CHAPTER III

ECONOMIC BACKGROUND OF THE AREA

Pattern of development:

Arunachal Pradesh presents special developmental problems. The area had been a 'hidden land' on the "forgotten frontiers" of India, where time stood still and the people had lived in seclusion for ages without having any meaningful trade and communication with the outside world, except for limited and chequered trade on the borders with Assam, Tibet and China. This trade with Assam was carried out by the people living on the southern fringe of Arunachal Pradesh and was chequered because of the existence of the 'Inner Line' that limited contact and money supply. As a consequence, the trade in goods was held under restraint. The basic necessities like salt, yarn, beads etc. were exchanged for musk, 'Mishmi Tita', dye producing barks of trees, cane, and other produce collected from the jungles. The tribes carried their merchandise as head loads.

1. Bell, Ursula Graham
2. Geoffry,
3. Festivals and Folk Dances of NEFA by DIPR page-1.
The trade with China and Tibet was severed in 1960-61 after Dalai Lama's flight to India followed by 1962 Chinese Aggression. Prior to the Independence of India, the British administration concerned mainly to maintaining the peace and order in the area through reprisals. Little thought was given to the possible ways of stimulating the process of development of the area. A distinct barrier was maintained between these hills and the plains by the British. But the foreign missionaries with so-called "taming influence" were permitted entry quite freely. Such restrictions deepened the isolation of these areas "from the rest of the country". This isolation was responsible to a large extent for the economic backwardness of the hill areas. In the totally 'excluded' areas, the protection afforded to the tribals was more effective, but it achieved little else. Even upto the middle of the twentieth century, many tribal people went about doing their cultivation with bamboo sticks and shoulder blades of

dead cattle, wearing scanty loin cloths made of home spun cotton yarn or fibroligne made of flax extracted from a hemp like Jhpy plant - the very minimum, or nothing at all - and cane rings, beads and other metal ornaments like bracelets - in profusion, or desired to be worn in profusion. They never saw and felt the need for anything better. The evidence from their folk tales¹ points towards their living entirely on a collectional economy two to three hundred years ago. They hunted games; trapped birds and animals; speared or stoned the fish in the rivers; lit theirs fire with the help of flints; wore nothing but skins; and wandered from place to place gathering food². They made their own log and cane suspension bridges to cross fast flowing and wide streams. Instances of head hunting and inter-tribal feuds were not unknown. Stronger groups of people claimed battle honours by bringing back the heads of their enemies. The small tribes and the small villages existed in the shadow of death or slavery. There were, of course, periods of peace.

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1. Myths of North East Frontier of India Elwin V.

2. Such groups of people even now live and hunt in the upper reaches of Kameng and Subansiri district.
when people not only lived in friendship but even bartered their surpluses with the neighbouring tribes; or walked across to Tibet in the North and the plains of Assam in the South for trade. 

During the process of these wanderings, those tribes who discovered valley lands and those who got the 'seeds from Hopin' or other gods of agriculture', and those who could defend themselves and their lands, developed sedentary cultivation.

During their wanderings they also partly domesticated the wild 'Methon', the Indian bison, with the sweetest meat, specially of the hump, a 'man' had even tasted. Naturally, this animal gained an immense importance in their social, cultural and economic and religious life. It became a symbol of status, store of value, and the most valuable asset, for it and buy wives to work for the husband and master in the fields and its sacrifice appeased the evil spirits when they showed their wrath in the form of sickness or any other clamity that could befall upon a family or a clan or a tribe. The prosperity could also be guaranteed to the person who sacrificed
a Methon and invoked the blessings of the supernatural beings. The Methon was naturally eaten after the sacrifice: flesh, blood, skin, intestines and all. The Methon forms a high denomination currency and it is exchanged and sold on various occasions. The bride price is usually paid with Methons.

The Methons are reared in a semi-wild state in the forests. Their owners occasionally tempt them home with salt and round them up when needed. Every owner, of course, knows how many Methons he has. The death of a Methon, discovered by the smell of rotting flesh, attracts the owner, who brings home the carcass in pieces and eats it, distributes it to his relatives, clansmen, friends and also dries some for his future use. The maggot infested flesh acquires a special taste. It costs nothing to rear a Methon, it stays in the jungle, grazes by itself and multiplies.

The Arunachal Pradesh farmers depend upon the forest for many more things. Their few needs are entirely satisfied by what they collect or hunt down in the forest, excepting, of course, the grains they produce in the fields and fish they catch in the stream. What
they usually trade with the outsiders, come practically entirely from the forests. None has, however, estimated so far how much of what they collect from the forests for home consumption or trade.

Arunachal Pradesh did not get the "economic atmosphere" and "enough time under the pressure of economic needs" to develop its agricultural infrastructure. The agricultural growth efforts put in by the Government were directed towards accelerating the growth through compressed plan programmes so as to bridge the gap between the developed parts of the country and Arunachal Pradesh as rapidly as possible. The Government of India took up the task of developing the closed economy of Arunachal Pradesh only after Independence, and the veils of isolation created over the centuries started to lift only after that. To save the people from the effects of too sudden and exposure, the Inner Line continued to be respected and maintained.

**Arunachal Pradesh before Five Year Plans:**

Prior to 1951, when the plan era began, the

1. Compare: A 'Mosher', Creating a Progressive Rural Structure P - XIII and XIV.
The people of Arunachal Pradesh depended on their traditional implements such as pointed bamboo sticks, the shoulder bone of Methon fixed to a stick\(^2\) and the all purpose 'dao'\(^3\). But still they depended on jungle

1. Next chapter will give further details on Jhuming.
2. Now replaced by iron hoe.
3. Short steel bladed sword.
collections for most of their needs. "The agricultural art of the people indeed was "manual, with no support from implements and toils other than the simplest and the simpler." Very little interplay of the factors of production had taken place. When the Government of India took up the task of developing the area and to put it at par with other parts of the country, it had taken a serious challenge; not only because the area presented peculiar and special problems but also because the development has to be carried out in a closed and non-monetised economy. The task was to bring about development so fast as firstly, to catch up with the lost time of centuries; secondly, to catch up with the developments as were taking place in the other parts of the country - and thirdly, to keep, at the same time, the effects of all these changes on the culture and traditions of the people at such a level that the destructive and divisive social forces might not find a fertile ground to pull asunder what may be called

the fabrics of the cultural whole of the Territory.

**Developmental Efforts under the Five Year Plans**

The very fundamentals of development in so primitive an economy as in Arunachal Pradesh, lie in the composite agricultural sector. "If one were asked to pick a single factor as the most common cause of low rate of growth, it would have to be the absence of a vigorous agricultural policy. Agricultural stagnation is the main constraint on the rate of growth of the economy. It keeps down the living standards of the great majority of the people and in restricting their purchasing power restricts also the scope for industrialisation". Even so, other pressing requirements of general, political and social development, did not permit the Government, the sole agency available for development of Arunachal Pradesh, to assign top-most priority to developing the agriculture of Arunachal Pradesh. Upto the Fourth Five Year Plans, 'Building' - building of roads, building of houses, building of air strips and air dropping grounds, - received the highest

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priority, followed by the 'social services' rendered largely through medical and educational services. During the Fourth Five Year Plan also, 'building' activities continued to receive the highest priority with a very large margin over the other sectors of development. But agriculture was elevated to the next priority at this stage.

The picture is depicted in the following table:

<table>
<thead>
<tr>
<th></th>
<th>First Five Year Plan</th>
<th>Second Five Year Plan</th>
<th>Third Five Year Plan</th>
<th>Annual Plans (1966-69)</th>
<th>Fourth Five Year Plan Allocation (1969-72)</th>
<th>All Plans (1951-72)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Total</strong></td>
<td>201.22</td>
<td>356.64</td>
<td>920.37</td>
<td>850.90</td>
<td>1799.00</td>
<td>1119.07</td>
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<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Ist. Priority</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>(a)</td>
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</tr>
<tr>
<td>Engineering</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>35.06</td>
<td>43.05</td>
<td>44.94</td>
<td>60.84</td>
<td>41.05</td>
<td>47.94</td>
</tr>
<tr>
<td>(b) % total</td>
<td>35.06</td>
<td>43.05</td>
<td>44.94</td>
<td>60.84</td>
<td>41.05</td>
<td>47.94</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Compiled from various Annual Plan and Five Year Plan Documents of Arunachal Pradesh Administration.

2. Engineering includes construction of roads, power projects, airstrips and buildings.
3. 2nd. Priority

(a) Social Services, Social Services, Social Services, Social Services, Agriculture & Allied Sector, Agriculture & Allied Sector, Agriculture & Allied Sector, Agriculture & Allied Sector,

(b) %

<table>
<thead>
<tr>
<th>Sector</th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>5th</th>
<th>6th</th>
<th>7th</th>
<th>8th</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services</td>
<td>32.57</td>
<td>28.27</td>
<td>26.03</td>
<td>19.61</td>
<td>25.47</td>
<td>21.66</td>
<td>22.19</td>
<td></td>
</tr>
</tbody>
</table>

4. 3rd. Priority

(a) Agriculture & Allied Sector, Agriculture & Allied Sector, Agriculture & Allied Sector, Social Services, Social Services, Social Services, Social Services,

(b) %

<table>
<thead>
<tr>
<th>Sector</th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>5th</th>
<th>6th</th>
<th>7th</th>
<th>8th</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; Allied Sector</td>
<td>27.65</td>
<td>22.57</td>
<td>20.83</td>
<td>15.93</td>
<td>19.00</td>
<td>19.18</td>
<td>20.51</td>
<td></td>
</tr>
</tbody>
</table>

5. % of expenditure on all other sectors.

<table>
<thead>
<tr>
<th></th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>5th</th>
<th>6th</th>
<th>7th</th>
<th>8th</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4.92</td>
<td>6.11</td>
<td>8.20</td>
<td>3.62</td>
<td>14.48</td>
<td>11.20</td>
<td>8.30</td>
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</tr>
</tbody>
</table>

On an average, annually a sum of Rs.1.63 crores has been spent in all sectors of development in Arunachal Pradesh. Agriculture, forests, CD/NES, Co-Operatives, animal husbandry, fisheries and all other allied pursuits received annually an average sum of only
Rs.36.16 lakhs in a territory of approximately 83578 sq. kilometres. Most of this amount was spent in building up the infrastructure of staff and staff quarters, office buildings and other such like overheads. The highest priority (49%) was assigned for construction of roads, airstrips, and buildings required to house the staff and offices. Even after giving such a high priority to open up the area, the road density continues to be poor. With nearly half of the money spent on the 'roads' sector, the yield was of only 0.7 kilometres of metalled road (1969-70) per 100 Sq. kilometres remaining being in different stages of construction.

Roads and Transport:

As for actual development work undertaken, the road should be completed in its final form to be meaningful. The building of temporary roads even where they are only farm or forest roads have many disadvantages (danger of accidents, wear and tear of vehicles, deterioration of the road bed etc) and involves a much higher

1. Ref. col 8 of the table No.I-3.1.
2. (4.3 kilometres unmetalled and 0.7 kilometres metalled in every 100Sq. KMs. of area in 1969-70, as against 36 KMs., for all India).

THE DIFFICULT TRACKS

Crossing of a stream by a log bridge.

Monkey ladders.

Cane suspension bridge.
cost for maintenance and repairs. Even where the roads are little used, their half completed existence is not economically justified. Experience shows that it is not the kilometre stage of inadequate roads that counts. The kilometre stage of roads in good condition, capable of what is expected of them, can only spark a real development into a moving stage.¹

Only 213 vehicles, belonging to all types, were registered for the roads in Arunachal Pradesh in 1971-72². There is no public road transport system in the territory. However, there were 33 jeeps, boats, trucks, passenger bus-cum-trucks, power-wagons and passenger buses carrying passengers and loads, in the Co-operative sector. Details of the Co-operative vehicles are given below:-

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Further compare The Report of the Commission on the Hill Areas of Assam 1965-66, Ministry of Home Affairs. It states at page 8, that in the Assam Hills (which are comparatively more advanced than Arunachal Pradesh now), the communication used to be and still were notoriously poor and these districts (of Assam Hills) were not easily accessible to each other over the hills. The task of building roads was held to be not an easy one because of the practical difficulties of terrain, heavy rains, short working season, shortage of labour and material, etc.

Table 1-3.2

NUMBER OF VEHICLES FLYING IN ARUNACHAL PRADيشE UNDER THE
CO-OPERATIVE DEPARTMENT (1972)

<table>
<thead>
<tr>
<th></th>
<th>Bus</th>
<th>Cum-truck</th>
<th>Boat</th>
<th>Truck</th>
<th>Power Wagon</th>
<th>Jeep</th>
<th>Passenger Bus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. (a) Kameng District</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Tawang Sub-division</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. (a) Subansiri District</td>
<td>1</td>
<td></td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Daporijo Sub-divn</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. (a) Along Sub-division</td>
<td></td>
<td></td>
<td>2</td>
<td>4</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Pasighat Sub-divn</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
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<tr>
<td>4. (a) Tezu Sub-division</td>
<td></td>
<td></td>
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<tr>
<td>(b) Roing Sub-division</td>
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<tr>
<td>5. (a) Anini Sub-division</td>
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<td></td>
<td></td>
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<tr>
<td>6. Tirap District</td>
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<td></td>
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<tr>
<td>7. Total Arunachal Pradesh</td>
<td>4</td>
<td>1</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td>17</td>
<td>33</td>
<td></td>
</tr>
</tbody>
</table>

1. The data collected from the Co-operative Department, Arunachal Pradesh.
Public Transport System:

The transport vehicles available are clearly inadequate to meet the needs of a developing economy, especially when their number is related to the length of the motorable roads already built. A new scheme of State Bank loans to tribal enterpreneurs have been publicised, and in one District at least people have bundled themselves into an association. In addition, on limited road axes such as Tezpur - Bomdila there are a large number of public carriers, at present mainly registered in Assam, that are carrying stores on defence contracts. On downward journeys these tend to be available for ad-hoc hiring to transport local meager surpluses in potatoes or seasonal vegetables.

However, the importance of the local people owning either individually or collectively their own transport cannot be over estimated. If they depend on others' transport, the owners of such transport dictate terms when buying limited agricultural surpluses. It might even be said that in the developing area like Arunachal Pradesh, economic power comes from the 'wheels of a truck!'

As it is, most of the existing goods transport facilities are used for importing food-grains, development...
materials, and other items of daily use, from the plains of Assam into Arunachal Pradesh. Many of these loads are concerned with the building of the Administrative infrastructure in the shape of buildings etc; or of tiding over staff requirements of food. A few items such as salt, sugar and kerosine-oil are genuinely useful to village population and transport of these ahead of a line drawn roughly between various District headquarters¹ is subsidized by Government.

There is as yet no rail-head anywhere inside Arunachal Pradesh, and the territory has to rely solely on rail-heads and forwarding agencies situated in the neighbouring State of Assam. No State Transport Bus or carriage system exists inside Arunachal Pradesh and this function is at present being discharged by various transport Co-operatives, the capacity of which has been given in the table No.I-3.2.

State Income:

No State Income estimates are available. The estimate has not been attempted due to a number of difficulties of barter transactions and other data gaps. However

¹ Which roughly coincides with the Belt II of the inquiry in Part II of the Thesis.
an attempt will be made in Part II to list per capita gross output in the surveyed villages.

Land Tenure System:

There is a very wide diversity in various parts of Arunachal Pradesh regarding the land tenure system. It varies from land being held at the disposal of a single chief as in Tirap District, theoretically on behalf of and for the benefit of the community; to various types of ownership, sometimes on a village and sometimes on a clan basis. The individual ownership of land, especially agricultural land, predominates in quite a large area. There is a recent tendency of changing the community ownership in favour of individual ownership capable of inheritance, or sale in the case of plots of permanent cultivation or of house and shop sites situated along new road accesses. The substantiation of this change to individual ownership in the eyes of the community who once held the land before it achieved its new value, is not without problems. In order to deal with these new problems, it has recently been decided by the Administration to undertake cadastral surveys, atleast of permanent cultivation plots, and gradually prepare land revenue records. This process, however, has not yet
started. The only common factor regarding present land tenure throughout Arunachal Pradesh is that with very minute exceptions of genuinely uninhabited or abandoned stretches, every piece of land belongs to some tribal ownership. Water fishing and hunting rights are also vested upon somebody, usually upon a village community or clan.

The rights to ownership, especially of fallow land under regeneration for future Jhuming on a community basis, has been recognized in the Salipara/Tirap/Sadiya Frontier Tract Jhum Land Regulation of 1947 enacted under Sub-Section (2) of Section 92 of the Government of India Act 1935 as adopted.

Jhum Land Regulation, 1947:

Jhum lands include all lands upon which any member of a village or community have a customary right to cultivate by means of shifting cultivation or to utilize by clearing jungle or grazing livestock provided that such village or community is in a permanent location. Any village or a community shall be held to be in a permanent location if it always remains within a specific area, although part or the whole of such village or community may migrate from time to time to different locations within that area" and the "community includes resid-
ents of a village as a whole, the clan, sub clan phratry or kindred". (The Regulation is reproduced at Appendix 'A' after Part III of the Thesis.)