



Revisiting the Dynamics of Economic Growth in Northeast India

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Abstract

The paper revisited the performance of Northeast India (NEI) since last three decades of liberal economic policy. NEI remained economically underdeveloped even after three decades of economic reforms. The economic growth rate measured in terms of NSDP and per-capita NSDP did not show any spectacular improvement in NEI except Sikkim, Mizoram and Tripura. The economic reforms did not accelerate the growth rate of NEI; rather income growth has slowed down. The growth rate of income across all NEI states was not uniform; rather inter-state variation has been observed. The sluggish growth of Assam is largely responsible for economic stagnation in NEI in post reform period. The position of NEI states deteriorated in India's growth map in post reform period. The share of agriculture in NSDP has been persistently falling since economic reforms and that of service sector has been rising. The industrial sector witnessed a marginal increase due to Sikkim and Assam. The 'service sector' driven economy in NEI failed to contribute significantly to the acceleration of economic growth in the region.

Keywords: *NEI, Economic Growth, NSDP, Per-Capita NSDP, Economic Reforms.*

Introduction

Northeast India (NEI)¹ is the easternmost region of India sharing an international border of 5,182 km (around 99 percent of its total geographical boundary) with several neighboring countries. The region is connected with the rest of India through Siliguri Corridor of West Bengal, also known as 'Chicken's Neck'². NEI is still an economically 'underdeveloped' region of India even after three decades of economic reforms and liberalization (FICCI-PWC, 2014; Ghosh, 2023). The economy of NEI can best be described with three numbers like 8, 4 and 3. This implies the region accounts for around 8 percent of total geographic area of India, around 4 percent of total population of the country but contributes only around 3 percent to India's GDP. The partition of India in 1947 converted

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the region to a 'landlocked' terrain making its accessibility really difficult. The creation of East Pakistan in 1947 and subsequently Bangladesh in 1971 totally blocked the 'natural route' of the region to rest of India. This is cited as one of the major reasons for economic backwardness of NEI.

The paradox is that even though the region is surrounded by international borders, its trade and investment is still typically low even after three decades of economic reforms. The liberal economic policy of India failed to integrate the region with the emerging countries of South and Southeast Asia and the result is low economic progress. The understanding of growth dynamics of NEI is essential to suggest policy for economic progress. The regional dimension of economic growth has been a topic of discussion in India's growth story especially in the post reform period. The studies in NEI are scanty in this regard. The present paper revisits the dynamics of economic growth in NEI since last three decades of economic reforms. The necessity of the paper lies in the fact that the region has untapped resources and also strategic location to foster internal as well as international trade under the new economic policy.

Literature Survey

The analysis of dynamics of economic growth is important to have an idea of the direction of an economy and for making proper strategy for economic progress. The performance of the economy can be better understood if study the dynamics of economic growth. The economic performance of an economy depends on the performance of its various states and regions. But analysis of the growth dynamics of individual states in India in the post reform period received little attention that it deserves (Ahluwalia, 2000). The studies done in this area also excluded NEI, except Assam in a few cases. So, it is necessary to study the dynamics of economic growth in NEI. It is also necessary to revisit the performance of NEI since last three decades of liberal economic policy.

The studies in NEI are limited and scanty. Agarwal (2005) criticized the strategy of the government towards NEI and maintained that the transfer of funds in the form of grants could not accelerate economic progress in the region. The government must stress on the agriculture, horticulture, fish farming, handloom and handicrafts and tourism for economic growth and generate employment opportunities. He suggested developing the industrial sector in the region through proper planning and investment. Bezbaruah (2007) found that economic reforms have resulted in retarded economic growth in NEI. He argued that economic reforms failed to boost production and income generating activities in the region. Passah (2008) stressed on strengthening inter-sectoral linkages in NEI. He found little evidence of structural change in secondary sector in Assam and Arunachal Pradesh. In Nagaland and Mizoram, the construction industry has played a significant role in accelerating secondary sector's growth. In Manipur the surge in unorganized sector has raised the secondary sector's share. In Meghalaya secondary sector had little impact on secondary sector. Finally, Tripura witnessed a shift from primary sector to tertiary sector. Bhattacharjee (2008) found inconsistent growth in NSDP in NEI states. Assam has been found to be progressing from its slumber while Meghalaya and Tripura have progressed in recent decade

and the study found no consistency in the NSDP of other states. The study found only Assam has some industrial base while others are limping Sarma (2005) maintained that five I's resulted in low economic growth in NEI which include initial conditions, infrastructure deficiency, insurgency and imperfection in factor and product market and indifferent governance. Roy and Debnath (2010) found that all states of NEI except Tripura experienced deceleration in NSDP growth during post reform period. However, much progress has been recorded in per-capita NSDP growth during the same period. NEI has witnessed a structural change characterized by increased share of service sector. Singh (2009) found that growth rates of NEI states increased during last three five year plans with Manipur and Tripura registering persistently higher growth. The tertiary sector contributed much in per-capita income growth in NEI. Dutta (2001) analyzed the ailing economic condition of NEI and blamed insurgency, central grants and corruption for that. The present paper revisits the performance of NEI since three decades of economic reforms.

Data and Methods

The paper revisits the dynamics of economic growth in NEI especially in post reform period. Net State Domestic Product (NSDP) and per-capita NSDP have been used to study the performance of NEI. The paper also intends to study the sector-wise distribution of income in NEI. The paper also compares the growth dynamics of post reform period with pre-reform period. The position of NEI states in India's growth map is also studied in this paper. The study calculated growth rates of NSDP and per-capita NSDP in simple percentage terms to compare the performance of NEI states. The study also calculated all India ranks of NEI states in Compound Annual Growth Rate (CAGR) of NSDP and per-capita NSDP to show the positions of these states in India's growth map. The paper has also calculated standard deviations of logarithm of per-capita NSDP ($\log PCNSDP$) to show the trend of inequality in NEI states. The paper is based on data collected primarily from two secondary sources like Handbook of Statistics on Indian Economy, RBI and the study made by Rakhee Bhattacharya (2011) given in table 1 below.

Key Findings and Discussion

NEI is still an economically 'underdeveloped' region of India even after three decades of economic reforms and liberalization (FICCI-PWC, 2014; Ghosh, 2023). The share of NEI in India's Net Domestic Product (NDP) has declined from 3.59 percent in 1989-90 to 2.82 percent in 2020-21 (figure 1). This declining trend indicates that the region has been growing at a slower rate than the rest of the country. The average share of various states of NEI in India's NDP from 1989-90 to 2020-21 depicted in figure 2 shows that Assam alone contributes two-thirds of the total share of NEI. The share of other states is negligible. This clearly indicates the economic stagnation in the region since the adoption of liberal economic policy.

The growth rate of income of NEI measured in NSDP was 3.55 percent during 1970-71 to 1980-81 and 3.95 percent during 1980-81 to 1990-91 and that of India was 3.23 percent and 5.04 percent respectively during the same period (table 1). However, there were inter-state variations of growth rate of NSDP during pre-reform period. The growth rate of Arunachal

Pradesh was 7.08 percent and 7.78 percent growth rate during this period. Assam registered a low rate of growth which was below the national average. There has been spectacular growth registered by Sikkim during pre-reform period, that is, 10.96 during 1980-81 to 1990-91 percent much above the national average. Nagaland also recorded a high rate of growth of NSDP, that is, 7.24 percent much above the national average. The NSDP growth rate of Tripura was moderate at 4.94 percent during 1980-81 to 1990-91.

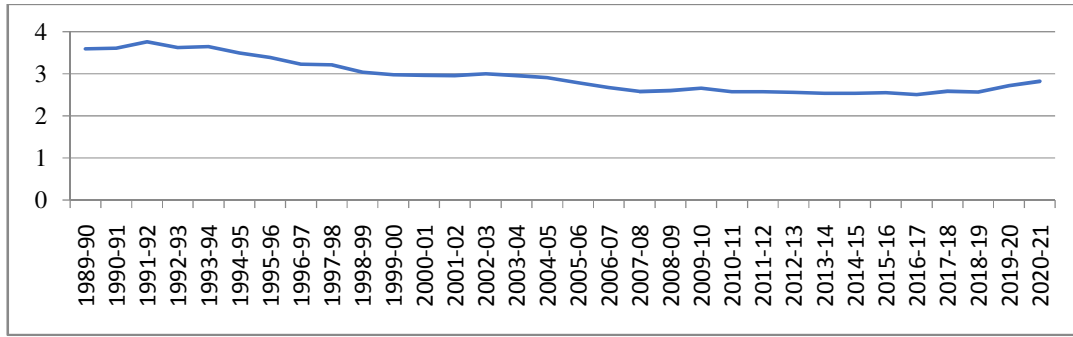


Fig. 1: Percentage Share of NEI in India's NDP

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

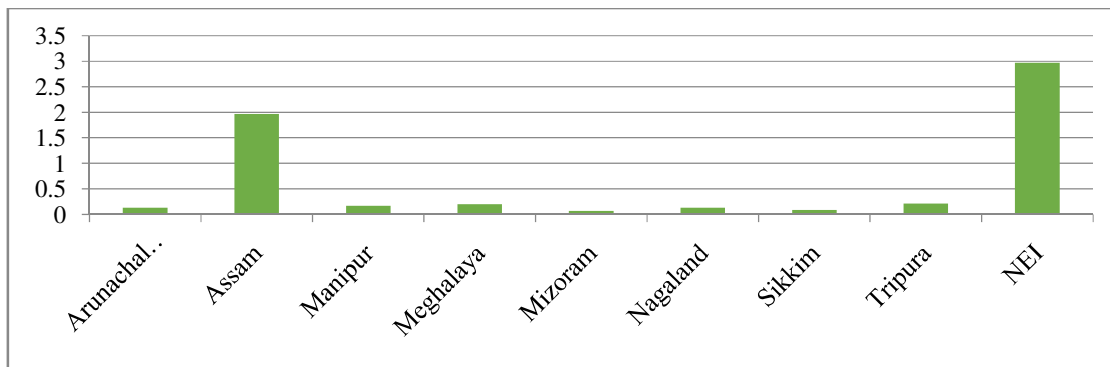


Fig. 2: Percentage Share in India's NDP (Average over 1989-90 – 2020-21)

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Note: For Mizoram, the average is over 1999-00 – 2020-21 and for Sikkim it is over 1993-94 – 2020-21

There has been deceleration in rate of growth of NSDP in most of the states in NEI measured in the post reform period except Mizoram and Tripura (table 2). The growth rate of Arunachal Pradesh, Nagaland, Sikkim decelerated and that of Assam, Manipur and Meghalaya stagnated in post reform period, that is, during 1989-90 to 2020-21. There has been much acceleration in growth rate in Mizoram and Tripura. The growth rate of NEI as a whole slightly increased to 4.98 percent in the post reform period and remained much below the national average, that is, 5.80 percent. The economic reforms did not accelerate the growth rate of NEI; rather income growth has slowed down. The growth rate of NSDP across all states in NEI during post reform period was not uniform; rather inter-state variation has been observed.

Table 1: Growth Rate of Income of NEI States in Pre-Reform Period

States	NSDP		Per-Capita NSDP	
	1970-71 to 1980-81	1980-81 to 1990-91	1970-71 to 1980-81	1980-81 to 1990-91
Arunachal Pradesh	7.08	7.78	4.03	4.69
Assam	3.03	4.13	- 0.78	1.09
Manipur	6.62	4.50	3.71	2.12
Meghalaya	---	4.06	---	1.43
Mizoram	---	---	---	---
Nagaland	---	7.24	---	3.41
Sikkim	---	10.96	---	8.07
Tripura	4.89	4.94	2.01	2.01
NEI	3.55	3.95	2.26	3.63
India	3.23	5.04	1.39	3.01

Source: Rakhee Bhattacharya (2011)

Note: The estimations are made taking all the series in 1999-00 prices; the figures for Mizoram are missing due to non-availability of data; the figures for Meghalaya, Nagaland and Sikkim for the period 1970-71 to 1980-81 are missing due to non-availability of data

It is to be noted that since three decades of economic reforms the performance of NEI in respect of growth rate of NSDP has not shown much improvement. But there exists inter-state variations in performance in NEI. Some states growing faster than national average, some are growing slower than national average. During 1970-71 to 1980-81 all the states were growing faster than national average except Assam (table 1). During 1980-81 to 1990-91, Arunachal Pradesh, Nagaland and Sikkim were growing faster than national average. During 1980-81 to 1990-91, Assam, Manipur, Meghalaya and Tripura were growing slower than national average. During post-reform era, that is, during 1989-90 to 2020-21, Arunachal Pradesh, Mizoram, Nagaland, Sikkim and Tripura have grown faster than national average. During post reform period, Assam, Manipur and Meghalaya have grown slower than national average. But all the states experienced deceleration in NSDP growth except Tripura (Mizoram was not counted during pre-reform era) during reform era in comparison to pre-reform era (table 2). Most striking is the performance of Assam which registered a poor rate of NSDP growth both in pre and post reform period. Assam, the most important state in NEI in population size, failed to perform well in post reform period. The growth rate of Assam stagnated and remained typically low in both the periods. The low growth rate of Assam pulled down the growth rate of NSDP of NEI as a whole because Assam is the 'Hulk' of NEI in terms of its size of NSDP.

Table 2: Growth Rate of NSDP of NEI States in Post-Reform Period

States	1989-90 to 1998-99	1999-00 to 2010-11	2011-12 to 2020-21	1989-90 to 2020-21
Arunachal Pradesh	6.24	7.31	5.95	6.55
Assam	2.15	4.68	5.64	4.19
Manipur	4.22	4.81	5.89	4.96
Meghalaya	5.21	7.13	3.22	5.31
Mizoram	---	10.66	11.30	10.95
Nagaland	5.69	8.01	4.71	6.25
Sikkim	5.27	13.27	6.85	9.27
Tripura	6.33	8.28	7.87	7.54
NEI	3.18	5.83	5.78	4.98
India	4.95	7.31	4.83	5.80

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Note: The estimates are at constant 2011-12 prices

Table 3: Growth Rate of Per-Capita NSDP of NEI States in Post-Reform Period

States	1989-90 to 1998-99	1999-00 to 2010-11	2011-12 to 2020-21	1989-90 to 2020-21
Arunachal Pradesh	3.85	5.25	4.89	4.70
Assam	0.37	3.46	3.99	2.66
Manipur	2.08	3.38	3.27	2.94
Meghalaya	2.77	5.49	- 0.01	2.92
Mizoram	---	5.44	5.22	5.34
Nagaland	1.03	4.26	3.00	2.86
Sikkim	3.92	11.17	5.03	6.98
Tripura	4.46	7.15	6.45	6.09
NEI	2.55	7.42	4.21	4.89
India	3.12	5.61	3.56	4.19

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Note: The estimates are at constant 2011-12 prices

The growth rate of per-capita NSDP in NEI during pre-reform period was slightly higher than the all India average. But during 1970-71 to 1980-81 the growth rate of per-capita NSDP of Assam was -0.78 percent which slightly increased to 1.09 percent during 1980-81 to 1990-91. Arunachal Pradesh recorded a growth rate of 4.69 percent during 1980-81 to 1990-91. The per-capita NSDP growth rate of Arunachal Pradesh during pre reform period was much higher than all India average (table 1). Sikkim recorded a spectacular growth in NSDP per-capita of 8.07 percent during 1980-81 to 1990-91 which was much higher than all India average of 3.01 percent. During post reform period from 1989-90 to 2020-21 the growth rate of per-capita NSDP of NEI remained at 4.89 percent which was slightly higher than all India

average of 4.19 percent. The per-capita NSDP growth rate of Arunachal Pradesh, Mizoram, Sikkim and Tripura remained higher than national average during 1989-90 to 2020-21. The per-capita NSDP growth rate of Assam, Manipur, Meghalaya and Nagaland remained below the national average during 1989-90 to 2020-21. It is to be noted that the growth rate of NSDP and per-capita NSDP of NEI stagnated during post-reform period.

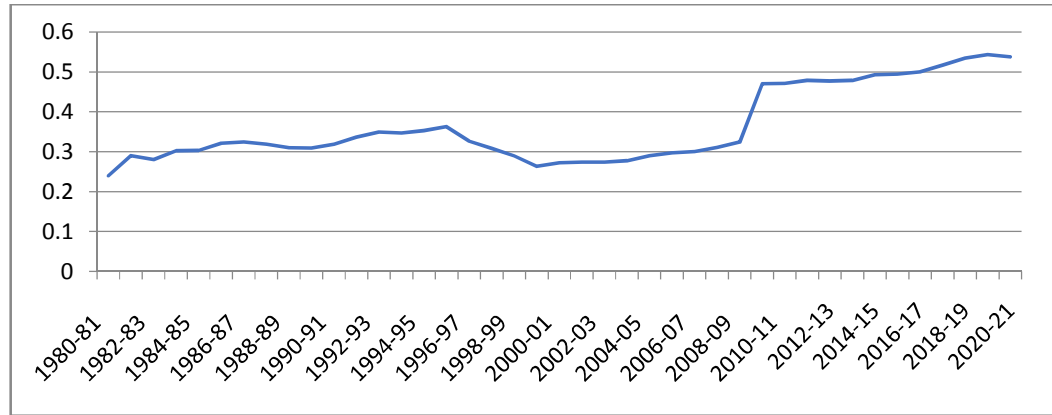


Fig. 3: Standard Deviation of Log PCNSDP in NEI States

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Note: Log PCNSDP stands for Logarithm of Per-Capita NSDP measured in 2011-12 prices.

It is seen that growth performance among NEI states is not uniform rather inequality persists in this regard. The income inequality measured in standard deviation of per-capita NSDP in NEI states has been increasing since 1980-81. Although it declined between 1995-96 to 1999-00 then again starts rising since 2000-01. It can be said that growth rate of per-capita NSDP in NEI states has been diverging in the post reform period. This is also clear from table 1, table 2 and table 3. The data have been converted to logarithmic scale to ease out large differences in per-capita NSDP values in various NEI states and also for the reason that the data span for a long period of time.

Another important finding is that the share of service sector in NSDP in NEI has been persistently increasing since 1980-81 while the share of agriculture has been declining (figure 4). The share of industrial sector has marginally increased since 1980-81 as can be seen from figure 4. It is to be noted that in recent time the share of agriculture and industrial sector has been merging while the share of service sector has overtaken both the sectors. The share of agriculture was 40.46 percent in 1980-81 and that of industry was 11.46 percent and service sector contributed 37.74 percent in total income of the region. But the picture completely changed in 2020-21 (after a period of four decade). In 2020-21, the share of agriculture dropped to 20.24 percent and the share of industrial sector climbed upto 23.75 percent and the share of service sector has increased to 51.79 percent. So, the NEI has become a 'service driven' economy. But the shift to 'service driven' economy has not resulted in spectacular growth in income in NEI as can be seen from table 1, table 2 and table 3. This is due to slow growth of industrial and manufacturing sector in NEI.

The dominant sector in the region is service sector which contributes the lion's share in region's total income. The service contributed around 53 percent followed by industry contributing around 26 percent in total income of NEI. The share of agricultural sector in the region has declined contributing around 20 percent in 2020-21 (Figure 5). This implies that there has been structural change in the economy of NEI in conformity with Indian economy, although inter-state variation exists in this regard (figure 5).

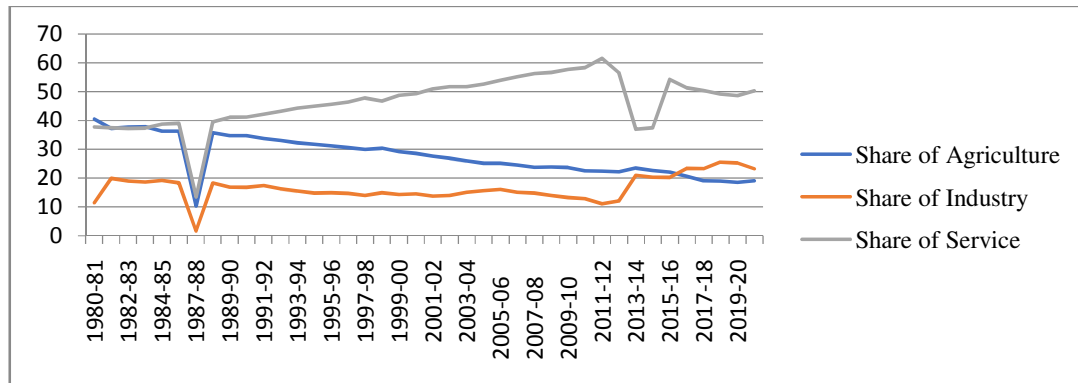


Fig. 4: Trend in Sectoral Share in NSDP in NEI (1980-81 to 2020-21)

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Note: Share in percentage; all figures expressed in 2011-12 constant prices

The drop in sectoral share in 1986-87 in the figure is due to the non-availability of data in Assam

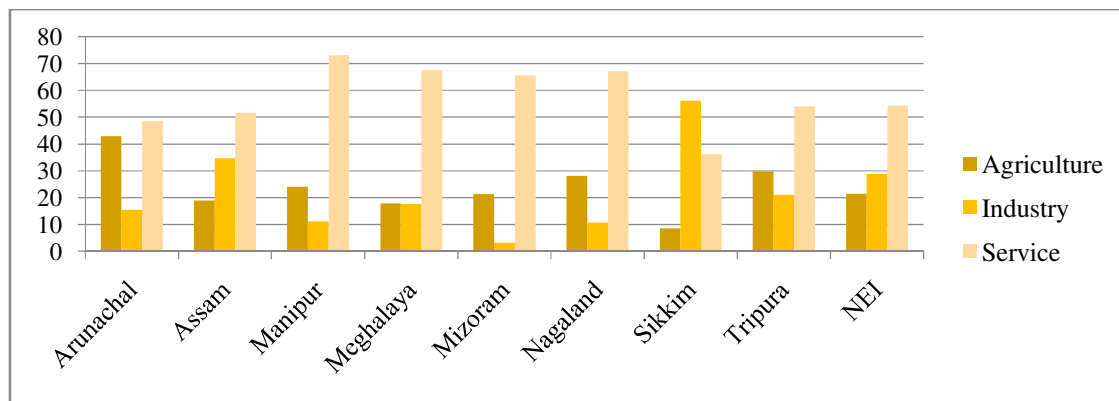


Fig. 5: Sectoral Shares in Total State Income: 2020-21

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

Where does NEI Stand in India's Growth Map?

The adoption of liberal economic policy in India in 1990's made remarkable progress in India's growth story. Indian economy witnessed a considerable spurt in economic growth rate with the initiation of market reforms. The NEI states failed to 'catch up' with rest India in respect of economic growth rate and remained at the bottom of India's pyramid of economic growth. The Vision 2020 Document for NEI published by MDONER and NEC in 2008 admits:

“At independence North Eastern Region was among the most prosperous regions of India. Sixty years on, the Region as a whole, and the States that comprise it, are lagging far behind the rest of the country in most important parameters of growth.”

The growth performance of the states in Northeast India is not very satisfactory. This is clearly visible if we compare the compound annual growth rate (CAGR) of NSDP of NEI states with other states in India. The CAGR of NSDP of Arunachal Pradesh was 8.1 percent during 1980-81 to 1989-90 and Arunachal Pradesh was ranked number 1 during this period. But the rank of Arunachal Pradesh slipped to 20 during the period 1990-91 to 1999-00 and 2000-01 to 2008-09 with CAGR 4.6 percent and 5.9 percent respectively. Similarly, the all India rank of Assam was 21 during 1980-81 to 1989-90 and 26 during 1990-91 to 1999-00 and 25 during 2000-01 to 2008-09 (See Figure 6). The rank of Manipur is also not very satisfactory as shown in figure 6. Manipur ranked 13 during 1980-81 to 1989-90 and slipped to 18 during 1990-91 to 1999-00 and again slipped to 22 during 2000-01 to 2008-09.

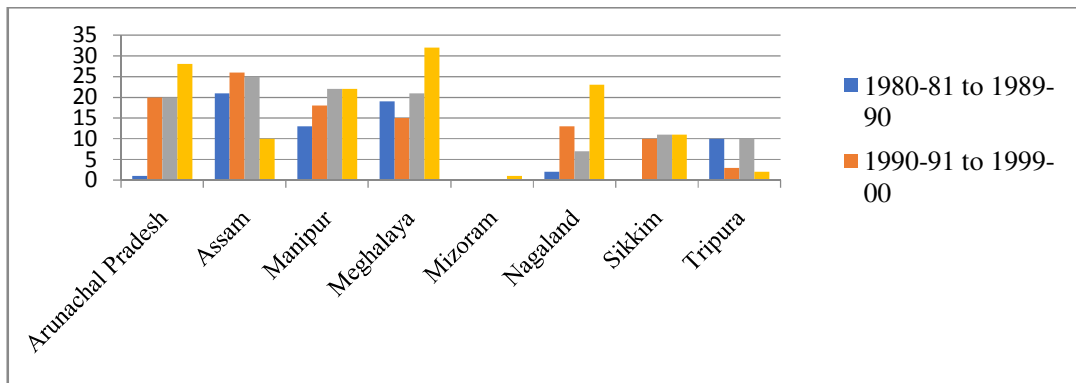


Fig. 6: All India Ranks of NEI States in CAGR of NSDP (Constant)

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

#Data of Mizoram Not Available for initial three periods and of Sikkim Not Available for first period

The position of Meghalaya in growth performance is also not praiseworthy which ranked 19 in India during 1980-81 to 1989-90 and then climbed up to 15 during 1990-91 to 1999-00 and then again slipped to 21 during 2000-01 to 2008-09. The analysis of Mizoram is not attempted due to non availability of data the three consecutive periods. The position of Nagaland, Sikkim and Tripurain respect of CAGR of NSDP is quite satisfactory as seen from figure 6. Nagaland ranked 2 in India during 1980-81 to 1989-90 and then slipped to 13 during the period 1990-91 to 1999-00 and then improved to the rank of 7 during 2000-01 to 2008-09. Sikkim ranked 10 and 11 during the period 1990-91 to 1999-00 and 2000-01 to 2008-09 respectively. Tripura ranked 10 in India during 1980-81 to 1989-90 and then improved to the rank of 3 during 1990-91 to 1999-00 and slipped again to the position of 10 during 2000-01 to 2008-09.

An attempt has been made to calculate the CAGR of NSDP of NEI states for the period 2011-12 to 2018-19 an it is seen that the first two positions in this respect in India is occupied by two states of Northeast, namely, Mizoram (rank 1) and Tripura (rank 2) which is really a

remarkable story. Assam occupied the rank of 10 during the same period and Sikkim ranked 11 in India. The performance of Assam in this respect is notable which ranked 25 during 2000-01 to 2008-09. But the performance of Arunachal Pradesh (rank 28), Manipur (rank 22), Meghalaya (rank 32) and Nagaland (rank 23) is not satisfactory. It can be said that states of Northeastern region could not progress economically in desired manner (except Tripura and Sikkim) even after three decades of economic reforms. In fact, economic reforms and liberal economic policy deteriorated the condition of NEI states. It is important to note that Assam could not make any significant improvement in post liberalization period which is a major cause for economic backwardness of NEI because it is the most important state in the region.

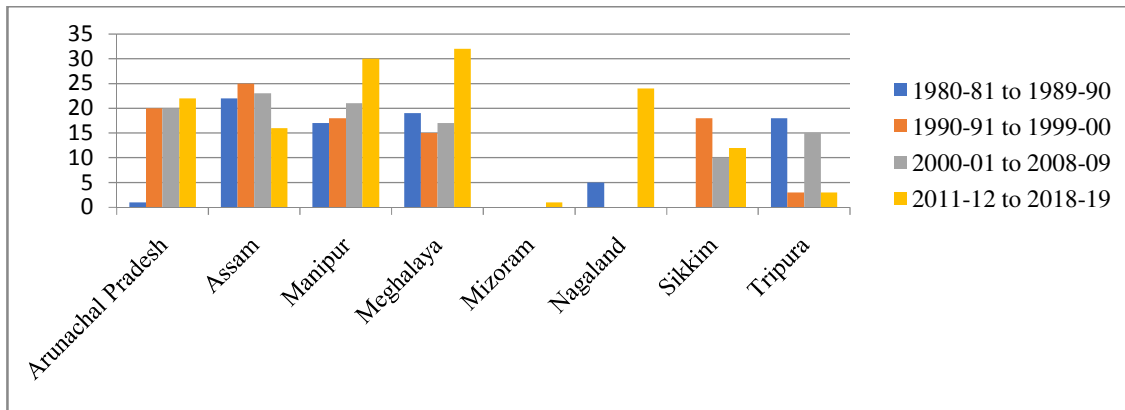


Fig. 7: All India Ranks of NE States in CAGR of Per-Capita NSDP (Constant)

Source: Calculated from Handbook of Statistics on Indian Economy, RBI

#Data of Mizoram Not Available for initial three periods and of Nagaland for second two periods and of Sikkim Not Available for first period

The analysis of Compound Annual Growth Rate (CAGR) of NSDP per capita and the associated all India ranks of NE states shows the similar picture as in the case of CAGR of NSDP. Mizoram ranks number 1 in India in respect of NSDP per capita growth rate during the period 2011-12 to 2018-19 as seen from figure 7 which is a matter of pride for NEI. The rank of Tripura is 3 during the same period. Assam ranked 16 and Sikkim ranked 12 during the same period in respect of CAGR of NSDP per capita. Assam improved its rank in India as seen from figure 7. But the ranks of Arunachal Pradesh (rank 22), Manipur (rank 30), Meghalaya (rank 32) and Nagaland (rank 24) deteriorated during 2011-12 to 2018-19. It is be mentioned here that the rank of Arunachal Pradesh was number 1 in India in respect of CAGR of NSDP per capita and that of Nagaland was 5 during the period 1980-81 to 1989-90.

It can be said that the economic prosperity of NEI states (except Tripura, Mizoram and Sikkim) is far from desired level in this era of globalization and regional cooperation. The liberal economic policy deteriorated the economic condition of NEI states, especially Arunachal Pradesh and Assam.

The Development Strategy: A Note

The economy of NEI remained stagnant and the gap with other states in India aggravated in the post reform period. The liberal economic policy based on market forces did not work for propelling economic growth in NEI. The industrial and manufacturing sector remained underdeveloped (except Sikkim and to some extent Assam) even after three decades of economic reforms. The stagnation of the economy of Assam since decades is one of the major reasons for the economic underdevelopment of NEI. Several policies and schemes have been undertaken for NEI since independence. Several institutions have been created like MDONER and NEC for the development of NEI. Separate regional plan has also been formulated for NEI. The reasons cited for the stagnation and underdevelopment of the region include low investments, infrastructural bottlenecks, dependency on central grants, lack of technology, market imperfections, insurgency, inaccessibility of the region, growing sense of isolation from mainland India, corruption and so on. All the reasons cited are responsible together for slow pace of economic growth of the region. The central government only transferred money into the region in the form of central grants and aids instead of investing sufficient amount for infrastructure development and allowing market forces to act for self sustaining growth. The experts sometimes call this region as 'Dependent Region' due to its dependency on the central government for financial support.

Most of the states in NEI were created out of Assam under North Eastern Area Reorganization Act, 1971 and the last state created was Arunachal Pradesh in 1987. A number of policies were framed for the region which includes Look East Policy, North East Development Fund Corporation, North East Industrial and Investment Promotion Policy and Special Accelerated Road Development Programme – NE for the development of the region. All these failed to yield desired result in economic growth. The region recorded highest percentage of poverty rates with 28 percent in 2011-12 against India's falling trend of 21 percent. Manipur showed the highest poverty ratio in India with 37 percent in the same year.

Now it is believed that economic integration of the region with East and Southeast Asia can make economic betterment in near future. That is why Look East Policy has been reframed as 'Act East Policy'³ to economically integrate the region with East and Southeast Asia and Asia-Pacific region through 'connectivity' development and infrastructure build up. A renewed set of policies like North East Special Infrastructure Development Scheme, North East Road Sector Development Scheme and Northeast Industrial Development Scheme have been freshly introduced in line with earlier liberal economic policy to make the region a future 'growth engine' of India.

Conclusion

NEI remained economically underdeveloped despite abundant natural resources and sufficient scope for integration with neighboring countries in East, South and Southeast Asia. The economic reform measures failed to accelerate economic growth in NEI; rather it widened the gap of NEI with other states and regions of India. It is to be noted that Assam could not perform well since last three decades of economic reforms despite having potentials and opportunities. The economic stagnation of NEI is largely responsible for poor

performance of Assam in terms of growth rate of income and per-capita income. The performance of Assam matters in NEI because Assam alone constitutes around 70 percent of the total population of the region.

The NEI was primarily an agrarian economy, but now shifted to a ‘service sector’ driven economy. The share of industrial sector marginally increased in recent decade. This is mainly due to Sikkim and to some extent Assam. The share of agriculture has been persistently declining and that of service sector has been increasing. The growth of industrial sector remained sluggish in NEI. But the shift to ‘service sector’ driven economy has not contributed significantly to economic growth of the region. The reasons cited for the stagnation and underdevelopment of the region include low investments, infrastructural bottlenecks, dependency on central grants, lack of technology, market imperfections, insurgency, inaccessibility of the region, growing sense of isolation from mainland India, corruption and so on. The economy of NEI suffered from infrastructural bottlenecks and poor connectivity since decades which inhibited trade and investment and thereby economic growth. Recently, Act East Policy (renewed version of Look East Policy) has put renewed thrust on infrastructure development and connectivity constructions in NEI to boost trade and investment through integration with East, South and Southeast Asian countries. These measures are expected to accelerate economic growth in NEI and convert the region from a ‘dependent’ economic zone to a self-sustaining economic region.

End Notes

1. NEI comprises of eight states namely Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. It shares border with Tibet Autonomous Region, China in the north (around 1,395 kilometers), Myanmar in the east (around 1,640 kilometers), Bangladesh in the south-west (around 1,596 kilometers), Nepal in the west (around 97 kilometers) and Bhutan in the north-west (455 kilometers).
2. Chicken’s Neck also known as ‘Siliguri Corridor’ is a narrow strip that connects states of Northeast India to rest of India
3. Act East Policy is a renewed version of Look East Policy launched in 2014 to integrate with countries of East and Southeast Asia and Indo-Pacific Region. This policy put much emphasis on NEI by integrating it in the policy framework due to its strategic geographical location.

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