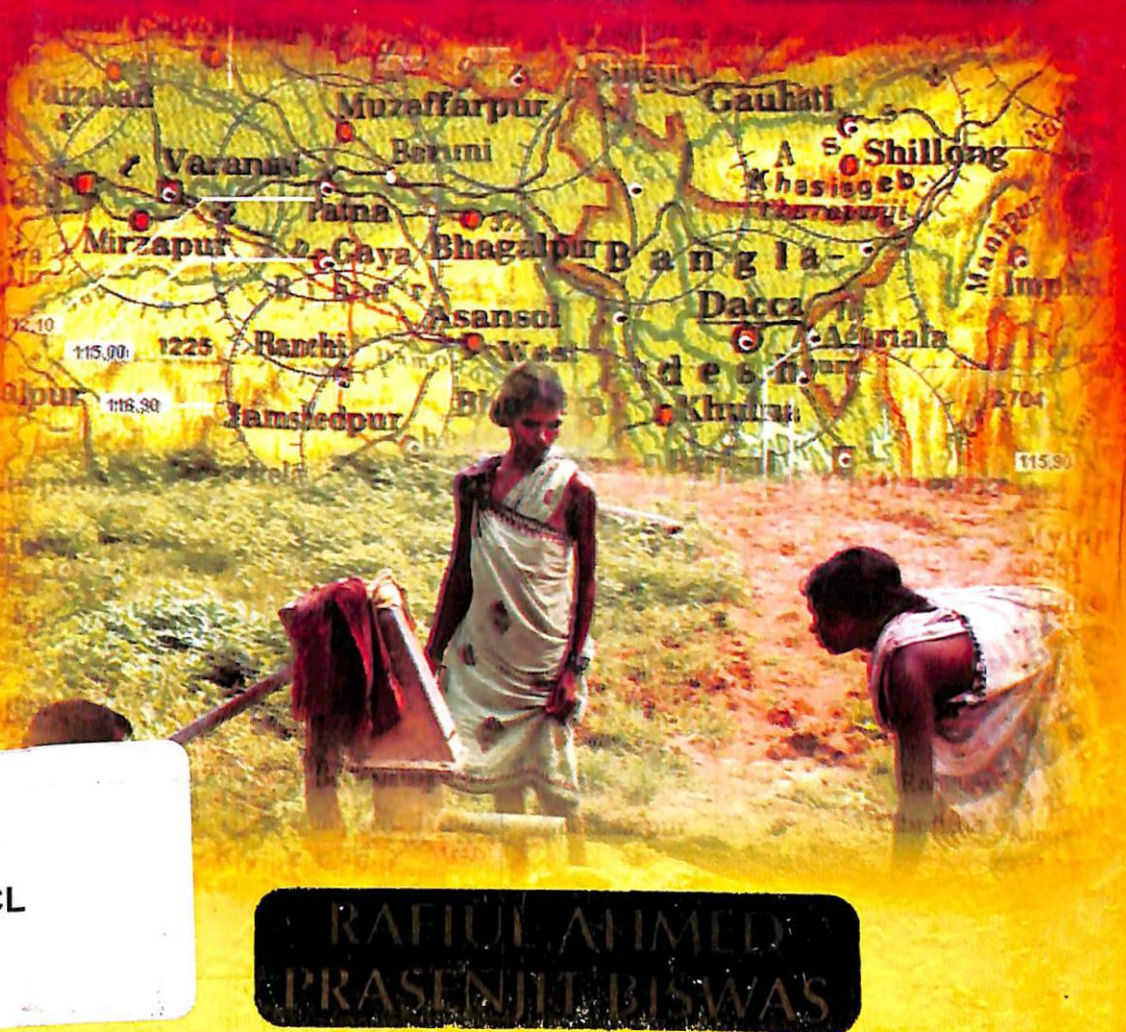


# POLITICAL ECONOMY OF UNDERDEVELOPMENT OF NORTH-EAST INDIA



RAFIU AHMED  
PRASENJIT BISWAS

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OF  
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## Preface

The problem of Underdevelopment in North-East India (NEI) assumes a complex political and cultural form. In concrete Political Economy terms development is both related to a prevalent mode of production as well as reproduction of social relations of production. Therefore, the political economy of underdevelopment takes into account the social relations of production and its genesis in a given system of production. NEI being the cultural and economic periphery of India's mainland exhibit relationship of dependency between the modes of production prevalent in NEI and the modes of production prevalent in the larger domain of India's economy. The clinching evidence for this dependency relation lies in the fact that NEI acts as a supplier of raw material for the mainland and in turn receives investment in finished goods from the mainland. This process of resource use and expansion of market to NEI results into a grand process of social and political homogenization. But economic processes cannot fully appropriate NEI into the fold of Indian market rather it increases the already existing social and cultural differentiation by way of developing neo-elites as the allies of Indian Capital. This relationship with the Indian Capital does not ensure the self-determination of NEI. Rather it provides the space for operation of the Indian Capital.

This instrumental rendering of NEI into an ally and a supportive market of Indian Capital gives rise to dominant ideology of subsumption of regional identities within the fold of the national pan-Indian identity. But such subsumption produces its own antithesis in the form of assertion of multiple smaller ethnic and linguistic identities that clamor for their distinct self-definition and politico-territorial self-determination. This shows that politically constructed identities resist the processes of dominance and homogenization. Such resistance is articulated in praxis and in actual struggle for survival and sustenance. In terms of 'Political Economy', with the rise of dependency between NEI and the mainland India, there has been a corresponding rise of resistance as its dialectical counterpart.

In the case of NEI the most important and major linguistic identity is the *Assamese* identity but in a narrow sense such identities are resistant



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Finally, we all hear about the magic moments of MPhil. (Planning and Development) when for a time economists, geographers, sociologists and people from other background come together around central issues and common questions. At those times, the spirit of inquiry kindles the spirit of discovery. In this process many are involved, only few can be explicitly acknowledged, but all can be thanked.

**Rafiul Ahmed**  
**Prasenjit Biswas**

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# Introduction, the Problem and Approach

## Introduction

The North-East India (NEI) lies in the cultural periphery of India and it is a distinctive region in terms of its physiography, climate, topography, vegetation and social and cultural formations. The whole region is situated between the 69 degree 40 E and 97 degree 37 E and is connected with rest of India by a narrow strip of land through northern part of Bengal. Based on the physical features the regions embody mountains, hills and plateaus. The sub-tropical location of the region gives rise to different kinds of flora and fauna. The Monsoon showers almost all parts of the region. As the subsistence agriculture depends heavily on the Monsoon it can be called as the backbone of the economy. Agriculture is the prime activity and major contributor to the economy of North- East states but it is not highly mechanized. The region is one of the most industrially backward regions. In the presence of several constraints it has not been able to contribute significantly to the domestic production. Although the region shows tremendous multiplicity in terms of language, caste, race, religion, ethnic groups there are common features, which is distinctive from the rest of the country. The tribal people dominate the hilly area while the non-tribal people dominate the valleys. Most of the states of the NEI have high percentage of tribal population. However one cannot compare them with the traditional stereotype found in the mainland. For example Mizos have achieved high literacy rate of (90%). The centripetal and the centrifugal forces have shaped the Polity of the region historically. However, in the case of NEI there has been a predominance of the former on the later. In this beautiful corridor between two great civilizations of the Chinese and the Indian, the creative endeavors of generations of people of this enchanted land have strengthened the



forces of pluralism and fusion of harmony among the forces of different faiths. The diverse ethnic origins of the people inhabiting this difficult and tortuous terrain naturally led to the growth of centrifugal forces, directly stemming from various ways of living, different forms of worship and separate dialects. Over the years, there emerged a cultural commonality, which greatly contributed to the social cohesion. The Eastern Himalayas and the river Brahmaputra has greater influence on the life of the people of the region. The legends, myths, folklores and the customs of the area are woven with those of the rest of India as they developed cross-cultural communication.

What is culturally important about the region is a tremendous diversity of languages and dialects estimated at some 400 odd numbers. The linguistic origins could be traced back to the Indo-Austic, Mon Khmer, Indo-Tibetan, Tibeto Burman and of course Indo-Aryan group of languages. The linguistic diversity of the region is the root of the ethnic diversity. The ethnic diversity could be charted out in roughly 120 scheduled tribes in the region, while the each of these tribes have several sub-tribes, clans and kinship ties. The linguistic and ethnic diversity assumes an architectonic form, as one can trace a continuum from clan to tribe to ethnicity to nationality. For example major tribes of the region bear a generic name such as *Naga*, *Mizo* etc. *Naga* in particular comprises of some 22 sub-tribes, each of which could again be divided into clans and kinship markers. *Mizos* too consider themselves as a part of larger generic identity called 'Zo' which is constituted by tribes who trace their origin to *Sinlung*, a place somewhere in south-west China. Apart from such ethnic configurations by the tribes, ethnicity also comprise of generic linguistic and religious identity. The generic linguistic identity called Assamese connotes sharing of Assamese language by *Vaishnavaites*, *Sankardevaites*, *Muslims*, *Ahoms*, and migrants, hill and plain tribes of Assam all coalesced into the name Assamese. Each such generic members, therefore, has a substratum of plurality and diversity that cohere but do not collapse the specific terms of reference.

Such a diversity has given rise to historical and political forces that mutually collaborate and contradict yet preserve the substratum of diversity in a holistic presence of region. During the pre-colonial, colonial and the post-colonial period there have been state formations of distinct kinds. Three dominant models during pre-British were 1) politics that followed Hinduism as the religion of 'royal legitimation'

e.g. *Meitees, Jaintias, Dimasas and Tripures, Chakmas*, etc. 2) The Buddhist polities such as *Chakmas, Khamtis, Nokte, Dukpa* etc. 3) The tribals and animist polities such as Ahoms and Khasis. The institutions of chieftainship also prevailed among a number of incipient state formations such as *Lushai, Angami, Konyak, Aos* and others. Such diverse political formations of the pre-colonial era presented a difficult situation. When the Britishers intended to establish their governance in NEI what they did was to establish an umbrella authority over the local institutions of rule throughout the first and second half the nineteenth century. The British state followed a pattern of punitive expedition in the case of tribes of Naga and Mizo Hills. In the case of plains of Assam it established the headquarters of the government around 1826 from where it extended its areas of influence. But the bottom line of British administration was non-interference in the social modes of tribal life. This British policy amounted to an indirect rule whereby the British authorities acted as a mediating agency and established a kind of regulative authority over the hill tribes of North-East India.

This policy of non-interference resulted into a two-fold political process. On one the hand it allowed the freedom of conducting the affairs of tribal life to the tribes themselves. On the other hand it imposed a kind of strict neutrality on the British state. Such a mix between autonomy to the tribals and neutrality of the British state avoided the path of confrontation and it prevented the influence of mainstream political movement on the hill tribes.

The British regime established Inner Line Regulation over Mizoram, Meghalaya, Nagaland and Arunachal Pradesh in 1872-73. This Inner Line Regulation got further legitimized in government of India Act of 1935 which divided the whole hill areas of NEI into 'excluded' and 'partially excluded' categories. The purpose of such restrictive regulation was to ensure non-interference from people of the plains as well as carve out an area of unimpeded self-development for the tribes of the regions. The post-colonial Indian state continued with the Inner Line Regulation within the Nehruvian policy framework, which also has a component of leaving the tribes themselves. What is to be noted here is that starting from pre-colonial era to colonial and post-colonial era there has been recognition of specific tribal and ethnic identities through the policies of the state. But such a policy was not complemented with adequate support of capability building in the region. Rather the policy of pursuing development through political concessions and funding



#### 4 *Political Economy of Underdevelopment of North-East India*

from the Centre have drawn the region into the fold of nation-building process that sharpened the difference and unevenness between levels of progress as obtained at the national and the regional plane.

Looking into the contemporary forms of social and political struggle emerging from NEI one would surmise about some of the major problems that inflict the region. Located in a complex geo-political interface the region has been affected by the demographic consequences of partition. The steady flow of immigrants and refugees across the border resulted into a kind of ethnic outburst throughout 60s and 70s. One of the running themes of ethnic struggle of the region is devoted to the influx of foreigners, which has been made into the cause for development at lacks. Further, the issue of influx has been pitted against the problem of inequitable distribution and thereby such an issue thwarted more urgent issues of economic struggle. The ever-widening class difference and dis-empowerment of rural and tribal masses and the backwash effects of development in the metropolis were stumped under the bogie of influx and thereby hampering the processes of cultural integration. One would further say that lack of development compounded with ethnic difference posed severe constraint on the possibilities of attaining legitimate political and economic aspirations towards which ethnic mobilization were directed to. Such non-fulfillment of various legitimate concerns alienated large sections of ethnic communities of NEI. It clearly demonstrate the fact that the Nehruvian policy leaving them alone did not ensure appropriate self-development. So also the role of the Indian State was far less than satisfactory.

The administration of welfare throughout the functioning of various state and local level institutions assumed an elitist and bureaucratic form. Assam, the largest conglomeration of hill and plane areas were had to be divided into other smaller states as it was not possible to fulfill the minimal aspirations of various ethnic communities. Mizo Hill District experienced terrible famine between 1952-56 giving rise to three decade long insurgency. Such insurgencies have forced the Indian State to carve out areas of Assam and states like Nagaland (1963), Mizoram and Meghalaya (1972) were created. Such carving out of the states was a restatement of self-development for the tribes, but the machinery and the state governance could not fully attain such a goal. Especially the goal of welfare could not have been achieved with underutilization of funds and resources leading to a kind of underdevelopment of such newly formed states. The governmental machinery created only a top-



down administration within which the local self-governance and traditional institutions of various tribes could retain a nominal presence. Rather it gave rise to an intense conflict between traditional institutions and state government leading to an unaccountable condition of development.

If one looks into the environmental niches that traditionally sustained the livelihood practices of the various tribes of the region one would encounter a conflict between nature and culture. While ethnographers and anthropologist have emphasized on preservation of ethnic and natural styles of living, the politicians and planners have asked for larger public investments. There were clear divergences of goals, whether to pursue the path of model institutional development or strengthen the resource bases of the communities became an either-or question. As the choice of development was not left to the people themselves but was delivered by the statist agencies it has led to an absence of well-defined goals of development. The whole of the region promises to hold indigenous ways of development that are somehow scuttled and continued by various exogenous forces. As the resource base of the region is gradually weaned away it had produced a displacement of communities from their life world while introduction of various other ways of life could not involve a sustainable process of balanced growth.

### **Political Economy of Underdevelopment**

#### ***Modes of Production and Development***

Patnaik (1973) in his article "On the Political Economy of Underdevelopment" sheds light on the development of capitalistic economy in the Indian subcontinent and the concomitant process of accumulation thus creating development in the metropolis and underdevelopment in the periphery. In this exclusive paper Patnaik not only traces the historical genesis of underdevelopment and the process of capitalistic development but also the contradictions generated as a result of the dissolution of the old mode of production.

He argues in the essay that capitalistic development took place in India essentially through the process of primary accumulation. It was mainly by appropriating petty producers of a particular group in whose hands the means of production and subsistence were accumulated and the large masses were left to sell their labour power. A market was

provided for the products of the new mode within which "these two groups came face to face." Historically, this happened through a process in which the pre-capitalistic producers were separated from the means of production and a process of appropriation or possession by a few of the things so appropriated.

This process of "primary accumulation" involved the state apparatus and the use of force to set the mode of production on its feet and simultaneously to provide it with a market. Once on its feet, the capitalistic production relied to greater extent on internal appropriation of surplus value. Primary accumulation in one sense continued side-by-side with accumulation and production for internal market, which petty producers have expropriated continuously. The chief motive force behind the capitalistic production relied on three elements i.e. accumulation, concentration and centralization.

The offshoot of the above process gave rise to two separate tendencies; firstly, the constant expropriation of the many by few created a "surplus population", a mass of unemployed and underemployed pauperized producers, secondly, the capital developed by this process tended to be geographically unevenly distributed owing to the existence of "external economies". Thus the overall impact of the process was underdevelopment in the periphery and development in the metropolis; the later characterized by integration into world trade as primary producers and the existence of a "surplus population" which had to survive at its best it could. This entire process of development and underdevelopment took place at an international level through the medium of a colonial state or "comprador state".

However, liberation movement challenged this pattern of change in the "peripheral" countries, in many of which the national bourgeoisie emerged as the dominant force. In its effort to start an indigenous capitalistic development the "national bourgeoisie" faced certain unique problems -i) it had no colonies left to acquire ii) simultaneously having been colonized it inherited a far poorer country. The population growth was constantly making matters worse iii) it also arrived at a time when the world capitalistic system was politically challenged iv) finally with all this failings, the liberation movement could not make it capable of the task.

At this juncture, Patnaik argues that the "national bourgeoisie" because of these drawbacks allied itself with the landlords and after



some patchy land reforms settled down to the business of providing a sort of "rural capitalism" from above. However, the typical political instinct of "national bourgeoisie" precluded it to take bold measure like using vast mass of unutilized labour for capital formation. As the surplus value generated within the tiny capitalistic sector was inadequate, primary accumulation had to supplement it and took the form of drastic squeeze on the consumption of the masses i.e. the labourers. Moreover, where the resulting development was concentrated in a certain region, the old metropolis-periphery relationship was reproduced within the country.

What stands out is that with the rising consumption of the bourgeoisie and the landlords the primary accumulation became inadequate and capital had to be borrowed from metropolitan centres. As a result, the national bourgeoisie had to realign itself with the metropolitan bourgeoisie soon after the independence on different terms and different levels. The continued borrowing sapped the foundation of the bourgeoisie programme of independent national development. It was under pressure to dismantle the system of trade and foreign capital, which had developed since independence and in several cases, succumbed to the pressure at least partially. The same contradictions can also be drawn from the political developments wherein on one hand the government talks about the opening up of the economy to the market forces and in another hand it makes legislation for the decentralization of the planning process.

What emerges from this global political economy of Underdevelopment is the systemic growth of peripheries and a steady process of accumulation at the cost of peripheries that not only happened internationally, but also was supplemented within a geopolitical region, reproducing and mimicking what happened at the global scale. But one has to understand the specifics of Capital formation and especially how formation of capital brought in a regimen of control over factors of production.

Bagchi (1998) makes an attempt to analyse the nature of colonial enterprises in India in order to trace the processes of primary accumulation and its impact on labourers who constitute the "subjects" of development. Bagchi presents the cases of indigo cultivation, sugar industry and the textile industry during the colonial period in India, where he witnessed retardation of productive forces and relative emboldening of the regressive labor process. He identifies coercive labour employment as the prominent feature of capitalistic enterprise in



India. In this process all the players such as the British govt., the Zamindars and the moneylenders acted harmoniously. Not only this, other factors like relative roles of ideology, clan systems and the market system played important role in maintaining the super ordinate force of sahibs on sustaining the coercion of the laborers. This very system of joint coercion and subsequent destruction of alternative employment opportunities had a depressive effect on the forces of production. The whole mechanism reduced the nominally free peasants to a condition of abject dependence on the *Zamindars* and the European planters.

The influence of colonialism went beyond the coercive method of labour control. In case of manufacture of textiles influence of colonialism and land-lordism was felt in the behavior of labour, choice of technique and the spread of adoption and diffusion of technical change. The very methods of labour control –physical coercion, intimidation by jobbers and the absorption of the superior powers in every way to the colour of the skin militated against many needed changes, such as the induction of the technically qualified Indians in supervisory positions.

The nature of capitalistic enterprise is not just bound by coercion, but also is based on the ideological underpinnings involved in strengthening or undermining the existing power relations of the producers in general in the countryside in different regions of India. With reference to this particular point he feels that to answer this ideological and institutional aspects of the working of colonialism in tandem with the residues, transformers or surrogates of the pre-colonial heritage in all relevant areas to be studied together with the single fact of colonialism in India as a system of exploitation of people of a geographically defined area with definite ethnic and cultural characteristics.

Both Bagchi's and Patanaik's works find their reverberations in Amaledu Guha's *Planter's Raj to Swaraj*(1977) that deals with the dominant labour processes of migratory labour forces, who are put to the task of running Capitalist tea enterprises in large areas of North East India. The work clearly shows that how the tea industry drew upon the labour force from the regions of the country which are impoverished due to surplus extraction and primary accumulation. Further Guha showed how extraction of surplus from tea industry resulted into a kind of pre-capitalist production relation between planters and labourers extended to other sectors of the economy by the British State. So tea industries as colonial capitalist enterprises established a pre-capitalist mode of

exploitation of labour, while it produced surplus for the whole of colonial state. One can add to the study made by Sanjib Baruah in his piece entitled, "Clash of Resource Use Regimes in Colonial Assam: A Nineteenth Century Puzzle Revisited" shows how transfer of surplus of the tea industry to the mainland and further to England resulted into a severe contradiction between *two* types of resource use: *gathering of natural resources* by the indigenous people of the region versus *settled cultivation used for transfer of resources for economic purposes* giving benefits to settlers. Such settled cultivation that had existed in tea cultivation subsequently got extended to all areas of cultivation. As a result the concept of a settled workforce and the rationale of making profits through commercial transfer of resources caused a premature annihilation of shifting cultivation of the pre-colonial days and introduced new relations of production between settlers and settled cultivators, both of which acted as agents of transfer of resources within British entrepreneurial system. The paradox is that, within colonialism these settled cultivators didn't have the right over means of production and as they were instrumental in marginalizing the practice of shifting cultivation done by the indigene populace, they became the unconscious perpetrators of a system of owning land permanently and thereby introducing a compulsive attachment to land, even if it is unproductive. Such new land relations alienated the natives from the collective nature of cultivation by the community and also from collective use of land resulting into the colonial pattern of fragmentation in land that made holding of land meaningless even if it is held by local populace. Further, studies on the nature of indentured labour system pointed out how the planter's control over indentured labourers effected a regime of control over means of production in which mere ownership didn't matter, what mattered is the control over modes of production by way of a structure of contract between factors of production and costs of production. Mostly it was done through control of land and labour, markers of pre-capitalists modes of production brought under Capitalist methods of control through ownership and contract. Similarly, Dasgupta (1983) in her case of study of plantation economy of the Brahmaputra valley examines the capitalistic modes of production in Assam. She notes that the colonial ruler enjoyed a monopoly in the wastelands of the valley through various legislations for leasing and revenue from the land. The colonial ruler imposed heavy taxes to the agricultural lands. These kinds of policies led to the land alienation of tribes like the *Singphos*.



Such regimen of Capitalist mechanisms of control over pre-capitalist modes of production resulted into the disempowerment of ownership of the local community over land and converted this into a source of control over their labouring or productive potential. The capitalist methods were supported by colonial diktats of high taxation and low compensation. One can link this disempowerment of the community through introduction of a concept of ownership with which Alavi (1975) had examined the colonial mode of production in the Indian context that revolved around the question of whether in the last 15 to 20 years there has been a decisive movement in agriculture from a feudal mode of production to a capitalistic mode of production. Alavi points out that the scholars have looked at European (including Russian) historical parallels and theoretical propositions that have been advanced in those contexts but nowhere a reference has been made to the Chinese experience for theoretical contributions.

Alavi suggests that the debate on mode of production should consider the agrarian economy in the wider context of developments in agriculture and the implications arising from these. He argues that concept of feudalism in India neither during the period of direct colonial domination nor during period of 'rural capitalism' can be grasped theoretically except in the context of worldwide structure of imperialism into which it is articulated. He suggests an imperialist mode of production that embraces a global unity as solution to the debate on the mode of production. However, the author notes that this consideration can lead one to a highly problematic area and one may encounter highly theoretical difficulties that cannot be easily solved. Alavi raises a plethora of questions like: would such a unity be premised on a conception of hegemonies or should one assume a hierarchical unity of an imperialist country? Does one recognize disunity and existence of imperialist rivalries? Whatever be the fact he argues that one cannot settle with an already existing definition. At this point one gets a further echo of Sanjib Baruah's paradox. On a global scale, the process of surplus extraction does not allow agrarian production to be autonomous; rather it only contributes to global division of labour and a global mode of surplus extraction. So what does it mean to have a nationalized control over means of production?

Alavi points at the problematic of conceptualization of modes of production because of the *insertion* mode of production into different social formations. Such an insertion is a supportive mechanism of global



extraction as it happens in the case of owning the means of production. In this situation, one cannot help but conceptualize the mode of production as part of the whole. The contradictions arising out of conceptualizing these formations as modes of production in the conventional meaning lead one to think about an alternative terminology. On the questions of class alignment he identifies new a class alignment. In this there is new structural dependence between the big Indian bourgeoisie and the imperialist bourgeoisie in the context of changing industrial development. In the post colonial era there is a new basis of subordination of big industrial capital by the metropolitan capital. Within this hierarchical relationship there is convergence of interests between the big Indian bourgeoisie and the imperialist bourgeoisie. This basis is radically different from the subordination of 'comprador' to the imperialist bourgeoisie on the colonial situation when some contradictions between the rising Indian bourgeoisie and the imperialist bourgeoisie came into surface. Alavi feels that it is this, which is central to a consideration of the post-colonial mode of production, and it acts as the basis of the post-colonial State. One could add here that the conflict between the regional and national bourgeoisie over their hold not just over means of production but also more importantly over market does not find a solution in the global circulation of capital. So it enters into the local and regional competition between them to ensure the maximum share of the capital. Are we then to say that the resultant conflict over share of capital in the local and regional is the prime site of development?

### *Space as a Crucial Marker of Development*

As mode of production debate gives us how processes of surplus generation results into a loss of productive capacity and a sharp conflict over who owns how much of capital, it regresses Development to these conflicts. Banerjee-Guha (1992) advocates a new approach to understand process of "development and underdevelopment" in a more holistic way. In fact radical geographers like David Harvey for a very long time has been vigorously nurturing this "new" perspective, which treats the process of accumulation as a profoundly geographical affair. Following the same line of thought, Banerjee-Guha tries to analyze the accumulation in terms of Political Economy of space in general. With the perspective developed from this, she examines the uneven development of colonial India and its spatial continuity, which reflects the present spatial patterns of development in India. What is novel

about such an approach is that Space exhibits certain facets of accumulation of surplus in terms of location and its characteristics, which were hitherto not treated as significant. But Space acquires renewed importance as development of productive forces changes the character of geographical and social space radically and by understanding how space had been changed, one understands the effects of development.

The new approach incorporates space into the fold of political economy. It deals the ways in which geographical reordering and restructuring takes place in which spatial strategies and geopolitical elements play key role. Uneven geographical developments present vital aspects of capitalist accumulation and the dynamics of class struggle, both in the past and present, in which means of space act as a crucial determinant of levels of development and its basis in relations of production.

On the basis of this perspective Banerjee-Guha tried to link the uneven development in India and the spatial configuration of the society during the colonial period. The accumulation process carried out by the colonizers through expropriation of surplus gave rise to metropolis cities, which never got deeply integrated into the regional economies and rather acted as 'suction points'. In the eastern region, territorial expansion took the most ruthless form and the excess revenue of this region was used to make up the deficits of the Bombay and the Madras provinces, as this was the principal region where export surpluses originated. With the introduction of plantation cultivation, peasants were separated from their means of production and further the institution of the *Zamindari* system sucked surpluses leading to acute pauperization and extreme poverty. Public investment in irrigation and railways acted as further discriminating factors with the prime motive of irrigation for increasing revenue from agriculture. However with *Ryotwari* and *Mahalwari* agricultural systems in the north, west and the south, lands were given to the people and a direct connection existed between the producer and the State.

The connection and the early subordination of the eastern zone traders and the shrinking of handicraft industry made the region subservient to a settlement system whose locus was in Calcutta. What emerges is a fixed spatial relation between various sectors of production such that agriculture and trading that had a vector of shift away from land to water became the chief medium of merchandise. In another



sense spaces were subordinated to give rise to trading and weakening of traditional practices of cultivation and then turning the whole situation subservient to a rent and profit seeking colonial state. This resulted into impoverishment of mass of cultivators and rise of colonial merchandise.

The impact of introduction of colonial relations of production had wide ranging ramifications. Regional identities were fast changing depending upon the role the region played in exchange and accumulation of surpluses, although such identities did not become just economic forces, rather they existed in close relationship with the changes in the economy and spaces like cities. Traditional Indian cities were more inland and related more to internal concerns. These were microcosms of the national, regional or imperial polity. They were made to decline, as they were also the points of resistance to imperialism and were replaced by new port cities. Rising colonial demands also gave rise to a regional specialization and economies of scale that led to the concentration of production in selection of port-cities that became the recipients of migrants and became the centers of collection and consumption.

### ***Changing Relations of Production***

What the colonial relations of production resulted in were weakening of traditional base of production and rise of a class of intermediaries who stood to benefit from colonial merchandise. This had exhibited a historical precedent to current weakening of primary sectors of India's development and consequent lopsidedness of development in the economy. Bharadwaj (1982) has made an attempt to understand the persistent slackening of Indian Economy and to explain the factors influencing the process of accumulation, which gives rise to the intricate problem of regional differentiation. Bharadwaj studies the growth pattern of 17 states of India in agriculture and industry with respect to the four periods (1) the colonial period until the world war (2) inter war periods and after, until independence (3) post independence period until the mid sixties (4) period after sixties.

On the basis of secondary data drawn from various sources the author has made insightful observations and generalizations regarding the growth pattern of the states under the study.

According to her, firstly there is an importance of agricultural surpluses in adequate quantity to sustain industrial expansion. The



region sharing some industrial vitality appears to be one where agriculture growth has also been promising. For example states like Punjab, Haryana, Gujarat, Maharashtra have always been a high productive region in agricultural sector and they are also simultaneously the most industrialized.

Secondly, public investment appears to have played an important role historically in supporting agricultural growth and in supporting environment for productive channeling of surplus. This is true in the case eastern region of India including the north-eastern part. During the colonial period surpluses extracted from this region by investing in export-based industries such as plantation and oil were used to meet the demand of other provinces. The forced commercialization policies to convert fertile hinterland into provider of cash crops and plantation crops to feed the exports based industries had led to the complete *de-industrialization* in this region. This was coupled with the differential policy of public investment. Public investment in this early colonial period was directed mainly into the railways and irrigation. Bharadwaj's analysis further shows that colonial state not only displaced the traditional modes of production but their method of extraction resulted into stunting any industrial growth.

Thirdly, the regions, which are better off, have utilized the surpluses more productively for forging a link between agriculture and industry. One gets an indication of this when one takes into consideration the per capita level of consumption of the smaller proportion of household that comprises of the lowest bracket of household consumption. In these areas not only the general level of well-being has been relatively higher (for e.g. Gujarat and Haryana) but also a higher industrial activity is observed. It can be interpreted as an association between better agriculture performance and higher level of well-being on one hand and higher industrial performance on the other. But if the region suffers from acute problem poverty it offers breeding grounds of exploitation through usuary, speculative trading, commercial exploitation etc. All these divert surplus from the unproductive channels and create relative advantage of favours to above stated operations the preponderance of such 'unproductive uses' of surplus implies a perverse system of 'social subsidization' that still continues the process of pauperization as the surplus is diverted into unproductive channels.

*Formation of Spaces within Nation and the Logic of Capitalist Exchange*

Knight (1982) discusses one of the major challenges of the geographers i.e. the present pressure on the fragile world by group territorial identities. Group politico-territorial identities according Knight are not only products of how spaces are organized by the overarching logic of Economic production and exchange, but a riveting of Political interests and territorial affiliations constitutes them. Such a riveting is one of the outcomes of the social processes of which economy plays an important role. But the non-economic component of territorialization assumes importance in Knight's analysis. Giving primacy to the territory, one could put the economic relations differently as a contingently emerged form of exchange relationship that goes along with changes in the conceptualization of the region. With such an open-ended point of view, Knight's *understanding of politico-territorial identity is primarily based on the question of scale and perception*. If territory is regarded as space to which distinct group who holds or covets it attaches identity to that territory and desires to have full control of it for the benefit of the groups. Such a desire for the benefit results into a claim of distinctness. According to Knight there is still a fundamental question that must be answered. Should all groups with distinct territorial and political characteristics have the right to separate territorial and political independence? If the answer is yes, then question arises at what scale? If the answer is no, then should one be content with the status quo or demand through international organization to vouch for the maintenance of the status quo. But desires of the sub national groups for a separate territory have been the dominant trend and have shown no change in the recent past. According to Knight the answer to this dilemma lies in the question as how one defines the "Nation" as a space. At one level of abstraction the Nation is only a conglomerate of regions in the form of extended spatial relations of production that pertains to a definite mode of production and its consequential accumulation.

Dikshit, (1971) makes an attempt to understand the how the nation space is structured within Federalism through the lens of a geographer. He critically analysis the notion of Federalism of earlier geographer as well as social scientists from other disciplines in his quest for a new methodology to understand the geographical underpinning of the concept of Federalism. The author especially critiques Levingstonian



notion of Federalism, which is the earliest attempt by a geographer. The author points out that Levingston's analysis is based on a sociological perspective rather than a geographical perspective. He argues that this kind of analysis has failed to yield valuable results in political science as the basic nature of federalism as a polity is based on regionally grouped diversities in a national society. It provides a tool for research, which is not sociological, as it is erroneously thought to be. But Federalism has spatial dimension and as geography deals with spatial interaction, this tool can be used to understand the federal organization of the space of nation-state that purveys a pattern of exchange relation that goes into spatial interaction. Federalism as a political principle organizes and administers space in a manner that there is equilibrium between exchange relation and power relation.

Further, Banerjee-Guha's (2002) paper entitled, "Critical geographical Praxis: Globalization and Socio-Spatial Disorder" concretely characterizes the spatial relations as an order emergent from the extension of the operation of modes of production over space. Such an extension is not an organizational form but it is also a geo-politically determined site of expansion of capital. As Capital flows through spaces like urban-metropolis, it segregates and combines spaces through a logic of reproduction of the relation between market and capital and it gradually usurps the space of labour in the sites of production. Under globalization, such spaces are replicated in order to expand the Capital through a favourable business climate. Such replication and reproduction of spaces acquire a form of cultural landscape as it makes use of local resources and specificity, but creates inherently contradictory relationship between ensuing socio-economic forms, local resources and cultural bases.

It is interesting to trace out how cultural landscapes are reproduced by a certain dominant mode of production that retains and perpetuates existing contradictions between cultural markers and makes use of the contradiction in strengthening the processes of accumulation by a concentration of the means of production among a few classes and individuals. One can surmise that space is produced to serve the material and cultural interests of dominant social groups and such spaces invaginate the non-dominant forms of life in a dialectical relationship such that such forms cannot assert their freedom. The whole politics of the dominant identity and class formation then could be easily managed through a particular spatial formation and the ensemble of



relations that it generates. Methodologically such an ordering of the space could be juxtaposed with cultural formations and contestations and such formations in turn would imply a certain form of spatial organization.

Nag, (1993) examines the national formation process of India inflected by a spatial relationship between mainland of India as centre and NEI as periphery, both in cultural and economic senses. The growth of vernacular literature; agitation to establish particular language as official languages of particular areas; movements of backward nationalities to break away from the advanced nationality in order to earn recognition for themselves were all an internalization of the new post-colonial rights given to every other national identity throughout the country. But such a claim and demand for recognition reinforced the centre-periphery relations when identities of NEI asserted their independence from the mainstream by referring to British days, while in its internal structuring, movement of a particular nationality group evolved an ideology of difference from the parent nationality. The spatial ordering of these movements harped on different living spaces to be demarcated by common national space in terms of distinct cultural markers, while the national market and the national hegemony intended to homogenize and mix them up with each other in order to integrate them with the national mainstream. But internal differentiation, being a cultural and historical fact of life resisted such a process of homogenization, rather the more it was tried, the acute was the resistance resulting into a sub-national consciousness that counterposed the unificatory idea of a common national identity. Taking cues from the Nation's historiography, Nag has explained the multifarious ways of growth of sub-nationalism in India. He argues that in a country where capitalism is slowly reaching new areas and awakening new cultural groups to life, the streams of sub-nationalist uprisings appear to be unending. The author also argues that the Indian nationality question cannot be studied in exclusion of these aspects because the culmination of this process can alone prove whether India has been a nation-in-the-making or a nation-in-the-unmaking. NEI becomes such a site of making and unmaking of the Nation with waves of subnationalist and ethnic movements.

What emerges from the foregoing discussion is the prevalence of a kind of centre-periphery relationship with the growth of capitalism that orders the social and cultural space in the interest of the Capital. As Capital plays a unificatory role of particular cultural spaces into a

homogeneity, it gives rise to its opposite, i.e., forces that perpetuate and sustain difference as reflected in the growing subnationalist movements of NEI. As the process of peripheralization goes unabated so is the process of ordering and reordering of ethnocultural spaces of NEI reflected in the multiplication of nationalities and ethnicities and the expansion of peripheries through each of these claims of distinctness, which simultaneously allows the regime of the Capital by fragmenting the local spaces and gives rise to resistance to capital from multiple sites of national struggle.

### **On the Development Process in North-East India**

Misra (1980), argues that there has been a systematic exploitation of the rich resources of Assam before 1947 by the colonial rulers and since then by the Indian state. She deals extensively the features of this exploitation in the extractive industries of tea, oil and forest. She notes that one positive outcome of the popular movement in the 80s was the emergence of growing awareness of colonial pattern of the exploitation of the Assam's natural resources among the masses. Misra strongly feels that an understanding of colonial pattern of exploitation of Assam's resources can help one to comprehend the more fundamental causes behind the wide by sustained participation of both rural and urban masses in the current movement in the state. In the rural areas the foreign national issue primarily centres around the ownership of the land while the urban centres people saw the problem as one of industrial underdevelopment, a fall out of the colonial pattern, resulting in poverty and large scale unemployment.

She goes in depth of the evolution, functioning and contribution of the extractive industries like tea, oil, and plywood. She comes up with a common pattern of functioning of these industries. According to her, most of these industries extract raw materials from Assam for production and have their marketing units outside the state for which the state is deprived of its revenue earnings. The state has almost a negligible representation in terms of employment in these industries. The Central governments' dualistic policies have marginalized the states of NEI to establish a vibrant economy on the basis of its own rich natural resources.

So, development in the context of NEI, according to Misra would mean a process of larger extraction of resources and its institutionalized ways of draining the economy. What would flow in exchange of such



vital resources are residual funds and infrastructure that would be quickly reabsorbed by the same mechanism of drain. She named this vicious cycle as internal colonization of North East India and gave a geographical explanation for continuation for such a process. She demonstrated that as NEI supplies raw and mineral resources. So it acts a hinterland to the economy of the mainland and hence signifies a spatial ordering in which it occupies a place of subordination. In response to such subordination there are popular movements in 80s that attempted to resist this kind internal colonization of NEI.

In another way, how laws of capitalist economy destroys traditional economic bases is studied by Mishra, S.N. (1983). The study traced the dissolution of the tribal economy and the subsequent rise of a new base for the formation of the modern economy. The earlier traditional base of the tribal economy thrived on arrangements like 'Posha' whereby the tribes living in the mountainous track of Arunachal Pradesh had not only the right of levying taxes on the plain's people but also access to material goods as well as services of slaves. The hill tribes in turn guarded the rough terrains from attacks of outsiders. But this traditional economic base started eroding right from the British annexation of Assam. The earlier system of 'Posha' was being monetized and fixed. As a result of this the tribal people lost the right to levy and collect taxes. The outcome of this was that market relations introduced by the colonial state replaced the long lasting dealings between the tribal and plain people. The author notes that the age-old systems survived well after the independence of the country until the Chinese invasion of the region turned the region into a sensitive zone. In fact, the transformation of tribal economy to a new economy after this period through the agency of state has been so dramatic that the author tries to call it a "social revolution" in a Marxian language.

The aforesaid transformation is explained by the author by taking into consideration "the Nishings", one of the hill tribes occupying the lower part of the upper Subanshiri region of Arunachal Pradesh. The first component of the traditional economic basis of the *Nishing* community comprised of such forces of production as land, forest both tropical as well as temperate, hunting and fishing grounds, human population as means of labour and technical knowledge in tools made from metals were used for various purposes. The second component of the economic basis comprised of the relations of production including those of distribution, circulation and exchange of products. In the



plantation of cash crops and even training to individual farmers to acquire skills led to formation of private property rights. Increasing penetration of capitalism has transformed the notion of property rights also.

On one hand the emergence of new elite, the shift of manpower from rural to urban occupations, linking of villages from interior areas to areas with better communications have undermined the effective authority of traditional institutions. On the other hand, electoral democracy and development projects have opened up new areas to exercise control over it. The immigration of large number of outsiders to the state, particularly to the areas as agricultural laborers and tenants has also forced the local communities to rethink their rules for providing access to resources.

But how this transformation affects the construction of agency of the tribal identity has been highlighted by Roy Burman (1989) and on the basis of this conceptualization of agency of the tribal, he discussed what are the constraints to their development, both internal and external.

According to the author the tribe as a social formation may be identified in two ways – first as a stage in the history of evolution of societies and second, as a society organized on the basis of kinship ties which enables it to be a multifunctional grouping. On this basis, he argues that a tribe can outgrow its primitiveness and retain the social boundary, which is an essential feature of its identity.

The author distinguishes proto-nationalism and infra nationalism from sub-nationalism. According to him in the first two phases of the identity expansion of ethnic groups, the group remained isolated from the dominant political mobilization leading to state formation. This isolation continued as long as the tribal base of the economy could withstand the onslaught of modern capitalist economy. This withstanding was possible by the cultural synergy between tribal mores and system of production. Contrastingly, Sub-nationalism is a phase of contraction of ethnic identities which got closely involved in the dominant process of the state but among which parochial loyalties are coming forth as an outcome of iniquitous functioning of the state apparatus.

With this conceptual framework, when the tribal situation in the North-East India (NEI) is examined with respect to the constraints in the development of proto-national process, it could be found that the tribal entities get oriented to the statist processes of India, which comes out in sharp focus. The first is the historical memory of the tribes and

the hiatus in the perception of the meaning of historical events among the tribals and the non-tribals. Second is the effective cognitive difference about the cultural rights and the structures and strategies of resource mobilizations.

The author argues that looking at the strategic location of NEI, policy planners should have the sensitivity and awareness in the happenings of neighboring countries of the sub continents of Asia. It is further argued that in the NEI tribal communities tend to constitute marginalized status class. National unity in NEI can be cemented only by encompassing the significance of India as the vanguard nation against colonialism and as one committed to non-capitalist path of development. However, a consistent and continuous manifestation of these ideological dimensions must be there in addition to emotional and material dimension.

The author critiques the development strategy put forward by the center. He argues that in terms of political economy "anti development" is taking place through development policies. The land reform policies that envisages abolition of exploitative intermediaries between the state and the individual has serious constraints in tribal economies of NEI, as tribal communities derive only a part of the food products such as roots, tubers, and leaves and other jungle products that are collected by the communities. Hence, the implementation of such policies is considered to actually dispose the tribal households from community-based resources. Policies such as the recommendation of the National Committee on Development of Backward areas for the individualization of communal ownership of land will in fact lead to neo-federal rights.

In similar light Acharya (1998) made an attempt to study the some of the ethnic process in the NEI. The author draws the theoretical framework heavily from the analytical models in Soviet ethnography, particularly the works of Yulian Broomley. However to explain the ethnic complexities in India with its unique caste system and strong popular feelings about Indian "nation" he introduces certain other concepts and terms. His paper begins with an introduction of ethnos and ethnics, which are highly misused in the literature of social anthropology. The second half of the paper mainly discusses the ethnic processes such as –ethnic divergence, ethnogenic interethnic consolidation, ethnogenic mixing, inter ethnic consolidation and finally the process of assimilation. While dealing with these processes the author reviews the earlier works and discusses them in an elaborative



manner with respect to the present situation. The paper examines the complex pattern of these aforesaid ethnic processes with reference to India in general and NEI in particular.

Can such suggestions about reorientation of paths of development and reempowerment of tribals through a process of ethnogenesis in NEI alter the process of marginalization and peripheralization?

### *Political Structures and Development in Northeast India*

Sanjib Baruah (1989) analyses the pros and cons of the minority policy advocated by the Centre and its future ramifications. He opines that the present minority policy of the Centre is in fact a continuation of the British policy that aimed at the protection of the vulnerable indigenous people. The author argues that the minority policy advocated for NEI in one hand has witnessed certain achievements it has posed serious dangers in an ethnically majority region like and the North East.

The present policy, which emphasizes the protection of the vulnerable indigenous people from their more crafty neighbours is a reluctant continuation even though it is out of favor to Indian national circles. The Britishers during the Colonial days carried exclusive protectionist policies e.g. the "Inner Line Policy" by which the area beyond the line was left to the indigenous people to manage their own affairs. Although colonial administration cited the importance of preserving ethnic communities from outsiders but the major reason behind not extending the British administration to these areas was the political risks and financial expenses involved in it.

One gets the reflection of the effect of this type of policies among the tribal leaders in states like Arunachal Pradesh, Nagaland and Mizoram. The idea is to follow a path of self-development without the distortions from the external factors. Therefore during the popular agitation against the immigrants in Assam in the 80s there was a demand for the extension of the Inner Line to Assam in order to protect the ethnic minorities. But such insularity from the outside world not only distanced them from the mainstream, but also stopped their coming out from their own habitats. It strongly created a self-consciousness that did not allow any space to the other, while this space of self-consciousness; indeed its very assertion signified an ongoing intrusion or affectation of tribal suzerainty by external forces. In all senses this was a reaction of the tribal communities to external threats, but such



a reaction could not stop the way such forces impeded the path of self-development.

A second element of this policy according to Baruah, is the diffusion of a model of political autonomy through culturally defined states that was mainly developed with respect to peninsular India. However, there are certain benefits and dangers of such policies. The notion of legitimized demand on the basis of language has a different connotation in an ethnically diverse region like NEI, where there is no single dominance of language, which acted as a divisive factor. Unlike in the Indian mainland, where political movements demanded separate statehood on the basis common language, in Northeast India such movements based their mobilization mostly on symbols other than these languages. The demand for Hill state in various parts of northeast India attempted to mobilize the sentiments of the hill people against the plainsman. What eventually emerged, as a result of this kind of demands was not a single hill state but a number of mini states.

The author identifies the benefits of such statehood whereby the mini states have been allowed to elect the representatives of the indigenous people to gain power at the state level and to determine policy in areas that are the under the constitutional jurisdiction of states. He also feels that political, social and economic consequences of the policies carried out by the elected governments were drastic in which the indigenous people enjoy majority status. In state like Mizoram and Arunachal Pradesh where the legislature is dominated by representatives of the indigenous people it has extended and strengthened policies of protective discrimination in favor of schedule tribes in govt. employment, allocation of govt. contracts, transfer of land and property to non-tribal been made extensively difficult.

He concludes with a view that the assumption that there are exclusive groups that can be given statehood or autonomy in their territories is predominantly problematic in the context of NEI. To impose such a model there is to court danger of inter-ethnic strife, despite its effectiveness so far.

Mukhopadhyay (1998) identifies the factors of under development of the state of Arunachal Pradesh and manifestations of these on the state. Arunachal Pradesh is endowed with good hydroelectric potential, rich in mineral and forest resources but due to certain drawbacks, the development of the State has been hampered. She points out that most

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