

ISAS Brief

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Implementation Deficit in Northeast India¹

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The development of Northeast India has become one of the expressed objectives of India's Look East Policy, and the intention to increasingly look East through the Northeast is apparent. However, despite the intention and the announcement of several projects, mainly connectivity infrastructure, to allow for greater integration with India's eastern neighbours, little has taken off the ground. While the shift in focus initially raised expectations, the inaction so far is leading to frustration. This was an inference that was palpable at a recent workshop held at Shillong, Meghalaya (India), organised by the Institute of South Asian Studies (ISAS), Singapore, in

¹ This paper reflects the views exchanged at the workshop on 'Looking East through Northeast: Development and Connectivity', organised by the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore, in collaboration with the Indian Institute of Management (IIM)-Shillong and the Federation of Indian Chambers of Commerce and Industry (FICCI), at Shillong, Meghalaya (India) on 4 March 2014.

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collaboration with the Indian Institute of Management (IIM)-Shillong and the Federation of Indian Chambers of Commerce and Industry (FICCI). Similar sentiments were echoed at the Delhi Dialogue VI.

Despite an India-ASEAN relationship that is seeing increased trade and cooperation on several security issues, the contribution of Northeast India, at less than 1% to that process, is negligible. There is also a view that even as the Indian Ocean and the Bay of Bengal rise in prominence as theatres of geopolitical interplay that may at times take the form of competition and rivalries with potential disruption along sea lanes, the development of land connectivity becomes crucial. On the other hand, given India's complex relationship with Bangladesh, particularly on the matter related to the provision of an opening for the landlocked northeast region of India, the need to explore all possible routes connecting the region to a larger market has dominated recent discourse on the development of the region.

The need for the development of internal connectivity, as a precondition for the region to be able to benefit from cross-border connectivity projects, has also been highlighted in research studies and articulated by policy makers. While the region itself is poorly connected to the rest of India through the narrow 22-km 'Chicken Neck', there are huge gaps in roads that connect parts of the Northeast among one another. And, the existing infrastructure is susceptible to disruption due to weather conditions such as floods and landslides, leaving large parts of the region inaccessible for several months every year.

There are several constraints, both internal and external, that hold back the development of domestic connectivity and the implementation of many projects that have been announced. Many of these are expressed in the contradictions that are inherent in the politics and policies related to the region.

Security, Agencies and Politics

Even as New Delhi has initiated the process of identifying the infrastructure gap and allowed the Ministry of External Affairs to take a lead in exploring opportunities to open the eastern borders, mainly with Myanmar, there are parts of the establishment – particularly the security agencies

which continue to see the region in a paradigm that is largely focused on the need to secure the region from both internal and external disturbances. That the security-overlay that dominates in the region has the power to put off several of the development projects is a contradiction that continues to create complications among different agencies of the government and between India's central government and the state governments in the Northeast.

Despite having an international border of over 4000 km with neighbouring countries, where matters need to be dealt with at a bilateral level, the dearth of officials from the Ministry of External Affairs posted in the region is stark.

Multiple agencies that have been entrusted with coordinating the development of the region make it difficult to assign accountability and responsibility. While each of the central government ministries is mandated to keep aside 10% of its budget for projects in the Northeast, the Ministry of Development of North Eastern Region (M DoNER) based in Delhi is tasked to liaise with other ministries in Delhi. The Planning Commission in Delhi works with individual state governments, and the North East Council is also mandated to coordinate development among the states in the region. Currently, there is no coordination of the efforts of the Northeast states in their development; and the articulation of priorities and plans to benefit from the eastward connection is still elusive.

Poor Implementation, Land Issues and Environment Rules

There is a view that one of the reasons for the lack of development and slow completion of projects is the lack of funds. This however is not entirely correct. Rather, the persistent lack of capacity in the Northeast region, and a corresponding lack of understanding of the region by officials in New Delhi who disburse funds, have created a distortion leading to such a perception – not the lack of fund per se. Funds for projects to be completed in a given financial year are disbursed in instalments, with the release of the amount earmarked for the last two quarters being based on utilisation in the first quarter. In the Northeast, where the monsoon months coincide with the first quarter of the financial year, implementation is particularly poor, and this creates the bottleneck and a perception of lack of funds. Costs, as compared to other parts of India, are

particularly high in the Northeast, and the escalating prices need to be taken into account at the time of project design.

Land acquisition and environmental regulations, as is true in the rest of the country, are also major issues that hold back the implementation of projects. The determination of compensation for land acquired by the government for development projects is problematic and often mired in opportunistic collaboration between politicians and cronies. Then there are concerns raised by non-governmental organisations and communities, some of whom have the custody of community lands. The inability to incorporate the views of the communities at the time of project conceptualisation and the lack of proper mechanisms to make land available for projects often lead to incessant delays and cancellations of projects.

Cooperation and Collaboration

As some of the issues related to the completion of the connectivity plans involve the central government and the state governments, cogent articulation of the needs and expectations of the Northeast is called for. State governments and New Delhi need stronger mechanisms to collaborate to determine and establish areas where comparative advantages are to be developed. In cases, such as border trade transactions, where some issues fall within the jurisdiction of state governments and others under the central government, a clear demarcation of responsibilities and the harmonisation of effort can help reap benefits. Inter-state issues such as border disputes between different states also need to be settled on a priority basis.

In the face of multiple complex problems and bottlenecks, the incorporation of other stakeholders such as civil society and the private sector is to be seen as a way of sharing the responsibility. The challenges that face the region call for new and innovative proposals where the achievement of some early success can bring about a change in mindset and perception about the place. One of the ideas that emerged from the said workshop was the idea of developing model villages with the help of the private sector and civil society.

Even as the efforts to tackle the above-mentioned problems unfold, there is also a need to anticipate future challenges and plan ahead. The idea that there is a need to start looking at the

management and development of waterways as a way of managing floods while providing navigation routes that will enhance internal connectivity is one such example. If there is to be a transformative change that will also change the perception of the region from one that it is wallowing in insurgency and underdevelopment to one that it is prosperous and thriving, the successful completion of small bite-sized projects needs to go hand in hand with the implementation of bold ‘game changing’ ideas, with all agencies working in unison.

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