

ISAS Special Report

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ISAS-ADRI Roundtable:

Political Economy of Development in Eastern India

The Institute of South Asian Studies, Singapore, and the Patna-based Asian Development Research Institute organised a joint roundtable on “Political Economy of Development in Eastern India” in Singapore on 25 October 2017. In spite of emerging as one of the fastest growing economies in the world, India’s regional growth performance has been uneven. This is reflected in a variety of factors such as income distribution, poverty levels, population pressure on land, over-dependence on agriculture, unemployment and infrastructure deficit, among others. Featuring scholars from both the institutes, the roundtable examined a number of key issues facing Eastern India, including the government’s approach to addressing regional disparity, efforts to accelerate the region’s development, and potential opportunities for cooperation.

Rajeev Ranjan Chaturvedy¹

Introduction

On 25 October 2017, the Institute of South Asian Studies (ISAS) at the National University of Singapore (NUS) jointly organised a roundtable session with the Asian Development

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Research Institute (ADRI), a Patna (Bihar, India)-based social science research institute. The event followed the participation of ISAS' Director, Professor Subrata K Mitra in an international conference on Bihar and Jharkhand, organised by ADRI in Patna earlier this year. ISAS' researcher Rajeev Ranjan Chaturvedy also spoke at a roundtable on "OBOR: India Amidst a Conundrum" at ADRI on 7 July 2017.

During his welcome address, Professor Mitra underlined the importance of the theme and its relevance to the ISAS' ongoing research focus. He briefly spoke about ISAS' history, mandate and approach to research and thanked ADRI for collaborating with ISAS on the event. Professor Mitra elaborated on Singapore's close association with Nalanda University and Bihar. He added that the growth trajectory of Eastern India has been an intriguing research subject for NUS scholars as they aim to understand the growth variations in Eastern India. He also stressed that the collaboration with ADRI could act as a catalyst to encourage and support ISAS' understanding of the region.

In his address, Dr Shaibal Gupta, Member-Secretary of ADRI, stated that the collaboration with ISAS was a historic moment. He stated that, "the mandate of ISAS is South Asia and our mandate is Asia. However, we have been working mainly on Bihar. If India is south, then Bihar is south within south. ADRI's work has expanded beyond Eastern India. With our marriage with ISAS, we shall transcend beyond our country in our academic tryst." He added that, from an agro-climatic perspective when one thought of South Asia as a distinct region, one was often inclined to visualise both South and Southeast Asia together.

The event witness five presentations by the researchers from both the institutions. The roundtable was chaired by Dr Gupta. In opening the session, Dr Gupta highlighted the significance of the theme of the roundtable. He said that, in terms of all economic indicators, Eastern India is one of the most underdeveloped regions of India and possibly in South Asia. While this region was the most developed region in pre-British India, the heritage of history continued to plague this region. He further remarked that the regional history played a big role in the evolution of each region of India during the British period. The four key factors that mattered most were the arrival of the East India Company; land tenurial system; the pattern of public investment; and the nature of social movement. Eastern region had a

disadvantage in all these aspects. The pattern of industrialisation in British India added to the woes of Eastern India. Even today, Eastern India lagged far behind the other regions of India.

In his presentation on “Crouching Tiger, Flying Dragon: BCIM Corridor in Limbo”, Mr Neeraj Kumar, Managing Editor at the Centre for Economic Policy and Public Finance, ADRI, spoke about the challenges of the Bangladesh-China-India-Myanmar (BCIM) Corridor and related foreign policies. He gave an overview of the progress made and underlined the complexities in terms of different domestic circumstances (political, economic and social) and development priorities of all the BCIM countries. Mr Kumar underlined the critical role of Bangladesh and Myanmar in the development of India’s northeast region. He also mentioned the Chinese proposal to set up an inter-governmental cooperation mechanism to expedite various connectivity projects under the BCIM.

This was followed by the presentation by Dr Sojin Shin, Visiting Research Fellow, ISAS, on “State-Society Relations and Economic Performance in Odisha”. She provided an overview of Odisha’s economic profile and then focused on the economic performance of the State. She also discussed the evolution of industrial developments in Odisha. She highlighted the exclusionary pattern of state-society relationship and pointed out that the neo-patrimonial nature of the State had failed to shape citizenship politics in the State. As a result, protest groups and left-wing extremists were able to mobilise the citizens, especially the uneducated and unemployed, against state-led industrialisation. However, the recent good economic performance of the Biju Janata Dal government, which has resulted in a reduction in poverty, has impacted the exclusionary pattern of state-society relationship.

The third presentation by Dr Amit Ranjan, Visiting Research Fellow, ISAS, focused on the political economy of water in the Teesta river basin. He remarked that, in recent years, the Teesta water-sharing treaty has been one of the major political and economic concerns between India and Bangladesh. Bangladesh needed a larger quantity of water from the trans-boundary river Teesta for economic and political reasons. Unfortunately, for the same reasons, the Chief Minister of the Indian State of West Bengal, Mamata Banerjee, was not in favour of sharing about 50 percent of the water with Bangladesh. While the Indian Constitution provided power to the Central government to make the final decision on the issue of shared water resources, regional dynamics and politics played an important role.

Reflecting on this, Dr Ranjan pointed out that, according to Article 253 of the Indian Constitution, the Union government has the decision-making power in the matters of sharing waters from the trans-boundary rivers. However, the emergence of powerful regional political parties and regional leaders in India has created a situation where their consent, especially over resource sharing with a neighbouring country, has become important. At present, Banerjee's party, Trinamool Congress, is also an effective opposition in the Union parliament. Hence, the Union government was not in a position to ignore the State leadership while taking such decisions which have deep social, political and economic impact in West Bengal.

Dr Abinash Mohanty, Project Director at the Centre for Environment, Energy and Climate Change, ADRI, presented his paper on "India's Lore to Combat Climate Change". He stated that climate change had become the most critical issue at the global, regional and local levels to such an extent that it was considered as a gravest challenge for the mankind in the present century. Each and every one on this planet was affected by the changing climatic conditions and no one was immune from climatic changes. He said that past global efforts in dealing with the problem of global warming (which was the most evident form of climate change) concentrated on mitigation, with the aim of reducing and possibly stabilising greenhouse gas (GHG) concentrations in the atmosphere. Dr Mohanty underlined that the stabilisation of GHG concentrations depended primarily on changes in technology, discovery of new and less polluting fuels and through greater awareness among people. He added that all these changes were slow in nature, and therefore, adaptation was seen as a viable option in reducing the vulnerability to the anticipated negative impact of global warming.

Dr Mohanty discussed some of the most effective ways of environmental resource management through indigenous knowledge and practices. He shared the ways in which the vulnerable communities effectively manage, mitigate and combat climate change, and stated that indigenous knowledge and practices had a scientific stratum which often was neglected or not fully understood. Highlighting some indigenous mitigation and adaptation skills that had been practiced in many parts of India, he argued for the integration of indigenous knowledge into formal climate change and mitigation strategies. He argued that the convergence of context-based zoning could deliver effective results to combat and mitigate climate change. An effective planning, implementation and monitoring system, with

indigenous knowledge community adoption, could create a base to mitigate and combat climate change.

The last paper titled “Economic Potential of Eastern India – the Emerging Sectors” by Dr Amitendu Palit, Senior Research Fellow and Research Lead (Trade and Economic Policy), ISAS, provided a detailed analysis of Eastern India’s development and growth challenges and India’s responses to them. Reflecting on the region, Dr Palit stated that Eastern India actually provided a model for development. However, due to step-motherly treatment it received in the last several decades, both transaction cost and opportunity cost had become very high. The East was never prioritised in India – it would have become the natural choice following the economic liberalisation. He underlined the significance of port development and coastal infrastructure. He questioned the ability of the manufacturing industry in Eastern India to deliver the desired goal when the nature of manufacturing in India had changed. He stated that there were still many potential areas which could bring new economic dynamism to the region. These included developing Eastern India as an education hub, greater focus on the entertainment industry, tourism, agriculture and better storage facilities, among others. He stressed on the need to strike a balance between cynicism and objectivity in the unpacking of Eastern India.

The event also marked the signing of a memorandum of understanding (MoU) between ISAS and ADRI, with Professor Mitra representing the former and Dr Gupta, the latter. Under the MoU, ISAS and ADRI would identify opportunities for exchange and cooperation in various areas of research, consultation and development. The scholars of the two institutes would look toward jointly developing programmes and undertaking evaluation studies and surveys on Eastern India.

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