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**Disparity of socio-economic development among North-Eastern States**

The Indian northeast sits at the cusp of the subcontinent, and this lends the region a unique geography, topology, and geopolitical importance to the country. A long and colourful history and ethnic background have set this region apart from the rest of the country. However, perhaps due to social and physical distance from the political centre of the nation and a distinct lack of adequate physical access to the region (it is connected to the rest of the country only by a small corridor, the Siliguri Corridor, which at one point is only 27 km wide), the years following independence and the subsequent geopolitical partition of the subcontinent have led to severe under-development, deprivation, and regional disparities when compared to the rest of the country. These economic and social woes have in turn led to severe unrest and militant uprising in the region that have led to destabilization in several states and have created blockades to further economic progress and development.

Owing to the undeniable geo-political importance of these states to the country, instabilities such as those which may arise from a lack of adequate flow resources may have severely negative consequences for the country’s economy. It is therefore seen a clear disparity in this region.

It is observed that in terms of household amenities, the region lags behind several other prominent states of the nation. In regard to physical infrastructure, especially road connectivity, there are severe deficiencies that require priority attention. Within the north eastern region however, the status of all states is not the same; while some states such as Assam fare badly, states like Sikkim are often above all India average level in terms of infrastructure.

In terms of socio-economic indicators of disparity viz., income, the region shows lower level of inequality vis-a-vis the rest of India. Low levels of physical and banking infrastructure are accompanied by an abysmal degree of financial inclusion in the region. Account penetration for most states is far lower for most states than the all India average. Credit scarcity also appears to prevail, and government schemes help little in this regard. While the conditions for work for the employed in this region are better in some dimensions in the rest of the country, it is only the primary and tertiary sectors that support a significant level of employment in the region, with manufacturing and industry lagging behind the country average in most northeast states. Although per-capita transfers have been comparatively higher to the northeast than to other Indian states, these findings suggest that bottlenecks in their usage are sustaining low levels of development in the region. However it is important to note that inequality has been increasing in this region over the years and often at a much higher rate than in other Indian states.

It is noteworthy here that though fund allocation from the centre to the NE states is rather high, the states have not been able to utilize the resources appropriately. Large scale corruption and misuse of funds in the region are partly responsible for the prevalence of economic backwardness throughout the northeast. Many scholars argue that economic backwardness and consequent low level of employment opportunities could create a feeling of deprivation and a sense of alienation from the main stream. The sense of deprivation particularly in a climate of cultural and ethnic differences has over time given rise to problems of insurgency, causing further deterioration of economic condition in the north-east. Insurgents today extort funds from entrepreneurs such as tea garden owners, business owners which in turn negatively impacts new investments.

Mere pumping of resources is not going to uplift the status of the region. It is necessary to ensure implementation and evaluate performance periodically. Some of the political problems like insurgency, illegal immigrations etc. need to be resolved with determination so that the region can take advantage of its rich natural resources and develop on par with the other states in the country