

Conflicts and Socioeconomic Consequences in Northeast India

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ABSTRACT---- *History, culture, religion and identity are often used to legitimise conflicts. But these causes not always act as the sole divisive forces to initiate conflict unless there are economic reasons. Conflict leads to human displacement and loss of life, destruction of assets and low investment. This is the short-run impact of conflict. Short-run impacts consecutively affect economic growth and institution in the long-run. Again low economic growth and institutional degradation deteriorate socioeconomic state of the afflicted people, and which ultimately intensifies conflict. Thus conflicts have negative impacts on socio-economic state in many ways. Northeast India comprising of eight states, has been the land of several conflicts. The conflicts are of wide nature ranging from separatist movements, to inter-community, communal and inter-ethnic conflicts. An empirical analysis in this paper shows that industrial growth in northeast states declined due to conflict. This result is in agreement with findings of other studies. It is also observed that there exists high correlation between socioeconomic condition and industrial growth in this region. This paper is concluded with a discussion on what are the government policies and how those policies resolve conflict in northeast India.*

1. INTRODUCTION

Conflict leads to human displacement and loss of life, destruction of assets and low investment. This is the short-run impact of conflict. Short-run impacts consecutively affect economic growth and institution in the long-run. Again low economic growth and institutional degradation deteriorate socioeconomic state of the afflicted people, and which (along with other non-economic factors like religion, culture and politics) ultimately intensifies conflict. Thus conflicts have negative impacts on socio-economic state in many ways: internal or external displacement, destruction or damage of physical and social infrastructure, low economic growth, institutional degradation, and others.

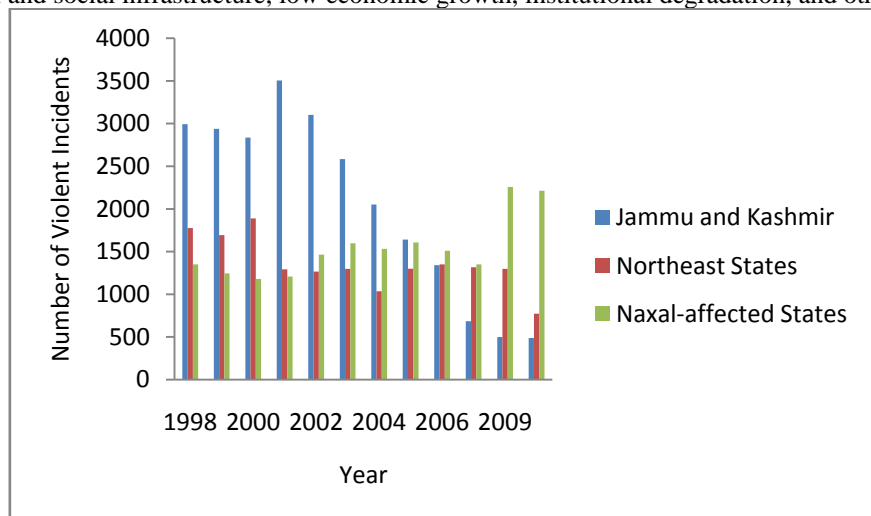


Fig. 1: Violent Incidents in Jammu and Kashmir, Northeast States and Naxal affected States (Source: Rajya Sabha Unstarred Questions)

An estimate shows that more than 172 million people were affected by conflict worldwide in 2012 [1]. More or less all countries in the world are affected by conflicts though the intensities of conflict are different [2]. India is no exception. Major internal conflict affected regions in India are northeast states (namely Assam, Tripura, Manipur, Meghalaya, Nagaland and Arunachal Pradesh), Jammu and Kashmir, and Naxal affected states (namely Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Maharashtra, Orissa, Uttar Pradesh, West Bengal, Madhya Pradesh and Karnataka). However, a declining trend of violent incidents has been observed, especially, in northeast states and Jammu and Kashmir (Figure 1).

Table 1: Distribution of Different Migrants by States/UTs in India
(Source: NSS 64th Round: July 2007-June 2008)

Region	State	Reasons for Migration		
		Forced Migration	Environment & Health-related Migration	Other Migration
North	Chandigarh	0.57	0.00	99.43
	Delhi	2.87	2.39	94.73
	Haryana	4.26	1.59	94.15
	Himachal Pradesh	3.05	3.36	93.59
	Jammu & Kashmir	13.48	2.56	83.97
	Punjab	8.77	3.43	87.80
	Rajasthan	4.53	2.38	93.09
	Uttaranchal	2.18	1.58	96.25
Central	Chhattisgarh	0.77	6.30	92.92
	Madhya Pradesh	3.20	4.76	92.05
	Uttar Pradesh	5.21	6.16	88.63
East	Bihar	11.89	1.00	87.11
	Jharkhand	2.39	1.68	95.93
	Orissa	3.29	4.74	91.96
	West Bengal	10.94	8.49	80.58
North-East	Arunachal Pradesh	0.56	1.07	98.37
	Assam	30.90	3.12	65.98
	Manipur	0.00	0.00	100.00
	Meghalaya	2.87	3.88	93.25
	Mizoram	4.41	3.87	91.72
	Nagaland	1.32	1.03	97.65
	Tripura	50.71	7.47	41.83
West	Dadra & Nagar Haveli	1.41	2.15	96.44
	Daman & Diu	0.00	8.78	91.22
	Goa	1.29	0.08	98.63
	Gujarat	3.09	3.42	93.49
	Maharashtra	2.28	5.76	91.95
South	Andaman & Nicobar	11.73	3.44	84.83
	Andhra Pradesh	2.71	3.03	94.25
	Karnataka	2.34	6.18	91.48
	Kerala	1.01	14.96	84.03
	Lakshadweep	0.00	2.00	98.00
	Pondicherry	6.38	16.38	77.24
	Tamil Nadu	2.78	8.51	88.70

Terrorism and insurgency are common form of violence in these three regions. But ethnic conflict is predominant in northeast states, which is reflected through the percentage of forced migration among total migration. Forced migration is highest in some states of northeast India (Table 1). Moreover, majority of them were forced to migrate due to social/political problems – nearly 100 percent in Meghalaya, Mizoram, Nagaland and Tripura [3]. Focus

of this study is, therefore, on northeast region. Objectives are to examine (a) the impact of conflict on development, (b) the correlation between socioeconomic condition and development in this region, and (c) the impact of government policy on conflict.

2. AN OVERVIEW OF THE CONFLICTS IN NORTHEAST INDIA

The northeast region of India comprises of eight states – Assam, Nagaland, Manipur, Arunachal Pradesh, Mizoram, Tripura and Sikkim (Sikkim was bracketed under northeast in 2003). This region is poorly connected to the Indian mainland by a small corridor and surrounded by many countries such as Bhutan, Myanmar, Bangladesh and China. Ninety-nine percent of the northeast's boundaries is international and only one percent is domestic boundary. Unfortunately the northeast is territorially so organized that ethnic and cultural specificities were ignored during the process of delineation of state boundaries in the 1950s, giving rise to infuriation. Moreover physical connection between mainland India and northeast India was lacking. Thus the large parts of the northeast hill areas never came in touch with the principle of a central administration before. Hence, their commitment to the newly formed Indian nation-state was lacking from the beginning.

The northeast India ethnically, linguistically and culturally is very distinct from the other states of India. The cultural and ethnic diversities are one of the major problems in this region. So, the conflicts in northeast are of various natures ranging from separatist movements, to inter-community, communal and inter-ethnic conflicts [4]. Starting with the Naga insurgency since India's independence in 1947, several insurgency movements have occurred in most of the northeast states [5]. Also, the purposes of these insurgency movements have been wide-ranging: to establish independent states (viz., NSCN-IM of Nagaland), demanding maximum autonomy or separate states or districts for their tribal constituency within the purview of the Indian constitution (viz., BLT of Assam). Sometimes, insurgencies have been rooted in the sense of alienation of the indigenous tribal as a result of the in-migration from neighbouring countries or other states in India (NLFT of Tripura).

3. IMPACT OF CONFLICT ON DEVELOPMENT

The lower economic performance of conflict affected areas was observed in different case studies [6]. Also, it has been noted that social conflicts and their management played a major role in transmitting the effects of external shocks on to economic performance [7]. According to a heuristic model, the effect of shocks on growth is larger the greater the latent social conflict in an economy and the weaker its institutions of conflict management.

Ghani and Iyer [8] enquired about whether conflict contributes to low income, or low income contributes to conflict. According to them poverty-conflict link is a two-way relationship and understanding of causality relation is needed for policy prescription. Policy makers should focus on policing conflict if conflict restrains growth. On the other hand, there should be policy to mitigate poverty if poverty causes conflict. Some evidences in India reveal that states that had more welfare and less police had less violence than states that had more police and less welfare [9].

In some states of northeast India, the industrial growth was higher than all India average, whereas in some states it was much lower. However, data for 7 states in northeast during the period 2003–2008 shows a decreasing trend of industrialisation with increasing violence in this region. The correlation coefficient between industrial growth rate and incidence of violence is -0.64, whereas that with the growth of Gross State Domestic Product (GSDP) is -0.52. Thus there exists a conflict-development relation in this conflict affected region. The estimated linear relation between industrial growth and incidence of violence is:

$$\text{Annual Industrial Growth} = 12.58 - 0.016 * (\text{Incidence of Violence}),$$

It indicates that annual industrial growth in northeast states reduces by 0.016 percentage points due to an increase of incidence of violence. This observation is in agreement with Polachek and Sevastianova [10]. According to them inter-state conflict decreases economic growth by 0.18 to 2.77 percentage points, while intra-state conflict decreases economic growth by 0.01 to 0.13 percentage points. The above linear relation is based on pooled data of 7 states of north-east India during the period 2003–2008. Estimation is statistically significant (t-value of the coefficient of the variable >2).

4. SOCIOECONOMIC IMPACT

Conflicts often destroy and damage social infrastructure like schools and hospitals. Health services and educational institutions are often explicit targets of conflicting groups [11]. Death or displacement of personnel due to conflict is another cause of socioeconomic deterioration. The other cause is the access issue. It is due to destituteness, lack of appropriate documentation and sometimes language barrier, especially, of displaced people. Afflicted people lack sufficient food to maintain good health and unable to afford essential medicine even when they can access health services [12]. Surveys have revealed that malnutrition is a serious problem in conflict-affected countries [1]. It was observed that external or internal relief aids do not always improve the situation because of security concerns, remoteness of communities, conditions of physical infrastructure, etc.

It is interesting to observe that, unlike other conflict affected regions, northeast states are better performing with respect to basic education and health. Two major factors are responsible for this scenario. One factor is the contribution of Christian missionaries [13]. Though their main objective was to spread their Christian religion among tribal community, yet they undertook to spread literacy and render medical aid. This has been reflected through the literacy rate and infant mortality rate (Table 2). In some states literacy rate and infant mortality rate are better than Indian average.

The second factor is the special central assistance [14]. The central government has been providing special packages for socio-economic development of the northeast states from time to time. Priority funding both in the central and state plans is being arranged from time to time for expeditious implementation of these packages. Probably because of these special assistances, the percentage of population below poverty line is less than the Indian average in all states except Tripura (Table 2), although per capita income is less than the Indian average in most of the states of northeast.

However, the overall scenario in northeast is not promising. Conflict causes low investment in industries and social and physical infrastructure mainly because of uncertainty and security questions. Lack of higher educational institutions and job opportunities are common phenomena in conflict affected regions. Majority of the educated youths in northeast remain unemployed due to lack of industries [15]. Again unemployment triggers students' dropout at school, which in turn immobilize investment in higher education. Table 2 shows that dropout rate in northeast states is much higher than that in rest of India.

Table 2: Socio-economic indicators of north-east states

State	Socio-economic indicators					
	Percentage of population below poverty line ¹	Per capita income, at current price (2010-11) ²	Adjusted unemployment Rate, 2009-10 ³	Literacy rate ⁴	Dropout rates of students in classes I-X ⁵	Infant mortality rate (2011) ⁶
Arunachal Pradesh	31.4	55789	14	68.8	46.2	32
Assam	34.4	30569	42	63.3	77.4	55
Manipur	37.9	29684	44	70.5	45.3	11
Meghalaya	16.1	50427	11	88.8	77.4	52
Mizoram	15.4	48591	20	73.2	53.7	34
Nagaland	08.8	52643	108	66.6	75.1	21
Tripura	40.0	44965	112	73.2	58.4	29
All India	37.2	53331	23	64.8	49.3	44

Source: 1: Based on the Press note of Planning Commission on Poverty Estimates, 2009-10 (Dated 19th March, 2012); 2: pbplanning.gov.in/pdf/Statewise%20GSDP%20PCI%20and%20G.R.pdf; 3: NSS 66th Round, http://mospi.nic.in/Mospi_New/upload/Key_Indicators_Emp_&_Unemp_66th_round.pdf; 4: Planning Commission, Tenth Five Year Plan 2002-07, Vol. 3; 5: Ministry of Human Resource Development, Govt. Of India; 6: Sample Registration System, Office of the Registrar General, India, Ministry of Home Affairs.

Table 3 depicts the correlation among industrial growth and different socioeconomic indicators. Correlation matrix shows that all socioeconomic indicators are more or less correlated with growth with desired signs. Again Incidence of violence, as has been observed in Section-3, is negatively correlated with industrial growth. Thus it may be inferred that conflict has direct and indirect (through underdevelopment) impact on socioeconomic conditions. Conflict along with other factors brings about slow economic growth of the region and deteriorates socioeconomic condition of the population, which may set off more violence in this region. But such an inference (i.e., deteriorated socioeconomic condition sets off more violence) needs more investigation as sufficient data are lacking at present for such empirical analysis.

Table 3: Correlation coefficients among different socioeconomic indicators of northeast states

Socio-economic Indicators	Industrial Growth	Percentage of population below poverty line	Per capita income	Un-employment Rate	Literacy rate	Dropout rates of students in classes I-X
Percentage of population below poverty line	-0.69					
Per capita income	0.74	-0.59				
Un-employment Rate	-0.23	0.07	-0.02			
Literacy rate	0.37	-0.29	0.33	-0.35		
Dropout rates of students in classes I-X	-0.19	-0.45	0.02	0.20	0.16	
Infant mortality rate	-0.10	-0.11	0.03	-0.43	0.29	0.63

5. CONCLUSION

Government policy has an important role to play in conflict resolution. Sometimes for reconciliation of conflict government has to specify languages of conflicting group as official languages through legislation. Here it is empirically observed that that recognition of more languages of the diverse population of northeast states reduces conflict (the trend line in Figure 2). Some other initiatives have already been taken by the state and central governments to maintain the social stability in northeast India. Tripartite talks among insurgent groups, central government and respective state governments are in progress or tripartite Memorandum of Settlement has been signed or under Suspension of Operations agreement. Table 4 gives us an idea about the present status of Peace process in northeast states. Some states are now comparatively peaceful and stabilized. Yet the country has to pass a long distance to achieve complete stabilization.

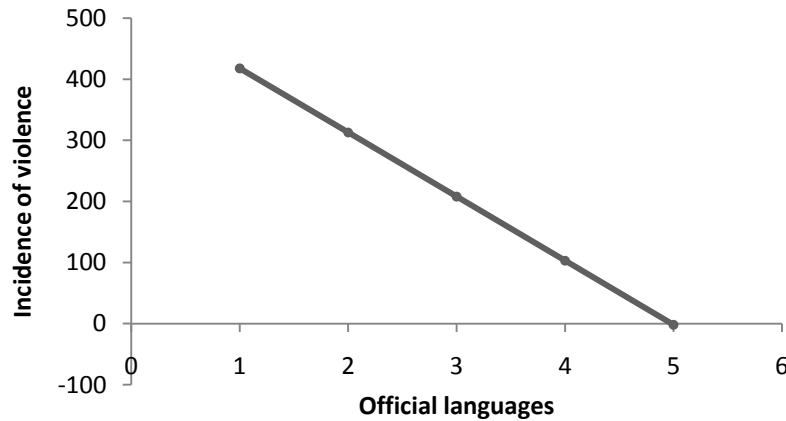


Fig. 2: The trend line showing recognition of more languages in northeast states reduces conflict

Table 4: Status of Peace process in North East states

States	Present Status
Assam	Tripartite talks are presently underway with National NDFB/P & RD. SoO agreements valid up to 30.09.2013.
	Tripartite dialogue is presently underway with ULFA.
	A tripartite MoS was signed with UPDS on 25.11.2011, granting enhanced autonomy to the existing autonomous councils in Karbi Anglong with special package for speedier socio-economic development of the area. The UPDS dissolved itself in December, 2011.
	A tripartite Memorandum of Settlement with DHD(N) and DHD(Joel Garlosa) Groups was signed on 8.10.2012. Both DHD(J) and DHD(N) have dissolved their organizations.
	The Adivasi (tribal) groups, namely ACMA, APA, STF, BCF and AANLA) and other four outfits of Kuki and Hmar in Assam surrendered their arms on 24.1.2012 before the Government and join the peace process.
Manipur	A total of 19 UG Outfits under two Umbrella groups i.e. UPF and KNO are currently under SoO Agreement with the Government of India and Government of Manipur. Some groups of URF have signed MoU with the Government of India and the State Government of Manipur on 13.2.2013 for surrender of their cadres and leaders.
	UPPK has signed the MoU on 24.05.2013 when 80 cadres of the militant group joined the peace process and laid down their arms.
Nagaland	The major outfits of Nagaland, (NSCN/IM) and NSCN/K are in ceasefire agreement with the Government of India.
Meghalaya	Tripartite talks with Garo militant group, ANVC have been concluded and a draft MoS proposed to be signed with them is awaiting formal approval of the Government.

Source: Ministry of Home Affairs (2012 -13)

Note: SoO – Suspension of Operations; MoS – Memorandum of Settlement; NDFB/P & RD – National Democratic Front of Bodoland/Progressive and Ranjan Daimary; ULFA – United Liberation Front of Assam; UPDS – United Peoples Democratic Solidarity; DHD – Dima Halam Daogah; ACMA – Adivashi Cobra Military of Assam; APA – Adivashi People’s Army; STF – Santhali Tiger Force; BCF – Birsa Commando Force; AANLA – All adivasi National Liberation army; KNO – Kuki National Organization; UPF – United peoples Front; URF – United Revolutionary Front; UPPK – United Peoples’ Party of Kangleipak; NSCN – National Socialist Council of Nagaland; ANVC – Achik National Volunteer Council

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