

# New Paradigm of Development Economics: A Study of Human Development in North East India

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I

## *Introduction: Development Strategy for North East India*

The development strategy for north east India has recently been drawing the attention of policy makers and academicians. Numerous efforts notwithstanding the region has continued to lag behind the rest of the nation in terms of economic development. Though various strategies of development have been experimented in the region, no strategy has yet touched the humanistic aspect of development problems. This strategy has recently been given great emphasis by researchers, though policy makers still have a long way to go as far as adopting the latest strategy of development is concerned.

A humanistic approach of development model based on human development paradigm should be the main focus of attention of these models. Various aspects of human well-being such as food, nutrition, shelter, education, health and various other amenities, which constitute a good quality life, should occupy the centre stage of all development efforts for north east India. Such objectives, if carefully researched, studied, analyzed and integrated into growth models, need not be at the cost of rational economic behaviour and anti-growth. In fact, such growth models can ensure sustainable development. The basic forces of market economy, ensuring optimum allocation of resources can no doubt be satisfied, but the human crisis of the pure neo-classical model of growth cannot be overlooked either. The problem of development in the modern world is not only multi-dimensional but unique as well.

The traditional economic approach may not always be helpful in clarifying such problems and unconventional approaches may often have to be adopted to solve what may superficially appear to be conventional economic problems. Though the traditional economic approach can play a useful role in improving our understanding of development problems, it should not act as an obstacle to the realities of local conditions in less developed countries. Hence the necessity of ensuring state intervention for synthesizing economic rationality of market forces and welfare of the common man.

The essence of all these issues such as education, health and various other factors which determine the conditions of living of the common man are captured in the newly emerged concept of human Development. The acceptance of this new idea has significantly broadened the narrow conventional development paradigm. The response of new development economics to the changing realities of life in the developing countries and the new theoretical advances made in mainstream economics has been both positive and negative, which is evident in the greater emphasis on human development. This is also evident from the regular publication of the *Human Development Report* by UNDP, since 1990. The basic reason for this report is an attempt to reduce the unacceptable levels of economic inequalities, poverty commonly experienced in the less developed countries and even certain neglected regions of large and developed countries. Adequate attention needs to be paid to these aspects related to development experience in the less developed nations, because as Myrdal (1984) highlights,<sup>98</sup> “what is needed to raise the miserable living levels of the poor masses is instead radical institutional reforms. These would serve the double purpose of greater equality and economic growth.” Tinbergen also emphasizes the importance of substantial income transfer to correct the present income differences between the rich and the poor. Any study of human development, therefore, emphasises the need to achieve social justice and enhance human happiness for which we need to create institutions that transmute the longing for a better world into a set of policies, which begin by raising the welfare of the deprived sections.

Economic growth and well-being of the common man as measured by human development are therefore not contradictory, as some economists wrongly tend to opine. In fact, they are complimentary and no economic growth can be initiated and sustained at a low level of human development just as a high-level of human development can only be sustained with resources obtained through a high rate of economic growth. Growth does not automatically transform itself into

human development. All depends on the nature and extent to which policies and programmes of an economy are geared to harmonize economic growth with human development. Achieving these two goals simultaneously should form a part of every development goal and effort. It is here that the role of the state assumes importance and the study of human development assumes significance from the point of view of policy perspective. The widespread criticism of the 'trickle down theory' which has proved ineffective in the Indian context, and least of all for the north-eastern region, can be made a meaningful exercise through changing the entire perspective of policy formulation. As Haq (1996) opines under the circumstances the focus of attention of most policies would be the people rather than production only. Policies according to him should contain certain elements missing from most of the policies today. For instance, policies should begin with a detailed profile of its people in terms of education, health, poverty, cultural and political aspirations and all other factors that go to constitute a good quality of life. This exercise should be undertaken both for the rural – urban division, and also for various social, religious and most importantly, across spatial dimension. Lack of knowledge about the people for whom policies are to be formulated cannot be expected to provide satisfactory results. Hence, our present study assumes crucial significance from this point of view.

Policies focusing on human development should also make people equal partners in development. Encouragement should, therefore, be provided to people to participate in the development process. Assessment of the progress of an economy should be made from the point of view of not only macro economic indicators, but also social indicators. It is only then that development efforts can be made more meaningful. The study of human development in the north eastern region from this point of view is extremely important.

At the same time, it is also crucial to focus attention on the fact that too much emphasis on either economic growth or only human development may result in unbalanced growth of the economy, which may once again jeopardize the very process of long-term sustainable development (Sengupta, 2003). Sustaining the process of development is the pivotal issue of the human development paradigm. If the states of the north east have to survive on aid from the center on a permanent basis, sustainability of developmental efforts in the region will be seriously impaired. Making the growth process sustainable by emphasizing on human development implies that enough of the resources created at present should be invested in the education and health of today's generation. These people, in turn, may sustain the

process of economic development of the future generations also, so that the future generation need not pay the debts of today's generation.

The main tenets of the paradigm of human development are therefore the people. Every aspect of economic development is assessed from the point of view of the people. The objective of growth is the betterment of people's lives and not merely expansion of production processes. This paradigm further necessitates that people should not only build capabilities by building their health, education and skills, but must also be provided with all the opportunities to use these capabilities through adequate employment opportunities. Full expansion of the GDP and the macro-economic variables which are considered as means of economic development are as important as the end, which are the people. Apart from the pure economic factors, non-economic factors such as the political, cultural and social factors also play an equally important role in determining human development.

In the 1950s and 1960s many nations had experienced economic development, yet the living conditions of the masses remained extremely deplorable. It was only in the 1970s that realisation dawned upon the planners that something must have gone wrong somewhere. The fact that development was purely an economic phenomenon in which the GNP growth would trickle down to the masses for the wider distribution of economic and social benefits of growth did not seem to work. This resulted in discarding GNP as a true indicator of growth. Direct attack on poverty, low level of living, inequitable income distribution and rising unemployment were the pivotal issues which were incorporated in the new concept of human development, and were gradually forming a part of development policies. Similar was the view of the World Bank, which during the 1980s championed economic growth as the goal of development and had taken a much broader view of development. This is evident from the 1991 WORLD Development Report, in which it maintained that "the challenge of development is to improve the quality of life. Especially in the world's poor countries, a better quality of life generally calls for higher incomes—but it involves much more. It encompasses as ends in themselves better education, higher standards of health and nutrition less poverty, a cleaner environment, more equality of opportunity, greater individual freedom and a richer cultural life."

The fact that it has still not been possible to solve the problems of hunger, illiteracy, malnutrition and poverty of the states of the north eastern region where the condition of quality of life in most places is much lower than the all India level, only reveals the choice of wrong strategy of development for the north east. The assumption of the 'trickle

down theory' has totally failed in the region like the rest of India. Western paradigms are, therefore, no longer accepted blindly with the same degree of fervour.

The result of all the futile efforts over the years—at developing the economy particularly that of north-east India, reveals that we have once again to rediscover the basic truth of all development strategy—that people should occupy the centre-stage of all development. In other parts of India, different states have developed at different rates, in spite of similar physical investment. States with rich natural resources or heavy capital investment have not displayed any satisfactory record in terms of economic development. In contrast, some states with insufficient resources, both natural as well as financial, have performed much better, when the people of those states have greater capability and are therefore much more hard working and efficient. Kerala emerges as the most important example. The north eastern region in India is one of the richest in the endowment of unique type of natural resources, yet the extent of economic development is the lowest here in the whole country. The crucial factor that can be identified here are the people, and their skills, ability and capability which make the major difference to development. Therefore, it will be futile to think of developing a nation / region without developing the people themselves. This has been the fallacy of development of the entire country, over the past decades. Though the rest of the country has realized this error and is talking more in terms of placing the people at the centre stage of development, the north eastern region is still lagging behind.

It is with this aim in view that the present work will make a detailed analysis of the human development index of the various states as well as some important districts of the region. The main purpose of such an analysis will be to assess the inter-state and inter-district status of the human development index and also view them against the performance of the country as a whole.

## II

### *Methodology of the Study*

Though quality of life can be evaluated by various indicators, for the sake of comparability we shall adopt the UNDP methodology of calculating the HDI. The simple average of the life expectancy index, educational attainment index and the adjusted real GDP per capita index is the human development index HDI. This is derived by dividing the

sum of these three indices by 3.

The estimation of HDI for the various north eastern states of India will follow the above methodology, on the basis of which inter-state and inter- and intra-district analysis of the level of living will be attempted to be assessed. Analysis will also be made to examine the HDI across different socio-economic and religious groups residing in various states of the region. Due to limitations of various natures, though, such an analysis may not fully represent the differences in quality of life, nevertheless it may draw the broad contours. In view of the difficulty of adopting all indicators of a good quality of life the computation of HDI, according to UNDP method, is based only on three indicators: longevity as measured by life expectancy at birth; educational attainment, measured by a combination of adult literacy (two-third weights); and combined primary, secondary and tertiary enrolment have been accepted, which are as follows:

- (i) Life expectancy at birth: 25 years and 85 years.
- (ii) Adult literacy: 0% and 100%.
- (iii) Combined enrolment ratio: 0% and 100%.
- (iv) Real GDP per capita.

The general formula for the computation of individual indices for any component of HDI is as follows:

$$\text{Index} = \frac{\text{Actual } X_I \text{ value} - \text{minimum } X_I \text{ value}}{\text{Maximum } X_I \text{ value} - \text{minimum } X_I \text{ value}}$$

For the purpose of this study we have collected primary data from six states of the north eastern region, following the multi-stage stratified purpose sampling method. Data could not be collected from Manipur due to the socio-economic turmoil of the state, which has not only made traveling to the state extremely difficult, but the collection of the data too was seriously impaired. We have selected twenty per cent of the districts from each state, out of which another twenty per cent of the blocks have been chosen. From these selected blocks we have then selected twenty villages/towns, and from each of the villages or towns, thus selected 20 households have been interviewed to acquire the requisite information.

### III

#### *Analysis of Human Development Index (HDI) of the NE States*

In the present section, we shall examine the achievement of the various

states of North East India, in terms of HDI, which is expected to provide an important insight into the level of human development in the respective states. The method hereby enables us to use a common measuring rod, by way of this composite index, to measure the socio-economic progress of the respective places.

Table No. 1  
Human Development Index (HDI) of the North Eastern States of India

<i>States</i>	<i>HDI</i>	<i>HDI Ranks</i>	<i>Extent by which HDI of India exceeds the HDI of the states</i>
1 Assam	0.389	5	1.5
2 Meghalaya	0.393	4	1.5
3 Tripura	0.401	3	1.4
4 Nagaland	0.491	2	1.2
5 Mizoram	0.556	1	1.06
6 Arunachal Pradesh	0.358	6	1.6
7 N.E. States	0.431	-	1.4
8 India	0.590	-	-

The above table reveals that considerable difference marks HDI in the states of north east India, notwithstanding the fact that they all belong to the same region, and face certain common constraints during development efforts. Mizoram is the only state in the region with 0.556 HDI and ranks first in terms of HDI ranking. Arunachal Pradesh with 0.358 HDI ranks the lowest in terms of HDI ranking. In fact, HDI in Mizoram is 1.6 times higher than that of Arunachal Pradesh, revealing the wide diversity in human development, even within the region itself. It also focuses attention towards the extremely heterogeneous nature of the region's economy and society. The achievement of the economy either in terms of its economic development or human development cannot be understood in composite terms. It is, therefore, essential that the experiences of the north eastern economy presuppose some information at a disaggregative form and in a detailed manner, at least as far as the development experiences of this region is concerned.

Mizoram's progress is remarkable in comparison to all the other states of the region, though economic development of states like Assam is much higher than Mizoram. This has been made possible by highly satisfactory progress with respect to literary and health sectors, the two important indicators of social sectors which are highly correlated. The favourable effect of this has far outweighed the disadvantage with respect to economic development. On the other hand, Arunachal

Pradesh has failed to achieve both economic as well as human development and has therefore, lagged totally behind all the other states of the region, both in the economic as well as in the social sector. In fact, if the state was treated as an independent nation, it would have occupied one of the lowest ranks among all the nations of the world. Existence of vast natural resources notwithstanding, the state has been unable to achieve any level of economic development worth mentioning. This has been reflected commensurately, in extremely poor performance with respect to literacy and health. It also needs to be mentioned here that inadequate economic development need not always mean inadequate human development, if efforts are made on policy fronts. A clear example of such efforts is evident in the case of Sri Lanka, whose HDI is much higher than that of India. In India, Kerala is a unique example of what a small state can achieve in terms of human development inspite of low level of economic development, given the strong will of civic commitments as well as strong policies in this respect. Therefore, the low level of economic development in Arunachal Pradesh cannot be a satisfactory explanatory factor for the low level of human development. As there are instances where the 'trickle down theory' has failed to be effective in case of those states which have achieved a high level of economic development, there is therefore no reason why it should be effective in case of those regions which are economically backward.

The above table further reveals that Nagaland ranks second with 0.491 HDI, followed by Tripura with a HDI of 0.401. The reasons for this could be explained by the high literacy rates in both the states, coupled with some conscious policy efforts—perhaps due to political commitment—particularly with respect to Tripura. It is significant to note that though Assam is the largest state in the region, her ranking is only second lowest in the entire region, preceded only by Arunachal Pradesh. The factors behind such poor performance, inspite of rich natural resources and highest concentration of business and economic activities in the state could perhaps be the low level of literacy and extremely poor health condition in the state. Lower per capita income, which is mainly due to very high density of population in the state, has further pulled down the HDI of the state.

Meghalaya too performs very poorly with only 0.393 as its HDI, and occupies the fourth rank among a total of six states in the region. The above table makes it further clear that all the states when taken individually, or the region as a whole with the exclusion of Mizoram, will go down and be categorized as low human development nations by the UNDP standard. This is a matter of grave concern for policy

makers both at the centre as well as the respective states. Sluggish economic development, coupled with low level of human development, can be ignored and overlooked at great peril to the society and the nations. In fact, reality reveals that there has been a total oversight of the importance of human development for sustaining long term economic development in the state. It may be a matter of grave discontent, that the extent of deprivation in the entire region is 1.4 times more than that of India as a whole. It ranges from 1.6 times for Arunachal Pradesh to 1.06 times for Mizoram. It may be noted here that even Mizoram, with one of the best record on literacy and satisfactory performance in the health sector in the whole country, continues to lag behind the rest of the country in terms of HDI, which may be due to low level of economic development. This signifies that the HDI is a true representative of both the economic, as well as the social sector of a nation or region.

Deprivation with respect to the level of living may harbour the dangerous potentiality of giving rise to a sense of marginalization. When a major section of the population is pushed to the brink of survival and excluded from the core of benefits of the development process of the country, it results in the emergence of a sense of deprivation, frustration and alienation. The principles of equity are violated, and human rights do not receive their due respect. Society is fragmented, particularly when the gap in the quality of life among different income level widens. Consequently, many people suffer from insecurity and poverty, which has serious repercussions for long-term objectives of growth and equity. Such marginalization has dangerous potentiality since it can polarize societies and social integration, which sustains economic development. This may seriously undermine much of the growth and development that has already taken place. Such instances are only too common in the growth experience of the various states of the region in recent decades.

Though superficially viewed, such experiences may apparently seem to be insignificant and may thus fail to attract the attention of planners and policy makers. However, if allowed to persist, they may also have international ramifications, with the support of the marginalised groups giving rise to civil turmoil. All these features discourage and make these places unsuitable for any form of investment, which will thereby push the region to the further brink of the periphery (Sengupta, 2003). International experiences of marginalisation have evolved on the above lines and the experience of the states of north east India is no exception. There is a growing sense of dissent and consequent uprising in various forms in almost all the

states of the region. This is because poverty, the basic cause of all social unrest, has not been addressed at all, leaving all expectation of equity to the 'trickle down theory'. Pareto optimality of the neo-classical school, which is silent about distributional justice, is certain to worsen the situation, since distributional justice is the cause of all such problem. Efficiency is the only goal of Pareto optimality, since an increase in the utility of everyone, in the event of a change, without a reduction in the utility of any other member of the society implies an efficient state. If efficiency is the only criteria of success of the state of public policy, then state intervention is unnecessary, since competitive equilibrium is Pareto optimal and hence unimprovable. This principle, however, will fail to bear the requisite results in a society characterized by such a low level of human development. For instance, provision of public goods, which is a pivotal instrument for economic equity in developing countries, would mean lowering growth, since a typical case of public good is that, even a person who is excluded from its payment is free to enjoy it and hence the idea goes against market efficiency. The principle may, therefore, spell disaster from the point of deprivation of the poor. Apart from this, the principle can work efficiently only in the presence of highly developed markets, a feature which is still to materialise fully in the north east economy. Therefore, left to the efficiency and rationality rule, inequalities in the North East would only be aggravated.

#### IV

##### *Human Development and Economic Development in the North East*

As discussed earlier, a very important contribution of the HDI estimation is to reveal the effectiveness of the 'trickle down theory'. The index reveals to what extent the social sector has benefited from the achievement of economic growth or whether growth remains as the only end in itself for the policy makers. Such relations are possible from the comparisons of HDI and GDP per capita rankings, which are used extensively by all Human Developments Reports. GDP per capita, though not totally satisfactory, nevertheless can represent the economic dimension of people's lives. Coupled with this, more importantly, it focuses attention to the extent to which countries or states have succeeded in translating economic well-being of their respective nations into human well-being. Experience of nations throughout the world reveals that nations with different levels of economic growth have achieved the same level of human development or those nations with

different levels of economic growth have attained different degrees of human development. The nature of such deviations in human development index ranking and GDP ranking is determined by the effectiveness of policies and their implementation. Experience of several countries of the world reveals that it is possible to achieve a fairly satisfactory level of human development even with a modest rate of GDP growth. It is often not financial constraints, but lack of foresight and political will that appear to be the root cause of the problem.

It is with this objective of examining the existence of disparity between the two, that we have ranked the HDI and real GDP per capita of the states of north east India. Higher ranking of HDI would imply that the state has performed better with respect to its human development in comparison to its economic growth. A negative value, on the other hand, indicates just the reverse. Such an exercise has been carried out in Table No. 2 below. It is interesting to note that three states out of six record similar ranking for both HDI and NSDP, whereas in three others considerable disparity is observed. Assam and Meghalaya, which occupy lower ranks in terms of HDI, also record similar ranks in terms of NSDP ranking. Identical ranking reveals that human development is commensurate with levels of economic growth which is, of course, rare. This has occurred in our study due to a limited number of states in our case. Identical ranking, however, is surely not a justification for the low level of human development. Satisfactory level of human development is possible even with limited record of economic growth, provided political will and commitment exists. Kerala, as has often been mentioned, is a unique case. In fact, a low level of human development implying low literacy and health status, which were highlighted earlier with respect to both the states, could also be crucial factors leading to economic growth. Just as a low level of economic growth results in a low level of human development, similarly a low level of human development can also be responsible for a low level of economic growth. It may thus be conceded that in both these states, there is a definite lack of conscious effort to raise indicators of social development through public policy action and, therefore, much needs to be done in this respect by those who are at the helm of decision making.

Table No. 2  
Ranking of HDI and NSDP per capita

	<i>States</i>	<i>NSDP (in Rs. Crores)</i>	<i>Ranking of NSDP</i>	<i>Ranking of HDI</i>	<i>NSDP per capita rank mines HDI rank</i>
1	Assam	15555	5	5	0
2	Meghalaya	1999	4	4	0
3	Tripura	2367	6	3	3
4	Nagaland	1684	2	2	0
5	Mizoram	-	3	1	2
6	Arunachal Pradesh	980	1	6	-5

*Source:* Handbook on Statistics on Indian Economy

In case of Nagaland, fairly satisfactory ranking marks both the variables, which once again witness identical ranking. However, this does not suggest in any way that the state has an excellent record in economic and social sector, as also prosperity. Though the state may appear to be performing well in comparison to other poor performing states of the regions, but from the national point of view the performance of the state is extremely poor. This, therefore, calls for concerted public action on both economic and social front in an attempt to reach an all India figure. For the state to be self-sustaining in the long-run, the flow from the central fund to a large extent has kept the state buoyant, which may not be sustainable permanently.

A word of caution is essential at this juncture. Though the per capita real NSDP is generally used as a proxy for economic prosperity, it may not always be a true representative of economic capability of the place. In absolute terms, economic growth judged by its NSDP is the lowest in Arunachal Pradesh among all the states of the region, yet due to the low density of population in the state perhaps due to lack of economic opportunities, per capita NSDP appears to be the highest in the whole region. This is indeed unrealistic, and may even be misleading for policy makers, if they are to be guided strictly by such statistics. Therefore, researchers and policy-makers working in north-east India have to be extremely careful while drawing conclusions from such statistics. Analysis of ground reality is of crucial importance. Conclusions which may be drawn for the rest of the country, with similar data, may not hold good in case of north-east India. For exactly similar reasons, Tripura which performs relatively better in terms of

absolute level of economic well-being, appears to be performing poorly when viewed in terms of per capita NSDP. This is mainly due to higher density of population in the state.

Taking all these conditions into account, Table No. 2 reveals that per capita NSDP in Arunachal Pradesh far exceeds the HDI ranking, disparity between the two being the highest in this state in the whole region. This reveals the miserable condition of human development in the state, which is much less than warranted by even the limited extent of economic development that has been achieved in the state. A lot would have to be done with respect to this state in terms of improving human development. Such problems need an indepth examination. It needs to be investigated whether the problem is due to unequal distribution of income, erroneous development priorities or lack of public policy attention to the social sector. Along with political will, advantage can also be taken of low population, which keeps the per capita NSDP at a higher level, because the experience of the Indian economy reveals that high density of population may lead to appalling deterioration the level of living, as is evident in the case of Uttar Pradesh and Bihar. If efforts at the state level are inadequate, the centre may adopt special schemes to that effect. This may be done not merely by allocating more financial resources, since increasing allocation is often not the only solution to such problems. Efforts should be made at the grassroots level to involve the people themselves in raising the level of awareness. Civic consciousness, leading to the formation of voluntary organisations and NGOs, which is an important factor contributing to human development, is not evident in Arunachal Pradesh as is the case in Nagaland and to some extent in Tripura and Mizoram. Here comes the role of Putman's model, which examines in detail the relationship between the performance of the state institutions and the existence of civic bodies in the community. Better relationship between the two leads to an improved delivery system in the social sector.

Tripura and Mizoram are the two states which emerge as interesting instances where ranking of HDI exceeds the ranking of per capita NSDP, implying that both these states have performed better in the social sector, which exceeds the level of the economic growth. This is on rather expected lines, since Mizoram has the best record with respect to both literacy and health, followed closely by Tripura. The differences in ranking reveal that the quality of life has very little connection with per capita income. Different development strategies are highlighted in these comparisons. Some states give more importance to the provision of basic social services to their people as a matter of policy, irrespective

of their level of economic capability. Consequently, achievements with respect to education and health are fairly high. This is true for the state of Tripura.

It also needs to be mentioned here that better HDI ranking can only be sustained by continuous effort at economic growth. In its absence, the HDI ranking may surely take a reverse direction. It only reiterates the fact that both economic and social sector development have to be pursued simultaneously, and neglecting one sector would only be at the peril of another. It is true that Mizoram has marched ahead with respect to its achievements in human development, but such records may not be maintained for long, particularly among the lower income group of the society, if efforts at economic development are not sped up.

## V

### *Human Development Index at the District Level*

We shall next examine the spatial dimension of HDI across various districts of the states of the north-eastern region, in an attempt at a better and indepth understanding of the fact as to whether HDI for the states as a whole gives a true picture of the entire state or whether the benefits of progress in the social sector are concentrated only in a few areas. Experiences with most places reveal that benefits are mostly concentrated in and around those areas which are the centres of economic activities and get thinner and weaker as one moves to distant places even within the same state. This indicates that benefits are not distributed evenly throughout the country/region/state. Such important issues which are often overlooked at macro level studies may become serious deterrent for the formulation of public policy at the micro level. In fact, in the analysis of the spatial dimension of HDI, it has often been observed—with a few exceptions—that if some of the best performing districts in a state are excluded, the state HDI record would take a sharp downward turn. This goes to reveal the unequal distribution of the benefits of growth. It is in this connection that we shall attempt to make a diagnostic analysis of the spatial aspect of HDI across the districts of the states of North East India.

Estimation of districtwise HDI, in an attempt at providing insight into the inter-district regional disparities has perhaps been undertaken for the first time for the north-eastern region.

Table 3 reveals the wide regional disparities that exist among the districts of the region in different states as well as among districts within the same state. It is not only the composite index of India, but even the

composite index of the north-eastern region of India, which conceals the wide disparity existing in the region. This is mainly due to the extremely heterogeneous nature of the north eastern economy which calls for an examination of the performance of the individual states at a disaggregate level. In the above table, it is revealed that on one extreme we have the case of Aizwal district in the whole region, which if taken as an independent nation, would occupy about the 129<sup>th</sup> rank among the nations in the world. On the other extreme, we have the case of Tirap district, which if considered as an independent nation, would occupy about the 170<sup>th</sup> rank among the lowest ranking nations of the world. Therefore, full equality among various geographic regions of the north eastern states is still a distant dream.

Taking the district wise disparity in HDI within the individual states, it is revealed that the state of Assam has the widest disparity, perhaps due to its large size. Only the districts of Kamrup and Jorhat have an HDI better than the state average. Better economic opportunities in Kamrup district, which contains the state capital, might have raised the per capita income of the district. Therefore, inspite of performing poorly in the social sector like health and education, the HDI here is higher than the state's average. Jorhat, on the other hand, performs better than the state's average, mainly due to superior performance in the social sector, though its performance in the economic sector leaves a lot to be desired. Both the districts perform marginally better than the region's average, though the variation with the all-India figure is significant. The poor performance and disparity of Barpeta district with the states' average is the widest, which is followed by Karimganj and Cachar district. Poor performance of both the social sector and economic sector is clearly responsible for the wide disparity between Barpeta district and the states performance. In contrast, lower health status (though relatively satisfactory performance in education), may possibly explain the wide variation of Karimganj and Cachar districts of the state. The disparity of North Cachar Hills is mainly due to inadequate economic opportunities, lower level of economic activity and thereby lower level of per capita income. It, therefore, transpires that four out of sixteen districts lag behind the state's HDI as well as the HDI of North East India. The HDI of only two districts is marginally better than the state average and the average of the entire regions. However, what is of concern is the wide divergence of HDI with respect to all the districts of the state in comparison to the all-India HDI which, in all the cases, falls behind the Indian average. The disparity, as expected, is the highest with respect to Barpeta district and lowest with respect to Jorhat district. Coming back to the spatial dimension of HDI, it is evident

Table 3  
District-wise HDI of the States of North East India

<i>State/districts</i>	<i>HDI</i>	<i>Variation from the state's HDI</i>	<i>Variation from the HDI of N.E. India</i>	<i>Variation from HDI of India</i>
1. Assam	00.389			
Cachar	00.372	+ 0.017	+0. 059	0.218
Karimganj	00.370	+ 0.019	+0. 061	0.220
Kamrup	00.432	- 0.043	-0. 001	0.158
Jorhat	00.434	- 0.045	-0. 003	0.156
Barpeta	00.344	+ 0.045	+ 0.087	0.246
N.C. Hills	00.382	+ 0.007	0.049	0.208
2. Meghalaya	00.393	-	-	-
E. Khasi Hills	00.396	- 0.003	0.035	0.194
W. Garo Hills	00.387	- 0.006	0.044	0.203
3. Tripura	00.401	-	-	-
W. Tripura	00.412	-0.011	0.019	0.178
N. Tripura	00.391	0.010	0.040	0.199
4. Nagaland	00.491			
Kohima	00.498	-0.007	-0.067	0.092
Wokha	00.479	0.012	-0.048	0.111
5. Mizoram	00.556	-	-	-
Aizwal	00.562	-0.006	-0.131	0.028
Chintuipui	00.532	+0.024	-0.101	0.058
6. Arunachal Pradesh	00.358	-	-	-
Itanagar	00.360	-0.002	0.071	0.230
Tirap	00.356	+0.002	0.075	0.234
North East				
India	00.431	-	-	-
All India	00.590	-	-	-

that HDI is the highest in the core district of the states which is Kamrup, and diminishes as one moves to the peripheral districts. This once again focusses attention to the fact that concerted efforts have to be directed at public action at the micro level and only uniform policy and uniform efforts directed at all districts may not be appropriate. Such an idea is more relevant for the remote and far-flung areas of the region. In the absence of immediate attention, it will only be the core regions which in the future may appropriate the maximum benefits from the policy measures of the state on human development. This may further result in widening the divergence between the core and peripheral districts of the state.

It is pertinent to note here that for all the other states, like Meghalaya, Tripura, Nagaland, Mizoram and Arunachal Pradesh the HDI of the districts which has the state capital is higher than the HDI of the respective states. A clear pattern of declining level of HDI is discerned, as one moves to the peripheral districts of all the states. All these issues have tremendous policy implications. It is not only limited economic opportunities, but also lower level of achievement in the social sector in such districts which is responsible for lower HDI. Mizoram and Nagaland are the only states where the HDI of all the districts is higher than that of the HDI of north east India. The highest variation is with respect to Aizwal district of Mizoram followed by Chintuipui district of the same state. However, with respect to the disparity with the rest of India's HDI all these districts fall far behind. It therefore needs to be noted that inspite of one of the highest literacy rates, HDI in Mizoram is quite behind the HDI of most other states in India, as well as the national average. Therefore, though Mizoram's achievement in the economic sector is not remarkable, yet her achievement in the social sector is indeed extremely impressive. However, Mizoram ranks rather on the lower side in HDI ranking due to wide disparity between economic and social sector development. Sustaining of these achievements in the social sector therefore, calls for an urgent action on the economic front.

Tripura's experience is more mixed. It has significant performance in the social sector, which may be more due to political commitment, but displays an equally significant lack of concern on the economic front. The political economy of Tripura, which is in sharp contrast to all the other states of the region, may be an explanatory factor.

One, therefore, needs to examine why there is such an inter-state as well as inter district divergence in the performance of the social sector in the North Eastern states. This is much more significant than the divergence of the rest of the regions in the country. Different behavioural patterns can be explained by different factors ranging from historical background to socio-economic and political issues, all of which need to be tackled at different levels and different degrees, depending upon the nature of the problems concerned. Such internal diversity within the north eastern states is not a deterrent factor, but may offer a scope of learning from each other's failures and achievements. It clearly transpires from the above analysis that merely raising the HDI of a nation or a state is not sufficient, as certain areas in the state may be lagging far behind. In an attempt at raising the HDI of the state, the same districts which already enjoy a high or satisfactory

level of HDI may be given greater attention, resulting in further widening the gap between the backward and advanced districts.

## VI

### *Conclusion*

It is, therefore, evident from the above analysis that just as the states of north east India have a lot to learn the better performing states of India in terms of performance of HDI, similarly one should not rule out the necessity and importance of the other states of India learning from the north eastern states in terms of performance in the social sector. A lower level of gender gap in all the indicators of the social sector, be it in education or health, is a significant record which the other states of India can emulate from the states of this region. In a similar manner, higher life expectancy and impressive performance in literacy along with high enrolment rate and low drop out rate of some of the districts of north east India are experiences which may serve as motivating factors for the rest of India. Diversity of experience of the north-eastern states of India, may therefore serve as a strength not only for the future of the region, but also for the country as a whole. Mizoram, Tripura, Nagaland and Meghalaya have to re-structure their policy framework in a manner which enables them to transform the benefits of the social sector to economic growth. On the other hand, Assam has to learn not only from her neighbouring states, but also from the rest of the country, that inadequate emphasis on social sector can not only retard economic development, but if allowed to linger on, may result in socio-economic as well as numerous other types of conflict.

As far as the north east region of India is concerned, it may undoubtedly be expressed strongly that there has been absolute negligence of the social sector, both in terms of research work as well as in terms of policy formulations. Promotion of equity and distributional aspect has never attracted the attention of the politicians and policy makers. As Sen (Drenze & Sen 1996), focusing attention on the Indian economy, opines, it is equally applicable to the north-eastern economy that there has not been 'too much' but 'too little' involvement of the government in the social sector, which seems to be true for the north-eastern region, though the country as a whole is gradually trying to recover from that blunder. Experience reveals that the privileges were often exploited for the sectional benefit of those with economic, political or bureaucratic power or those with the opportunity to influence people with such power. Though it is possible to achieve economic growth without significant achievement in the social sector, as is evident in

some countries of the world, or even in the state of Punjab in India, yet such achievements will neither be long-term nor 'participatory' for which north-east India given an opportunity, has a tremendous scope. 'Participatory' growth, as Sen rightly points out, is not only conducive to the growth of the social sector, but can also make economic growth sustainable. Each individual state of the north-east has to explore the factors separately for every district, and find out where their problem lies. Accordingly, they have to evolve their own appropriate strategy not only for economic growth, but also for the development of the social sector. It is these efforts which will help them to climb the ladder of HDI and improve the quality of life of the masses.

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