FINANCIAL AND ECONOMIC VIABILITY

The British were the greatest empire-builder. However, they were acutely cost-conscious as their aim was primarily economic. As a consequence, many political and administrative units were designed and fixed on economic considerations. For a long time, the East India Company was not interested in North-East region as it was not economically and financially viable.

ECONOMIC CONDITION OF NORTH EAST REGION BEFORE THE ADVENT OF THE BRITISH AND AFTER

Assam- Under the Ahoms, Assam was on the whole prosperous. Agriculture, trade and industry were developed. The existence of strong, well organised central authority resulted in making her rich and self-sufficient. There were great economic progress.

AGRICULTURE

From early times, village has been the backbone of economic life of the people of Assam. Agriculture was the main occupation of the people. Rice cultivation was their chief employment and the major part of cultivated
lands of the village was devoted to growing rice. Rice was the chief means of barter in villages. Mustard-seed, potatoes, sugar-cane, cotton, ginger, indigo, tobacco and betelnuts were also grown. Besides, cultivation of forest trees was also prominent.

**INDUSTRY**

Industry was highly developed in the Ahom period. There were weavers, spinners, gold-smiths, potters, workers etc. Muslim travellers said that the people of Assam were very skilful in weaving of embroidered silk cloth. Assam was famous for its fine silk. Its silk was in great demand in Europe, China etc.

Another important industry of Assam was gold-washing and manufacturing of jewellery. Assam had a reputation for gold. In times of the Ahoms, gold was regularly washed from many of the rivers of Assam valley. Capt. Walsh reported in 1794 that gold was found in considerable quantity in sands of the Brahmaputra and other streams.


which flow from northern and southern mountains. It was a good source of revenue of the Ahom kings.

There was a good amount of cotton produced in the country. Weaving among the Assamese formed a part of girl's education and a part of a woman's ordinary household duties.

Another important industry of Assam was brick-making. The art of brick-making was written down in Borenji.

**TRADE AND COMMERCE**

The Ahom rulers were promoters of trade and commerce and on many occasions their diplomatic relationship with neighbouring states and tribes was motivated by desire to promote free commercial intercourse to the advantage of both parties. They aimed at making their markets free and secure so that the people of neighbouring territories could come with their commodities for trade. But the development of trade and commerce depended on communication. In Assam, there was difficulty of communication, and this stood in the way of development of trade and commerce. The Brahmaputra was a great highway which connected Assam

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with Bengal and other parts of India. During the time of Mughals, Assam had relation with the Mughals. Under the Mughal Government trade with Assam was a source of considerable national profit. The decline of trade and commerce began with Rosmaria rising in 1709. The three successive rebellions of the Rosmaria shook the foundation of Assam’s trade and commerce. So, when the British occupied Assam, trade and commerce were not prosperous.

The British tried to develop trade and commerce in Assam. In 1905, the trade of Assam was carried on in two different directions, one with the neighbouring province of Bengal and another with the tribes on the northern and eastern frontier. Goalpara, Barpeta, Guwahati, Sadiya, Habiganj, Ajmiriganj, Sunamganj, Chhatak, Balaganj, Sylhet and Silchar were centres of trade. Assam had trade relations with foreign states like Bhutan, Assam and the

4 Walter Hamilton's Report on the Kingdom of Assam, 1820 extracted from Assam and Neighbouring States, Historical Documents by Acharyya N.M., p.43.


tribes inhabiting the lower Himalayan hills. The trade was largely carried on by barter. The balance was principally paid in gold, which was found in all the small rivers of Assam. 7

EXPORT AND IMPORT

Assam was noted for her textiles and various valuable forest and mineral products. Many of these articles were not only exported to neighbouring provinces but also they found their way into Tibet, Burma and China. It was certain that an intercourse of some kind had existed with all the neighbouring nations, particularly with Jointia, Cuchher, Sylhet and Manipur. 8 The trade with her neighbouring provinces was mainly carried on river transport. Muga, silk, lac, elephant tusks, cotton, rice, pepper and mustard seed were exported to Bengal. Muga cloth, specially muga shoti was in great demand in Bengal. Assam imported salt, copper, English woolens and spices. There was great demand of Bengal salt in Assam. Assam imported about 100,000 pounds of salt from Bengal annually. 9

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7 Francis Hamilton's Report on Assam, 1807-14 Historical Documents by Acharyya N.N., p. 42.
8 Welsh's Report on Assam, 1794 Historical Documents by Acharyya N.N., p. 25.
9 Bhuyan S.K., Anglo-Assamese Relations, p. 53.
But during the year 1824-25, Assam imported 25,000 sounds of salt.\textsuperscript{10} Other products of Assam such as oil known as agar, attar etc. were principal articles of export during the Mughal period. Assam imported from Tibet smoking pipes, wool and salt and silver from China.\textsuperscript{11} The Abors and the Miris brought pepper, ginger and wax.\textsuperscript{12} The Singphos brought ivory, the Nagas brought cotton, ginger and salt. The Bhotias of Bhutan and Tawang brought down their goods to fairs held at Gurrang and Kamrup. The Garos supplied cotton, copper, iron and coarse cloth.\textsuperscript{13}

Before the Maomaria revolution, the economic condition of Assam was sound and stable. But during and after the Maomaria revolution, economic condition of Assam was at a very low ebb.\textsuperscript{14} The economic condition of Assam specially of Brahmaputra valley at the time of expulsions of the

\begin{itemize}
  \item \textsuperscript{10} Notes by Mr. David Scott on Walsh's Report on Assam 1794-1928, Historical Documents by Acharyya N.N., p.64.
  \item \textsuperscript{11} Bhuyan S.K., Ibid, p.55.
  \item \textsuperscript{12} Pemberton A.E., The Eastern Frontier of India, Reprint 1979, Delhi, p.78.
  \item \textsuperscript{13} Walsh's Report on Assam, 1794, Ibid, p.22.
  \item \textsuperscript{14} Water Hamilton's Report on the Kingdom of Assam 1820, Ibid, pp.47-46.
\end{itemize}
Burmesse was deplorable. So, Assam was not economically viable when the British occupied it after the Anglo-Burmesse War of 1824-1826. But, with the coming of the British, its natural prosperity had increased rapidly. In the middle of the 19th century steamship introduced on the Brahmaputra river. The principal railway in the province, the Assam-Bengal State Railway, was opened for traffic in 1903.\textsuperscript{15} Growth of tea industry brought prosperity and commercial importance of Assam. Trade and commerce had developed rapidly and its export of mustard-seed, potatoes, silk and other local produce have increased greatly in quantity and value. Attempts had been made to encourage local trade. In the beginning of the 20th century, trade was carried on with Bengal, northern and eastern frontier regions. Traders from Calcutta and Dacca collected local produce in exchange of salt, opium, broad cloth and iron wares. In 1905 Assam imported cotton goods, husked rice, salt, sugar, mustard oil, gasses, pulse, tobacco etc. and exported tea, oil-seeds, coal, lime, timber, jute, raw cotton, lac, rubber etc.\textsuperscript{16}

\textsuperscript{15} Gait Edward, A History of Assam, p.347.

In the last quarter of the eighteenth century, many surveys and explorations were conducted by a group of adventurers. Coal had been discovered in the neighbourhood of Makum in the Lakhimpur district. Cap. Wilcox discovered in 1826 oil springs and several coal beds in the south-east corner of the district of Sibsagar. In 1830, Major Jenkins noticed several oil-springs in between Borhat and Jaypur. The Assam Oil Company was formed and a large refinery was constructed at Digboy. Coal-beds were also further discovered on the bank of the rivers of the Hoarup, the Namchik and the Suffray, the valley of the Jamuna and the Gangesiri and in the duars of Bijn and Koraput.

Tripura:- Tripura under native kings had a stagnant semifeudal and subsistence economy. But, the princely state was free from economic stresses and strains at that time. Tripura was self-sufficient in food and did not feel the need for industrial enterprises.

18 Ibid.
During the time of Birandra Kishor Manikya, the economic condition of the people improved considerably. The export of cotton picked up and 85,321 mounds of cotton were exported in 1925-26. The price of cotton lowered down.

With a small population and still smaller economic aspirations, Tripura did not experience the increasing pressure of population and of unemployment in the social structure. Thus, before independence, Tripura had a sound and stable economy, despite a very backward economy.

But after independence, the state was in the grip of economic crisis. Partition of India gave heavy blows on Tripura. The population of this state had been doubled by the influx of refugees. Problems of refugees and scarcity of resources were main causes of economic crisis.

Tripura primarily depended on agriculture. It formed the most important sector of her economy. It provided employment to largest number of people and contributed highest share to the income of the territory. But the growth of agricultural output had been inadequate to meet the increasing demand. Before 1949, Tripura felt itself secure from the scarcity of food grains. Gradually, it

lost self-sufficiency in food since independence and thus became a food deficiency area due to stagnation in agriculture. In 1951, 75.4 percent of the total population depended on agriculture. But productivity per worker had been low. 72 percent of the working force in agriculture accounted for about 43.5 percent of the net output in Tripura, as compared with all-India percentage of 69.6 and 51.2 respectively. Because cultivators were poor and techniques of cultivation were primitive and traditional. Besides, shifting cultivation called jhumming was practised. It was a menace to forest wealth, soil eroded and it decreased soil fertility. Potatoes, oranges, pineapples and varieties of vegetables were grown in Tripura. Before independence, pineapple was exported to East Bengal, now Bangladesh.

Mineral resources of Tripura were meagre. There were traces of lignite coal, limestone and ochre, but the quantity was poor and reserve was too low to be of commercial value.

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TRADE AND COMMERCE

The principal exports of Tripura were jute and rice, about 45,000 tons of jute and 28,000 tons of rice were exported by rail in 1903-04. 23 Some betel-nuts, gur, gunny bags, hides, mat, chillies, oilseeds etc. were exported. The chief imports were cotton goods, cotton twist, salt, kerosine oil etc. 24 The chief centres of trade were Chandpur, Matlab Bazar on the Meghna, Hajiganj, Chitose, Daulatganj and Brahmapura on the Dakatia, Comilla, Gauripur, Lalpur, Jaferganj, Companiganj, Panchpur on the Gosmati, Chandurias, Brahmanbaria, Akhauria and Ramchandrapur on the Titas. 25

Development of trade and commerce depends on communication and transport. The physical features of the state present exceptional difficulties for the development of cheap and adequate communications. Prior to partition, the principal means of communication were railways which connected Tripura with various districts.


in Bengal and Assam. Since partition, however this railway line fell within Pakistan. The state was thus cut off from the rest of India save for air route. There was no communication between Tripura and the rest of India. In these circumstances, the importance of a road link with the rest of India became urgent and the construction of the Assam-Sajeral road was taken to provide Tripura with its life-line. So, internal and external communications need to be developed. The absence of adequate transport facilities holds up future industrial growth.

**The Khasi and Jaintia Hills**—Economic conditions of the Khasia and the Syntenga were good. Hunter said that, by the standard of the time, the Khasi-Syntenga were prosperous. Common male labours could earn wages as high as one shilling per day and adult females, eight pence, which were considered quite high in the early nineteenth century. Wealth seemed rather evenly distributed in the Khasi hills, even the Syntenas lived simply.26

27 Ibid, p.220.
Farmers appeared to have normally been free from debt. They cultivated their hereditary holdings, but a few of them depended wholly on the produce of their fields. Generally, the Khasis did not grow sufficient grains for their subsistence and were dependent to a large extent on imports of rice from neighbouring areas. Ordinarily, a cultivator also reared animals such as cattle, goats and pigs. In Jaintia Hills a cultivator's position was considered to be very low if he possessed no cattle, but performed all operations of agriculture with his own hands. Manual work was unavoidable unless he was rich enough to employ paid labourer as slaves. These cultivators, in particular those of the Jaintia hills, were to pay certain proportion of their produce to the Sylhet. This tax was collected in kind from all villages.

**TRADE AND COMMERCE**

Both the Khasis and the Syntang were great traders. They conducted their external trade on the southern boundary through the district of Sylhet. They supplied Bengal with lime, cotton, potatoes and oranges, ivory,
iron ore, wax, betel-nut, pan leaves and tezpat. In return, they received rice, dried fish, salt, spices, cotton, silk, tobacco and copper from Assam and Bengal. They also acted as middlemen, selling silk from Assam in the plains of Sylhet. Once exportation of iron was large, but during the end of the nineteenth century, it almost ceased.

In the eighteenth century, according to W.C. Shadap Sen, much of the trade of Jaintia and Cachar were in the hands of Khasi merchants who brought goods from these areas as well as silk from Assam to Sylhet.

Limestone was found abundantly in the Khasi hills and was exported to the plains in large quantities. During Mughal period, purchase of stone for lime-making from the Khasi had been a government monopoly, but during the reigns of the East India Company, it was under private company 'Inglis and Co'.
During the time of British, potatoes were exported in large quantities. The trade in oranges with Bengal was considerable, like that in limes. The whole of Bengal was supplied with oranges by Khasi and Jaintia hills.

During British days, the export of raw cotton had greatly increased. In 1876-77 the total quantity exported was 36,000 maunds, valued at Rupena 2,16,000. The principle exports were cotton, lac, sesame, betal leaves, betel nuts and limes.

The Assammen supplied silk cloths of various kinds, which were much valued by the Khasis.

The Khasi and the Syntangs manufactured various articles for their domestic use as well as for export. The Khasis made swords, knives, hatchets, axes and arrowheads. This industry was once the chief industry in Khasi hills. But towards the end of nineteenth century, it had almost died as a result of the introduction of cheap English iron.

35 Hunter W.W., p.240.
The chief centres of business were at Cherrapunji, Laitlynkot, Shillong, Jowai and a market on the border of Sylhet near Jaintiapur.  

The Naga Hills: In Naga society, there was economic uniformity. There was no big landlord, no beggar. Their chiefs lived very simply.

Agriculture had been the basic occupation of the Nagas since time immemorial. They were self-contained except for salt and iron implements and did not require to go out for anything. During the time of shortage, they used to depend on jungle leaves and plants. The staple grain of Nagas was rice. In agricultural economy of Nagaland, rice holds the key position. The Nagas used two methods of cultivation, permanent and shifting or jhumming. Jhum cultivation was primitive, uneconomical and led to soil erosion, but agricultural techniques on permanent cultivated lands were also poor. Rice was of two varieties, Kesi and Thedi or Chedi rice. The other crops raised in the Naga hills were chillies, cotton, garlic, ginger, yams etc. Cotton cultivation was restricted to lower ranges lying north of the Barial and the Rengma hills.

There were some mineral resources, coal and chalk were reported to exist in the Rengma hills and limestone was found in abundance along the banks of the Namer river. There were also salt springs.

TRADE AND COMMERCE:

The Naga had a barter economy. They bartered and sold their agricultural produce and industrial products like cotton, ginger, chillies, garlic, salt, dep, medicinal herbs, ivory, wax etc. in exchange for rice, clothes, beads and medicines from Assam and Manipur. The Assamese depended on the Nage salt, manufactured from the brine springs on Nage Hills before it was imported from the west when the British came in. In some cases, the salt wells in the hills were made joint property of the Nages and the Ahoms. These economic relations infused cordiality and mutual understanding between the two peoples. The hills were not self-sufficient. The tribals therefore came down to markets with their agricultural produce and products of handicrafts for exchange with what they needed from plebsmen. This contact in the economic field fostered mutual understanding and good will between the two peoples.

In the beginning of the 20th century, whole-sale trade was entirely in the hands of Marwari merchants. Kohima was the largest business centre and other trading villages were Khonoma, Mezina and Lokoima. 41

Transport and communication in Nagaland was a problem. The absence of adequate transport facilities holds up future industrial growth. In 1903-04, 73 miles of cart-roads and 490 miles of bridle paths were maintained in Nagaland by the British Government. 42 The cart-road from Dimapur to Manipur runs across the hills connecting Kohima with Assam – Bengal Railway.

**NEFA (Arunachal Pradesh)** Geographical location has made NEFA a forbidden land, sometimes described as hidden land till recent times. It is a hill-locked area with transport and communication bottleneck. So, economically, people of NEFA were not well off.

The people depended upon agriculture, usually, they used two methods of cultivation – permanent and wet cultivation. 43 Wet cultivation was used by plain Miria.

the Khasiis and the Singphos who occupied low lands on swampy terrain and foot hills areas along Siang, Lohit and Terap. The Monpas and Sherdopsans of Kameng who lived at higher elevations traditionally followed a mixed type of agriculture according to the situation of their cultivable plots. At valley, where rainfall was high permanent cultivation was followed. The Apa Tenis of Subansiri who occupied a single swampy valley in the central part of the district, followed permanent cultivation. They were expert agriculturists who have been traditionally pursuing sedentary method of cultivation from time immemorial. But the tribes of the higher altitudes have been following the shifting method.

In the highland and river valleys the Bhutias cultivated barley, wheat, mustard, pulses, maize, sugarcane and fruits of various kinds. But, comparatively, yield was poor on account of the sterility of the soil and the primitive method of cultivation. The Bhutias had to depend therefore, on the low lands for their requirement of grains and other food stuffs.

44 Ibid, pp.258-259.
By extensive jhumming, the Defias and the Akas raised rice, wheat besides red pepper, ginger and vegetables. But the Akas had to depend on the plains for their requirement of cloth, both silk and cotton. The mainstay of the Khantis and the Singhias was agriculture but their agricultural economy depended mainly on the labour of their slaves.

Economy with its peculiar method of cultivation could hardly have supported the people throughout the year. They had, therefore, lived on locally available fruits, roots, wild vegetables and berries. The tribal people generally produced food crops for domestic and local consumption. Cash crop, as a rule, was out of vogue in their economy.  

Hills did not produce everything of what they needed. The tribals, therefore used to come down to the huts (market) with their agricultural produce for exchange with what they needed from the plainsmen. This contact in the economic field fostered mutual understanding and good will between the two.

The Mishias formed an intermediary between the Assamese and the Chinese. The Aboor economy was linked up 

45 Mohanta Bijen, Administrative Development of Arunachal Pradesh, 1984, Delhi, p.21.
with that of girls and they took from the latter salt,
deer, cooking utensils and slaves.

The Indian Government tries to change their economic
condition. The people of this area have been persuaded
by the Government to undertake some subsidiary, animal
husbandry, rearing of pigs, poultry farming, coffee and
tea plantation etc. The prospect of coffee is bright. 46

WEAVING AND HANDICRAFTS:

This constituted an important part of economic
activities of the people. Weaving was a major industry
in the state. Besides, wood-carving, black-smith, carpentry,
cane work etc. were practised by the people.

Manipur- In ancient times, Manipur was a self-sufficient
state. Agriculture was the main occupation of the people
and the most important one was rice cultivation. But
after the Anglo-Manipuri war of 1891-92, the general
economic condition was not good. 47

Usually, Manipuris lived in good houses and were
always clean and neatly dressed. But, the majority of

46 Mohanta Bijen, Administrative Development of
Arunachal Pradesh, p.21.

them have very little cash. 48 This was because, there was no good communication with outside world except a cart road. There are one cart road over Naga hills to the Assam-Bengal Railway at Dimapur, the bridle path to Cachar and the bridle path to Tamu. So the people could not find a market for their produce. Giving a market, the people could easily grow rich. 49

As already stated, the main occupation of Manipur was agriculture. Besides, handloom industry was well developed since ancient time. It provided part time employment for about 2 lakhs of persons. 50 But majority of the products were of course quality. These coarse cloths were purchased by hill peoples. Some of them were exported to Cachar but their manufacture decreased with gradual increase in the demand for cloths of English manufacture.

Some minerals were also found in Manipur. Iron-ore was obtained principally from the bed of small streams south of Thoubal and hills of Langathels and Kemang. 51

48 Ibid.
49 Ibid.
50 Pemberton R.B., The Eastern Frontier of India, Reprint, 1979, p.27.
But it was of small quantities and it hardly sufficed
the needs of the State. 52

Manipur produced some amount of gold. Gold was said
to have been found at one time in the Kongba and the
Imphal river. But, at present it is not available.

Lime was obtained in the shape of limestone in
Khanguoi and Nungshangkhong in the north east of Manipur.
It was also found at Tangjing, Toupokpi, Khubungkhunou
and Kangbong near Sugnu, Nongoupokpi and Soubam near
Kakching. 53

Salt was obtained from brine wells located in Shikhong,
Ningail, Chandrakhong, Waikhong, Chalou, Torbung and
Chibu. 54 Sometimes, small quantity of salt was imported
in times of scarcity from Burma and Cacher.

TRADE AND COMMERCE:

Manipur carried on trade with Cacher, Assam and
Burma. Tea seeds and buffaloes were imported from Burma.

52 Ibobi N., Ibid.

53 Government of Manipur, District Census Hand Book -
p.10, 1964 as quoted by Ibobi N. in his book "The
Manipur Administration".

54 Ibobi N., Manipur Administration, p.153, Pemberton H.B.,
The Eastern Frontier of India, pp.28-29.
and Manipur exported to Burma silk (raw). But most of the trade of the State was with Cachar and Assam valley. The principal export to Cachar were cloths, yarns, buffaloes, ponies, timber and other forest products. The principal import from Cachar were betelnuts and ben, cloths, yarns, brass and other metals, and kukes (dried fish). Manipur exported cattle, canes, cotton twist and yarns, cotton goods, rice (husked), ghee, dry fish, spices, timber, bamboo and other articles to Assam and Burma valleys. Manipur imported from Burma and Assam valley horses, cotton (Indian as well as European), wheat, grain, pulses, liquor, brass, copper, ghee, mineral oils, dry fish, salt, betel-nuts, sugar and other articles. Trade and commerce with Assam had been increased after opening of the east road to Dimapur.

In the beginning of the 20th century, most business was in the hands of the Marwari merchants. The principal

55 Dun E.W., Gazetteer of Manipur, p.64.
56 Dun E.W., Gazetteer of Manipur, p.61.
57 Dun E.W., Gazetteer of Manipur, p.61.
58 Allen B.C., Naga Hills and Manipur, 1905, p.111.
59 Ibid, p.112.
export was rice, which was carried by cart to Kohima and to Assam Bengal Railway at Dimapur, forest produce, which was carried down the Barak into Cachar. Cattle and buffaloes were exported in considerable number but restrictions were imposed from time to time.

CONCLUSION

From the above, one can safely come to the conclusion that North East Region except Assam valley was not economically viable when India got independence, although the region was a self-sufficient area in their original pattern of living. This region is very poor against all India per capita income. Most states are below the all India average. The battle against hunger, disease, ignorance and isolation is tremendous. This pitiable economic condition may be removed by careful economic planning.

Efforts must be made to understand all factors which are responsible for backwardness of these areas. The peculiar

61 In their original pattern of living, trade was in kind and their needs were limited to a few essentials of clothing, utensils and ornaments that they themselves produced - N.Kustomji 'Imperilled Frontiers' 1963, p.15.

62 Rao V.V., A Century of Tribal Politics in North East India, 1974, p.16.
physical and geographical features, the highly dispersed population, meagre infrastructural facilities, institutional and other shortcomings will have to be identified for evolving an interdisciplinary approach and practical strategy to achieve the large objectives enshrined in our plans.

North east area is a strategic region and its economic development should be planned keeping this in view. Unless adequate programmes are evolved for conservation and proper utilisation of resources of hilly areas not only the problems of those areas will continue to remain unsolved but would also seriously obstruct the economy of the plains. So, the Indian Government must try for the development of agriculture, horticulture and floriculture in this region. Agriculture forms one of the most important sectors of North East Region economy. The Government must take up programmes to prevent jhum or shifting cultivation, which is very primitive, wasteful and uneconomic. Besides, jhum cultivation is a menace to forest wealth, erodes soil and decreases soil fertility. It is necessary on the part of the Government to demonstrate the advantages of permanent cultivation. Adequate finances must be made available to poor cultivators to adopt improved implements, better
techniques of cultivation and purchase of improved seeds. Research-cum-testing stations should be set up to evolve the best varieties of seeds and to improve and develop agricultural implements best suited to rugged terrains and plains. The problems of hilly areas are very much connected with the economy of the plains. So, the Indian Government must try for the development of this region. A research base must be established to develop particularly in the interior, where a proper agroclimate condition is available for growing a variety of crops such as mushroom, olive, ginger, peanuts, pineapples, orange and the like which will give a good economic return. Horticulture may be the mainstay of the region. For this, there is need to have a national survey conducted for identification of areas specially suited for horticulture and floriculture including vegetables of all kinds. A survey of this nature will be of immense importance for developing special varieties of fruits, trees, flowers and vegetables of economic importance. This region is still a virgin field with enormous potentialities. Different kinds of trees, plants, herbs and grasses are available for medical purposes and these plants may be cultivated on large scale.

North East region is very rich in forest products. Sal, Mahar, Sam, Gomaria, Khair, Sisau, Tate, Champa, Agar,
Teak, Gansarei, Sonara etc. are some of the important trees which lavishly grow in the region. These trees are of high industrial value. Industries can be set up for manufacture of paper, plywood, plywood and other forms of board. This would provide employment to the people of the area.

Along with forest development, floriculture has also to be given due importance. Orchids grow in natural condition in various areas in this region. It has great potentialities of being produced commercially. The possibility of export of orchid plants which too have a big demand in European markets should also be looked into. It will enable the north east region to earn huge foreign exchange.

The region also proudly claims to hold the topmost position among the tea-producing states of India. Indigenous tea plants have grown all along the low northern slopes at the foot of Barishal range. This shows that tea plantation for commercial use might be expanded with the assistance of the Central Government. North Eastern region is rich in bamboo. So, it can help in solving problems of shortage of paper in India. According to Techno Economic Survey of Tripura by National Council of Applied Economic Research
1961, Tripura has certain favourable factors for jute production which should be exploited to the maximum. The soil and climatic conditions are ideally suited to the crop.

Proper survey of mineral resources are not done. Besides Assam, there are prospects of oil, coal, gold, silver, copper, iron and other kinds of semi-precious stones.

Many rare wild animals are found in the forest of this region, Nagaland has rare birds like Indicator xanthotus, Manipur has rare animals like brow-antlered deer, while the state of Assam is the home of world famous one horned rhinoceros. So, adequate planning must be evolved for conservation and proper utilization of natural animals of the area. In the field of agriculture also, the Government must try to introduce terrace cultivation instead of jhum cultivation. Besides, scientific method of farming and green revolution must be introduced to raise economic condition of north east people.

North East region cannot have big industries except some areas because of its hill-locked condition. If big industry is not feasible, medium and small scale industry
may be set up with meticulous planning. The existing potentials for development, based on local resources have to be scrutinised more carefully and exploited fully. But the most vital question is marketing. Regulated markets for the produce of hill areas are a necessity. Once the markets are regulated quality produce will find their place in them and will be available for processing and canning.

Mountains have always been a source of fascination to human beings. Going to hills in the summer becomes a status symbol with many families. In North East region, all resources for tourist development are there i.e. mountains, valleys, natural scenery and enjoyable weather. The Government must try to convert all these natural resources into economic benefits to all of its people. The Indian Government is now perpetuating Foreigners’ Restricted Areas Order in this region. This order must be amended or abolished, so that the area may become a much-sought-after tourist paradise in South Asia. It is largely accepted that tourism can redress regional imbalances. We have the classic example of Sicily in Italy and Caribbean Islands, which are poor in natural resources but rich in tourist attractions.

Besides, people from hill regions have come down to the plains looking for employment opportunities. Tourism is a labour intensive industry and can generate large scale employment in North East region.

North East region has immense potential for hydropower generation. The Brahmaputra, Kameng, Dihang, Luhit and Dibang have substantial hydro-generation possibilities. 64

But all these developments are entirely dependent on communication. Unless communications are developed, there cannot be any worthwhile development of the economy of the region. Transport and communication services to and within the hilly region is bound to be far more expensive than in the plains. The Indian Government must try to connect all inaccessible areas of North East region by road, airway and railway. Because, there is demand for communication and transport before project implementation in forestry,

64 Where Brahmaputra takes a bend and enters India from the Tibetan plateau, from 3,000 metres height to 5,000 metres height in India, giving a head of nearly 2,500 metres. The minimum discharge of the river at this point of diversion is 3,300 cubic metres per second. About 50 million Kw. of energy can be economically developed by diverting the run of the river from Tibetan plateau to join tributaries of the river by 30 km. long tunnel. Rao K.L., Power from the Himalayas First National Seminar on Problems and Potentials of the Hill Areas of India — April 25-28, 1975, New Delhi, p.103.
power, mining, horticulture, irrigation, agriculture, 
tourism, industries etc. can be undertaken.

In North East region, some areas are devoid of rail 
services such as Mizoram, Manipur etc. Because, the cost 
of construction and operation of railway line is many 
times higher in the hills than in the plains. In such 
cases, road transport will be cheaper and more efficient 
than railways. Besides, aviation can play a vital role 
particularly in respect of these inaccessible areas. In 
certain areas in hills and places where the terrain is 
difficult for surface transport, air transport may be 
more effective and cheaper in the long run.

So, in order to become financially and economically 
visible region, the North East region needs more Central 
aid and more techno-economic survey to come out of its 
present condition.