, especially regarding the implementation of those schemes, still remains a question, being of vital importance for their success. Moreover, the real purposes of developing the region should be revealed and the nature of development brought to the region has to be carefully thought about, as particularly IFIs seem to have an adverse effect on a sustainable development profiting the region.

In conclusion, it seems that there is an urgent need for the policies and approaches towards the NER to be specifically applicable to the needs and specificities of that region. Also, the government policies for the development of the region must not only be framed keeping local needs in mind, but also, be implemented efficiently in order to achieve concrete results.