



## **ASSAM: FUTURE PROJECTIONS FOR DEVELOPMENT**

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### **ABSTRACT:**

Assam, a land with abundant natural wealth is situated in a picturesque location in the northeast of India. The geographical bearing and international borders have made the state strategically crucial. Characterized with a diverse terrain, Assam has a composite population whose traditional societies refuse to identify themselves with the national mainstream. Heterogeneity and homogeneity amongst linguistic, racial and in ethnological groups provide a distinct identity to the state which has unique problems and hence seeks to alienate itself from the motherland. Population in Assam has reached an explosive stage. Both internal as well as external factors are responsible for this unwarranted population growth, immigration from Bangladesh being the external factor. Modern communication facilities have evaded the state for ages. The hilly terrain of the state adds to the problem as it restricts expansion of rail and roadways. Though construction of railway bridges over the Ganges and the Brahmaputra has eased the situation to an extent yet there is considerable scope of improvement and expansion in surface communication facilities. Nevertheless this land-locked state is in dire need of upgraded communication linkages and unless this takes shape very little can be done to improve the overall situation of the state. There is however a brighter side to the state as it abounds in mineral wealth, diverse fauna, flora and the fertility of the soil has made agriculture the main occupation of the people of the state. Assam has a long political history which ranges from six centuries of rule by the Ahoms, a short span of control by the Burmese and finally ends with the British rule. Its occupation continued uninterrupted until the country became independent in 1947. A series of bifurcations preceding the birth of the state harmed the state a lot and sealed the fate of the state for good. This along with other inherent factors created a situation whereby it was pre-destined that Assam would always be plagued by uncontrollable economic maladies.

### **KEY WORDS:**

Agriculture, industrialization, modernization, essential, infrastructure, infiltration, people-oriented, revival, enthusiasm, subsidy, economy, rejuvenation, potential, implementation, renewal, entitlements, productivity, congenial, human-resources, debureaucratization, responsive investment-friendly.

### **INTRODUCTION:**

Historically speaking Assam has been a land of prosperity and abundance. But post-independent Assam (as already mentioned) has been subjected to numerous aberrations both physical and economic. This has resulted in the state being pushed to the lowest rung of the ladder of poor states. The per-capita income of the state is considerably less than the national average, resulting in high incidence of poverty and unemployment. In spite of such

setbacks successive rulers of Assam continued to demonstrate a popular based administration to prevail over the economic stagnation. Unfortunately, over a period of time new middleman-oriented administration came to the forefront. Deteriorating law and order problem forbade administrative personnel to make their presence felt in the remote areas of the state. Adhocism became the order of the day. Field trips which make people feel the pulse of the administration had become a forgotten affair. Such a situation had the obvious result of creating a vacuum between the common people and the administration. As is well known when any case of vacuum occurs even the most noxious of gases come in to fill the gap. This was the case with Assam as well. Extremist and anti-social groups taking advantage of the adverse situation plunged into the scene and this had the adverse impact of widening the gap further. The need of the hour was thus to restore confidence and trust of the sidelined people in the administration by bringing the governmental machining closer to those it is meant to serve.

### **AIM OF THE STUDY:**

Assam, one of the most beautiful state adorning the Northeastern landscape of our country presents a paradoxical picture of backwardness and poverty amidst the presence of abundance of natural resources. It clearly indicates that the state has considerable potential for overall growth. As Assam is mainly an agricultural based region for any remarkable change in the economic picturesque of the state should begin with the management of these constraints which stands in the path of promoting growth. In spite of efforts made by the Assam government at times aided by the central government to initiate concrete measures to bring Assam out of a crisis-ridden situation but a lot needs to be done to make it bounce back. This article as such seeks to put forth certain viable and holistic recipe which if seriously considered would give a refreshing look to the bereaved and distressed stricken economy and society of Assam.

### **REVIEW OF LITERATURE:**

1. Agarwal A.K (ed) "Economic Problems and Planning in Northeast India" Sterling Publisher Pvt., New Delhi, 1987)

The above book discusses the economic aspects and problems of Northeastern state of India and highlights the planning process adopted by them. The state of the agricultural sector, the different industries located in this part of India, their problems, and issues including future prospects have been analysed in a comprehensive manner.

2. Alam, Khurshid (ed.) "Planning in Northeast India", (Omsons Publications, New Delhi, 1985)

Khurshid Alam in the above-mentioned book analyzes the factors and the processes that led to the formulation and implementation of area specific development strategies in the Northeastern states of India. Both macro level and micro level planning details and associated policies have been systematically discussed. Even the technologies adopted by the state governments of this region to promote development has been taken up.

3. Baruah Sanjib, "India Against Itself: Assam and the Politics of Nationality" (University of Pennsylvania Press Philadelphia, 1999)

The above book by the noted author Sanjib Baruah emphasizes on the growth subnational conflicts in Assam particularly leading to the problem of insurgencies. The fragile political climate of the state, the issues of violation of human rights and the question of legitimacy of the working of political bodies are other interesting highlights of this noted book.

4. Dikshit KR, Dikshit JK, “North -East India: Land, people and economy”, (Springer Publication 2013)

The above book on the North-East region of India discusses in detail the geographical landscape of the region, the nature of agricultural land, the characterization of the population of the region and their occupation. The nature of the economy, the process of working of the small-scale industries and the area specific industries of the region has also been discussed.

5. Grudem W, Asmus Barry, “The Poverty of Nations” (Crossway Books,2013)

The joint authors of the above book committed to ameliorate the problems of poverty and hunger throughout world, makes a significant attempt to elaborate the pressing problems of the developing and poor regions of the globe and suggest appropriate remedies for the same. The remedies suggested are much appropriate to the specific requirements of the concerned nations. Throughout their writings the twin authors have emphasized that policies adopted and practiced by a nation is a sheer reflection of their economic status.

6. Nepal Padam, Chakraborty AS, “Politics of Culture, Identity, and Protest in North-East India”, (Authors press Publisher, New Delhi, 2012)

The above book provides its readers with a thorough understanding of the issues of migration identity crisis, gender issues, numerous cultures and their mode of intermingling, geographical and cultural divisions, and the like. The authors in the process have adopted multiple methodologies to put forth a close interaction between politics, social protests, culture and identity related issues.

### **MAIN TEXT:**

A close analysis of the issue at hand makes one realize that much of the political unrest in the State is linked to the issue of economic underdevelopment. Failure to promote the welfare and progress of the people have led to a number of political movements. The anti-foreigner movements of the eighties were meant to pressurize the government to protect the interests of the local Assamese. Agitation by the Bodos for an independent Bodo land leading to the formation of Bodoland Autonomous council in 1993 was meant to preserve and protect the ethnic identity of Bodos. Assam is a multi-racial and multilingual State. The ethnic, linguistic, and cultural identities of all communities must be mutually respected and encouraged to blossom in their own traditional areas. In the culturally and historically distinct areas within Assam area development councils must be set up to meet the autonomy demands. The long years of turmoil and unrest must come to an end. The feeling of neglect and indifference among the people can be removed only through an increased process of development. Industrialization, modernization of agriculture, infrastructural development, modernization of educational facilities, increase in employment facilities



would go a long way to remove the feeling of frustration, isolation and discrimination among the people, particularly the youth and engage them in the nation building process. The government and its bureaucracy must be pro-people, humane and just. The political leadership should be representative of the people of the State as a whole and infiltration of foreign nationals must be stopped. The Central government should genuinely be concerned about the interest of the people of Assam. All such measures would not only promote economic development of the State but would also remove frustration and distrust and feeling of insecurity among the people and convince them about the sincerity of the of the government of India and also of the State government about the progress and development of the State.

For meaningful development to take shape one essential pre-condition is a peaceful environment comprising of on united and tolerant group of inhabitants. For the building of such a society the basic requirements and well-being of the people are to be promoted on an urgency basis. Only then can the confidence of the people on the government be renewed and a developed society emerge. The present article of mine seeks to put forth suggestions to the State government about ways and means to reduce the deprivation of its population and measures to improve the economy. These measures would go a long way in augmenting the credibility of the government and in controlling political unrest and protest movements. Over the years the state has witnessed sincere attempts from its successive rulers to obviate the negative attitude which had gripped the minds of the people. Long years of agitational climate and the resultant law and order crisis had made people resign to their fate. One such unique initiative to create an upbeat climate among the population is the RajiorPodulitRajior Sarkar (RPRS) or (people's government at its footsteps). Taken up by the Congress led TarunGogoi government the mission of this unique programme is to take administration to the doorsteps of the people for the redressal of their grievances. It was hoped that with such schemes taking shape the overall development of the society in all walks of life would be a reachable dream. A notable feature of such people-oriented scheme is the inclusive participation of the concerned population. Women also shed all their inhibitions and made their presence felt in such programmes. Such schemes serve as a primary unit of local self-government as petitions are entertained with regard to diverse issues-opening of schools, provisions of roads and rural electrification availability of doctors/medicines and the like. It is also encouraging to note that such programmes make possible regular visits by administrative personnel to the remote areas undeterred by the fear of insecurity and law and order problems. Misconceptions are being cleared and the path now has opened for an effective and simple interface between the government and the common rural population. The latter has not only been able to acclimatize themselves with the proposed scheme of the former but clouds of doubt that often mar healthily and fruitful relationship between the rulers and the ruled are slowly being done away with.

All said and done it remains to be seen as to how long the initial enthusiasm of governmental officials is retained because any adorable scheme loses its shine and glory over a period of time unless the government is committed to remain vigilant and honest in ensuring the continuity of such schemes with the honesty of purpose. This is very crucial particularly in a backward state like that of Assam where people have resigned to their ill-fate because of administration and political lacunas to redeem their lives from poverty and



backwardness. Alongside with such measures gram panchayats are also to be made responsible and rejuvenated so that they serve as instruments via which such schemes gain a wider legitimacy and a broad-based appeal.

The above analysis permits us to acquire a macro-level knowledge of the actual state of Assam's economy. All said and done with almost humbleness we are bound to admit that all is still not well with the state's economy. Over the years there has been a substantial increase in the level of population thriving below the poverty line. Operating under conditions of financial crunch has been a persistent problematic trait of the government. "The proliferation of governmental agencies and the dispersal of decision making that is relevant to the problems of small territorial units, prevent development of concerted action to aid a specific group of rural poor."<sup>1</sup> Less than 15 per cent of the state's total expenditure is utilized for development work. Under such conditions it is but obvious for the economy to be in a state of doldrums. As has already been discussed, the roots of Assam's economic malaise can be traced to unpleasant historical factors resulting in the geographical and economic isolation of Assam from the rest of the country. The pangs of partition followed by frequent dissection of the state's body in the early part of the seventies resulted in a grave situation, rescue from which had become an unthinkable proposition. As if these were not enough the final blow on the state's economy came when the state became a victim of unprecedented terrorist violence caused by several militant groupings operating both from within and outside the state's geographical boundaries. While the state administration tried hard to put up a brave front in the face of extremist violence, fissures began to emerge in the Assamese society. Disturbing trends of ethnic cleansing resulting in ethnic militancy had reached new heights. The state has also not been spared from fundamentalist activities, sponsored by extraneous forces whose ambitions were detrimental to the state's survival.

Complete ruination of the state's economy was brought about by some indigenous factors as well. The All-Assam Student Union (AASU) movement in the first half of the eighties coupled with the terrorist infected United Liberation Front of Assam (ULFA) activities spelt doom for the state's economy. The above conditions proved detrimental to the interests of the state as private investors no longer considered Assam as their destination and there began an outflow of capital from the state. Persistency of an adverse environment with numerous odds has instilled in the minds of the local population a negative feeling of helplessness and an indifferent attitude. Such a "situation has been inhibiting the realization of the State's full growth potential and of the full flow of benefits or even the limited development that takes place to the people of the State".<sup>2</sup> An empty exchequer coupled with societal peace being punctured by outburst of terrorist activities proved to be a casualty for the state's already fragile economy. Assam's economic picturization thus presents a sad state of affair. All is not however lost. There is always a silver lining in a dark cloud. The reflection of this silver lining has begun to make its presence felt in the state's economy. The situation in the state has already started exhibiting signs of revival. The Congress government in the state committed to a popular oriented regime had begun its rule with a positive note of economic growth as its top priority. All round efforts are being initiated to mobilize the state's available natural resources in the interest of plugging the loopholes that inhibit economic growth. Attempts are underway for the speedy



industrialization of the state undeterred by the severe resource crunch. The results seem to be encouraging. Several top companies like the Reliance and Hindustan Lever have agreed and in fact have begun to make massive investment in the state. As the ball has started rolling some other companies are also showing interest. Not merely industry, agriculture is also being given prominence today. Information technology has also found a place of prominence in the state's economic scenario. Efforts are on to bring government officials closer to the people (RaijorPodulitRaijor Sarkar). This was necessary to feel the pulse of the people on the one hand and to enable the bureaucrats to clarify policy options to the people on the other. In other words, attempts are being made to divert the attention of the bureaucrats from mere law and order function to development tasks. Concrete steps are also being taken to improve the standard of education in the state-run schools. A very encouraging trend in the operation of the state's economy is the interest which the central government has begun to show with regard to the state and its economy. Some initiatives are being taken to enhance the prospects of the state's economic rejuvenation. To give a fillip to industrialization the center has come up with an admirable package of incentives comprising of transport subsidy, capital investment subsidy, free insurance policy to cover all risks for a decade, excise exemption and the like. These are positive signals, and the state government must make the full use out of them. With plans for massive investments in improving the road network and extension of broad gauge beyond Guwahati the transport bottleneck has been eased. With Guwahati airport becoming an international airport, trade with the neighbouring countries is bound to grow manifold. Concrete measures are also being taken to economically integrate the north-eastern region with the growing Southeast Asian economy. When this becomes a reality Assam will no longer remain a geographically isolated state with a deplorable economic track record, but it would become a center of trade, commerce, and industry. In other words, if all positive developments are permitted to proceed undeterred Assam over a period of time would become the hub of economic activities in the entire north-eastern region. But this is a distant dream. What is thus required is a strong political will and a determined batch of uncorrupt bureaucrats committed to the cause of the state's economy and its upgradation. For the very survival of the state, it is indispensable to take all problems in its stride and adopt a constructive and optimistic attitude towards the solution of all such problems that come in the path of its economic rejuvenation. Given the ill-fated economy of the state it is indisputable that any particular policy would not be sufficient to successfully handle the crisis-ridden economy. What is called for is a multipronged strategy that would launch an attack from all directions and help to rescue the people at least marginally from a life of agony and distress which are the obvious concomitants of penurious conditions. It is however important to bear in mind that Assam is predominantly an agricultural state with more than eighty percent of the population living in the rural areas. This requires the concentration of our attention on this sector, but the industrial sector should not escape our treatment. Since the existence of this state, governments have come up with diverse strategies to provide relief to its welfare starved economy, but absolute success has always eluded the policy makers and administrators of the state. The need of the hour is to adopt a wider perspective and a practical attitude so that a realistic solution to the economic ills of the state is comprehended. Some such suggestions have been discussed here. They may not



be a sure recipe for an assured economic rejuvenation but these alternative policies and viewpoints if absorbed by the state planners honestly would give a refreshing look to the grief-stricken economy and society of Assam. Assam has adequate potential for generating hydroelectricity in other words absorbing power from water resources to cater to its agricultural and industrial requirements. It is very ironical that in spite of Assam having enough scope for hydro-power projects no determined efforts have been made to go ahead in this direction. The mighty river Brahmaputra with its immense water resource potential offers vast scope for irrigation and hydro-power development. Assam has the record of consuming the major chunk of the region's power output, but power availability is at an extremely low ebb. Slackening rate of power output has adversely affected the provision of rural electrification. It is disheartening to note that less than 10% of Assam's villages enjoy the benefit of rural electrification. Inadequacy of power which is a crucial input for the agricultural and industrial sector has frustrated all efforts towards rapid industrialization. At a time when majority of the states are served by electric trains benefitting the passengers and making transport of goods easier, Assam still has to satisfy with diesel engines running in broad gauge routes. Lack of adequate railway facilities is also put up as an argument against the setting up of heavy and modern industries. On the other hand, absence of large-scale industries and commercial activities is put up as a case against modernization of railways. Such arguments have placed the state in a situation of dilemma. Under such circumstances all efforts must be directed towards tapping the power potential of the state by making additional investments in this sector. An effective functioning of the existing state power boards must also be ensured to facilitate proper distribution of existing level of power output. An increasing level of power output would go a long way in strengthening infrastructural services which in turn would enhance welfare and promote economic growth.

Assam is an agricultural state with majority of its population thriving in the rural areas and depending on agriculture as the sole source of their livelihood. "The Planning Commission's Expert Group Report (1993) shows that the number of persons lying below the poverty line in Assam was 89.6 lakh (39.0 percent)."<sup>3</sup> This calls for urgent steps to promote agricultural growth as it would reduce poverty at a quick pace because it would generate income opportunities for the poor and augment the demand for those goods and services that can easily be produced by the poor. Development of agriculture is the driving force behind rural development which in turn will pave the path for the implementation of broad-based poverty reducing schemes. If the poor are farmers, they benefit directly from rapid agricultural growth. The state rulers must realize that the neglect of agriculture in an agriculturally predominant economy is the sole cause of poverty. The shackles of agricultural stagnation in the state can be broken only via massive investment in infrastructure and by handing out incentives to farmers to augment productivity. There is also an urgent need to actualize the immense untapped growth potential of agriculture in the state, promote agro-based industries and business and institute a fair and equitable reward system for the farming community for the services they provide to the society at large. In agriculturally predominant states there is a strong linkage between real wages and an increase in agricultural purchasing power. The state government should realize that the promotion of agricultural growth would help the rest of the economy because a rapid



growth in the agricultural sector which is the provider of raw materials is accompanied by a rapid industrial growth. The government should opt for a flexible agricultural sector so that the farmers have a large scope for maneuverability free from the clutches of semi-monopolistic public and private organizations. The poor farmers of the state are often reluctant to augment their productivity because of poor input delivery system, absence of research and technical support, inadequate price incentives and poor marketing facilities. It is in these areas that the government of Assam need to concentrate its attention. Increased productivity made possible by technological innovations paves the way for diversification of agriculture which is of urgent requirement in the context of Assam's agricultural sector. Diversification of agriculture can create large employment opportunities than provided by the cultivation of tea, jute and rice. To promote the cause of the agricultural sector the state government ought to take certain inevitable steps on an emergency basis. An appropriate technology that would fit into the climate and soil of the region should be adopted. Local research institutions should be set up to ensure adaptability of standard varieties to local conditions. Provision of adequate agricultural credit facilities along with marketing facilities should be ensured so that in lieu of the subsistence sector agriculture is taken up as a commercial venture with attractive remuneration. In large tracts of agricultural land in the tribal areas of the state shifting cultivation is still widely practiced. Considering the immense damage, it has brought about on the quality of the soil. Jhumming should be replaced by improved forms of land management which would not only retain the essential minerals of the soil but would ensure the least disturbance to the people. In other words, settled cultivation should be encouraged in the tribal belt of the state.

An important area which demands the immediate attention of the state government is the provision of infrastructural services. Infrastructural components include power, transport, communication, and water. Deficiencies in these sectors have been a perennial problem with the state's economy. The state should take up large scale infrastructure projects which would facilitate rural affluence by ensuring employment-oriented growth and a surge in rural employment. The two most urgent areas of investment catering the rural population are roads and irrigation. Investments in rural roads can provide a burst of rural prosperity. Investments in rural roads and bridges of the state can boost rural wealth. Considering the fact that majority of Assam's population live in the rural areas' affluence can come not merely by augmenting agricultural produce but by increasing the scope of employment opportunities within the rural areas. Improvement of rural roads would improve connectivity between the urban areas and the countryside and provide ancillary means of livelihood. With regard to irrigation, it should be realized that without harnessing the power of irrigation enhancing agricultural productivity would be a sham. Assam is also blessed with abundance of rainfall. There is no shortage of technology today to enable the state to benefit from this advantageous situation. The state government should initiate popular mechanisms of rainwater harvesting and adopt social models which village panchayats, small towns and even large cities can base their efforts on. The huge water potential of the mighty Brahmaputra must be utilized for irrigational purposes and hydro-electric power. Expansion of irrigation facilities is indispensable for multiple cropping which is so very essential for solving the food deficit in the state. Every year the state spends crores of rupees to import food. Ways and means should be thus adopted to prevent this money from



going outside the state. More than 80 percent of Assam's population is in the agricultural sector, but agriculture is still in its primitive stage as modern methods of agriculture is not widely practiced. The principal factor that has undermined the status of agriculture in the state is the apathetic attitude of the people towards the idea of the market economy. The local Assamese are used to produce agricultural output suffice for individual family consumption. Production in terms of market is not considered acceptable. That agriculture can be a source of sufficient earning for an improved lifestyle like the farmers of the northern states has not dawned upon the local people. The people of the state should realize that only a market-oriented agriculture can change the economic condition of the state for the better. All agricultural activities should be conducted with an eye towards market economy. Feudal ideology must be obliterated from the minds of the people so as to encourage them to produce for the market. Assam should be made an open market not for raw materials but for finished products only. There should be less and less of dependency on the other states for consumer goods and agricultural commodities. Only then can the central grant be of any substantial help to develop Assam economically. Without growth, development of the economy becomes impossible and vice-versa. Market and state must supplement and complement each other. The two steadfast pillars of development are proficient market and a capable state. The state activates development and market boosts growth. For growth to be a reality the society must be developed and in the dearth of growth development of the society becomes impossible. For a society to develop a part of the growth is to be utilized for changing the values and social institutions. In other words, feudal values and ideology would have to go and values of market economy has to imbibed by the Assamese people, only then can development and growth be made possible.

The journey towards eradication of poverty should adopt as its mechanism a people-centered strategy which involves the empowerment of men and women and ensuring their active involvement in the decisions which affect their lives. The poor and their fellow members lack material wealth but their creativity and energy places them apart from the urban crowd. Thus they are not devoid of assets but the assets which they have are personal, social and environmental as well. Any strategy for poverty alleviation must begin by building the assets of the poor and restoring their entitlement so that they are able and strong enough to win their battle against poverty. A congenial atmosphere for building the assets of the poor is called for. Not only should they be provided with credit and other financial services but security of tenure for housing and land is equally important. Social services like health care facilities, educational benefits, safe water, sanitation etc. should be made available to the poor. As in the urban areas women in the rural areas too are sometimes deprived of their legitimate entitlements. They do not have a voice in the decision-making process thus making them feel the brunt of poverty the most. Women form an integral part of any society and unless they march alongside with men in the development process the roots of poverty and economic backwardness would not be weakened. This calls for gender equality as a part of the strategy for the eradication of poverty. This is a crucial issue as gender equality would also pave the way for the eradication of other forms of human exploitation. Women with their renewed energy, new insight, innovative ideas of organization etc. can provide a new look to the society and help to transform growth into development. As such any attempt by the state government to



promote and develop human capital should include in its strategy expansion of employment opportunities, augmentation of productivity and channelization of resources for the promotion of human growth. Only then can poverty be reduced, and welfare of the society be guaranteed. All the above considerations are to be taken into account by the Assam government while formulating a wholesome strategy for the economic upliftment of the state. Social indicators like good health, quality education, nutrition, family planning issues play a key role in the reduction of poverty and improvement in the standard of living. A higher standard of living leads to improvement of health and educational standards, thus freeing people from a diseased and ignorant life. Absence of quality education on a statewide basis deprives people to free themselves from the clutches of poverty and expensive health services keep people in poor living conditions. Of late the state has made rapid progress in rural education but in case of health services the state still has miles to go. Government sponsored schools in the rural areas is the common sight but the problem of school dropouts, failures etc. because of domestic compulsions is a frequent trait of these schools. As such unless the economic condition of the rural masses is improved mere investment in setting up schools in the rural areas would less serve the purpose. The quality of public spending in the rural areas must be improved so that subsequent improvement in other areas would be a natural process. As majority of the state's poor live in rural areas urgent steps should be initiated to empower the poor and liberalize the rural economy. A dual policy of institutional reforms and social reforms must precede any initiative to uplift the poor. The distortions in agricultural sector ought to be obliterated. There should be a spur in the rate of investment meant to strengthen the rural infrastructure. The poor and the socially disadvantaged particularly the people residing in the hilly areas of the state should be empowered so that their access to educational facilities, health, assets, their sway over institutions that deliver rural services are strengthened. The rural financial system also needs to be strengthened so as to make loans easily available for the farmers on easy terms and conditions. Agricultural price policies are also to be adjusted to the advantage of the poor farmers and household food security for the poor must be improved. Experience worldwide has shown that the most successful strategy to tackle poverty conditions and promote economic growth in the rural areas is to initiate a model of growth that would make a proficient use of labour on one hand and the investment in the human capital of the destitute of the other. The first would provide opportunities to the poor to make the most of their sole asset- their labour power and the latter would improve their state of living so that they are in a position to take advantage of the newly created opportunities. The adoption of the above stated dual strategy would go a long way in improving the lives of the poor of the state both in the plain as well as in the hilly areas.

Assam is a unique state with a strange mixture of diverse religion, culture, language and tradition. Ten percent of Assam's population comprise of the tribal who for ages are used to practicing shifting cultivation. The fruits of rural development programmes have failed to percolate down to the people of this belt. This calls for the adoption of an appropriate rural development strategy that would encourage the extension of cultivable area under settled cultivation in lieu of shifting cultivation. Any strategy for the upliftment of hilly and tribal areas should take into consideration the traditional skills, crafts, the occupation of the inhabitants, their needs and aspirations and their limitations. It is more desirable for the



state government to adopt those technologies for the tribal areas which suit its conditions rather than imposing the existing technologies in these areas. Animal husbandry is an age-old activity of the residents of the tribal and hill areas of the state, but the state lacks any such industries which specializes in dairy products or animal wastes. As such any improvement in the economic condition of the people of the hilly areas would require setting up industries on the above lines. This area is also rich in flora and fauna of diverse variety. The tribal have since ages been using various medicinal plants. Ayurvedic drug units and fruit processing units involving fruits like banana, apple, papaya, guava, orange, pineapple are other options which can be opted for to improve the economy of the tribal belt of the state. Strenuous efforts should also be made to create an awareness among the tribal people about the newly developed and sophisticated techniques of production so that the benefits which accrue from such a training would help to improve the standard of living of the people of the hilly areas. Moreover, the hilly areas of the state are to be treated with well-equipped and modern means of transport and communication. The hilly areas of the state are also replete with livestock and fodder resources, and both complement each other. There is immense scope for improving the quality of livestock which in the process would generate entrepreneurship activities in such areas as leather, dairy and other associated industrial units. Fruit processing units based on lavishly grown horticultural products is also craving for growth and modernization. Finally, the state government should also make serious efforts to improve the network of communication in the hilly areas as they remain largely disconnected from the plain areas because of transport and communication bottlenecks. Effective connectivity between the plain areas and the hilly areas of the state would ensure a complete overhauling of the economic map of the state. Neglect of the state's tribal belt would force the state to pay a heavy debt in the form of insurgency movements in those areas.

Manpower development or development of human resources is a crucial pre-requisite for a self-dependent and progressive society. The state of Assam is perennially starved of skilled and trained manpower. This calls for the adoption of a strategy that would link the development of human resources with appropriate technology and education. Equal emphasis is to be given to the advanced training of entrepreneur and labor who have already started working in a way so that their deficiencies are obliterated as absence of skilled personnel is a major contributory factor to industrial sickness in the state, be it medium or small-scale-sector units. Adequate training and education will help the semi-skilled and unskilled workers to develop a wide perspective and vision regarding the use of local resources and potential in an area in which the state is much ahead than the other developed states. Besides making an optimum use of the state's natural resources upgraded training facilities will augment agricultural and industrial output and also improve the quality of goods produced. All the above considerations lead one to conclude that the state government of Assam must give the utmost priority in making arrangements for an adequate and appropriate training of the local human resources so that the profit earned on this account is not leaked out of the state but is re-invested again in the state itself. Assam is an industrially deficient state, but industrialization is recognized as the only panacea for the upliftment of the economy and to raise the living standard of the people of this poor state. But unfortunately, enough the state lacks the wherewithal with the help of which industrial



activities can be increased. At the same time the state is engaged in creating an investment friendly climate but in vain. This is because of many factors which the state government is unable to contain for example the law-and-order situation, off and on militant uprising and other associated problems. The future industrial prospects of the existing industries also are hanging in a balance. Expansion of the tea industry is an unfeasible proposition as it has reached a point of saturation in terms of additional investment on a large scale. Similarly, the expansion of petroleum and natural gas-based industries will depend upon the discovery of new oil fields in the state. But these are capital intensive projects requiring a heavy dose of investment which is beyond the capacity of the state government to afford. This does not mean that the government should adopt a complete indifferent altitude towards the promotion of industrial activities in the state. Some of the areas which can engage the attention of the state and prospective investors are modernization and enlargement of horticulture, sericulture and weaving, upgradation of jute-based industries for the manufacture of non-traditional diversified products, enlargement of the base of ancillary industries of tea, crude oil and petroleum refining sector etc. The government ought to give due importance to the application of high and innovative technology in the existing industries, production of items of mass consumption whose quality could match with popular international brands of similar products and most significantly make newer uses and application of locally available traditional raw materials. As the state has abundance of potential for small scale industries it should seize every opportunity to promote the same so that there emerges in Assam a strong foundation for future large-scale industrialization. The state has considerable potential for horticultural development, for setting up food preservation units and for sericulture and weaving. Larger production of fruits and its preservation can be taken up at the cottage level for which there is adequate scope provided centralized marketing assistance is given. The state should also arrange for the marketability of traditional products of weaving and sericulture. Encouragement should be given to the development of new designs which are attractive to domestic and foreign buyers. Refashioning of the traditional designs will improve the marketability of such products and thereby help the weavers to earn some profit. The government must also arrange fund for those weavers who instead of producing stereo-type items opts for innovative products based on modern- scientific lines.

Ending human deprivation and working towards emancipation of the deprived and the poor, thereby paving the path towards economic growth calls for the existence of an operational state. With abundance of raw materials at its command and with the present appropriate political conditions, (both at the state level and at the center the Congress being in power) the state government can concretize plans to empower individual household and communities to exercise greater control over their destiny and available resources. It should come to the rescue of the common people in case of insecurity and natural calamities particularly flood which has its excessive impact on standing crops. Appropriate policies would take into consideration what people or target groups could do to protect themselves and what their restrictions are. Government efforts should be oriented towards involving the people in the solution of problems rather than treating them as mute recipients of grants or relief. It is further the responsibility of the state to create a democratic environment in which people can articulate their demands and invest in



profitable ventures. It is only with the aid of an active state and a congenial atmosphere that economy grows and society develops, and market becomes efficient. When growth and development are sustained over a period of time economic deprivation will meet its final end. It is necessary for the state to have a strong political will backed by a clear vision and a pro-poor strategy, only then can marked changes occur in the economic structure. Overnight changes cannot be expected as Assam for decades has stood as an example of poverty amidst plenty. Progress in the state due to obvious factors has been always slow. For any remarkable change in the economy the starting point should be agriculture. Considering the fact that Assam is an agricultural-cum rural dominated state, the constraints faced by the farmers of the state have become unyielding in nature. So much that there is little scope for the government and the farmers to inject doses of dynamism and flexibility into the agricultural sector. Assam's economy must be freed from the bonds of agricultural stagnation via massive investment in the direction of improving infrastructural facilities and by making available incentives to the farming community for raising productivity. The positive fall out of such an attempt would be to set loose the forces of rapid industrialization. Over the past few years, a perceptible change has been witnessed by the state. Slowly and gradually the state has been able to free itself from the clutches of insurgency and lawlessness. Across the state there are some visible signs of economic resurgence. The Numaligarh refinery has already become functional. More and more people are willing to set up their own ventures. The mental blockade of the Assamese youth has given way to a favorable situation where instead of hankering for jobs in the government or semi-government concerns, they are looking and opting for employment opportunities in the private sector. The sweeping winds of IT (Information Technology) revolution has reached Assam. IT parks have been set up in Guwahati. All major computer training institutes in the country and several other private professional educational institutions have set up numerous centers in the state. The response of the people of Assam towards these positive developments have been good. With visible improvement in the economy, the Meghalaya government has opted for an investment of over Rs. 100 crores for the setting up of an industrial area at Byrrihat close to Guwahati.

All said and done, taking a holistic view of Assam's economy will lead us to conclude that state still has a long journey to embark upon in the march towards prosperity and economic growth. Promotional measures to upgrade the economy is underway but the economic path of the state is marred by social, economic, and geographical bottlenecks which in due course of time have become a part and parcel of the state's destiny. The situation emerging out of such an inflexible situation has made successive state governments resign to their fate resulting in the slackening of efforts in the interest of economic welfare. The resilient nature of the Assamese people and their government has ensured the continuation of such efforts. The steps being taken today are in the right direction. With peace largely restored and the economy back on the road to progress the state can reaffirm its own once lost confidence and keep pace with the developed states of the country. The mighty, majestic, beautiful, benevolent, and powerful Brahmaputra beckons the people. Its displays contradictory images. It can cause unimaginable miseries to the people by setting loose the forces of death and destruction. But the powerful potentialities of the river when harnessed properly can be a source of tremendous energy and power for progress and development.



The Assamese society throbs with this symbol of life. This throbbing dynamism of the people has helped the state to face the shocks of turbulent times marked by a frightening monotone of horror, murder, extortion, kidnappings, and bomb blast.

### **CONCLUSION:**

Assam has come a long way but there are miles and miles to go as new vistas open up every day. Waiting to be studied, explored, and enjoyed. Very often the Assamese people feel alienated from the rest of India. In spite of the reign of terror often unleashed by the terrorist groups, the resilience of the state and its people make Assam bounce back on its feet. We should as such be optimistic about the future of the state's economy and its attempts to mitigate penurious conditions. But a look backwards is always necessary to remind us of the inherent pit falls that have sealed the fate of Assam by making its economy a backward one. They may not be sure recipe for an assured economic rejuvenation but these alternative policies and viewpoints if absorbed by the state planners honestly would give a refreshing look to the grief-stricken economy and society of Assam. To ensure quick and meaningful growth the State leaders should energize the administration and ensure that stalled projects specially in the field of infrastructure should be given a clean boost. The workable age population particularly in the urban areas need to be provided employment opportunities. Simplification of administrative regulations and processes and other necessary structural changes needed to promote the cause of a people-friendly administration should be seriously opted for. This is because transformation of work process would not only encourage improved design but would also promote effective delivery of programmes and schemes via better usage of funds. Efficient administration would also help to unlock the major public sector projects particularly in the field of infrastructure. The working of the state economy should not be made hostage to poor decision-making process and weak management policies. Promoting a healthy, sustainable and a strong economy may prove to be a challenging task, but the administration can make a good start by laying the foundation of a good governance system which would instinctively create conditions for the commissioning of sustainable projects and their quality execution. The state is waiting for the winds of change, for a better future and a strong economic base.

### **FOOTNOTES:**

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