

INTRODUCTION

Gripped by a sense of urgency to disperse growth and development to all parts of India, the Planning Commission assigned the task of preparing the Manipur State Development Report to the Institute for Human Development, New Delhi. Though a very small state, we realized from the outset the immense challenge that this held for us. The database was extremely weak, both in terms of reliability and coverage. The national level surveys have a very small sample size for Manipur, and often data from different sources for the same variable is wildly divergent.

There are two diametrically opposite views about Manipur and other northeastern states that are aired in Delhi. One, that disproportionate amounts of Plan funds have flown into the entire Northeast, considering that only 10 per cent of the Plan funds are loans while the other states receive 70 per cent as loans. Further, 10 per cent of each Ministry's funds are earmarked for the Northeast where the population criterion is not applied, so that per capita devolution is far higher for the northeastern states. The second and opposite view is that the region is underdeveloped and economically backward, and has been virtually isolated from the mainstream of development in the country and as a result denied the opportunity of exploiting its full potential. As one of the major states in the region, Manipur has considerable strategic importance for India, and the past decade or so has witnessed growing interest in the state for a different reason. The state is rich in bio-diversity and has the resources to produce exportable goods based on horticulture, floriculture, sericulture, handicraft and handloom. It can develop trade and other contacts with the East and Southeast Asian countries with whom the region has deep rooted historical and ethnic ties. However, 'it cannot be treated merely as a resource region, market dump and transit yard. There is strong resentment over what is seen as an earlier phase of 'colonial exploitation' in which its wealth was extracted for others' enrichment. Such a path of development is not advocated. On the contrary, the people of the Northeast must feel that they are equal partners in a process of culturally friendly, equitable and sustainable development. This must be the thrust. Yet delay would be denial.'¹

Manipur is largely a hilly state, consisting of five hilly districts and four valley districts. The hilly area is 90 per cent of the total area of 22327 sq. kms. Moreover, the area is home to a large tribal population. There are 33 recognised STs, broadly divided into Nagas and the Chin-Kuki-Mizo groups. The STs constitute over a third of the population. Each tribe has distinct social habits and customs. There has been some interaction between the tribal society and the outside world from the British period onwards. Unlike the traditional agricultural economy, where peasantry resulted in the emergence of a stratified society, tribal economies combine hunting and gathering with agriculture and are based on a relatively undifferentiated and subsistence economy though this is fast changing with the emergence of a tribal elite in some areas. The economy is largely underdeveloped and agrarian with a weak industrial sector and inflated services sector. The half-hearted attempts at state sponsored industrialisation have not been successful in contributing to the economy in any substantive way. Because of the low economic activity, Manipur has a huge developmental and fiscal deficit. The share of the state in the All India Net Domestic Product remained stagnant at 0.2 per cent almost throughout the period 1991-92 to 2001-02.

¹ S. P. Shukla, 1997, Transforming the Northeast, High Level Commission Report to the Prime Minister, P.3.

Only 8 per cent of the total geographical area is under agricultural operations, compared to the All India average of 64 per cent. The average size of holdings is much smaller. There are different forms of land ownership in different communities: it may be owned by the village community, by clans, or by individuals. Three types of cultivation are generally practiced, namely jhum or shifting cultivation, settled terrace cultivation and field cultivation. In the hills, around 50,000 to 60,000 hectares of land area is brought under jhum cultivation every year. Paddy is the main crop of the state, although there is a wide variety of horticultural production. Yield of paddy varies significantly between the hills and the valley, with the latter achieving far higher yields than the All India average. The spread of irrigation is poor, only 15.5 per cent of the total area cultivated is under irrigation. Marginal farmers (those having less than 1 hectare) own 18.9 per cent of the land; small farmers (1 to 2 hectares) own 68 per cent of the land, 13.1 per cent of lands are owned by medium farmers (4 to 10 hectares).

Soil erosion is a major problem in the state. Illegal felling and the high intensity rain profile are important causal factors. The slash and burn technique under a shortened jhum cycle reduces productivity. The biggest impediments to the development of alternative land use systems are inadequate measures for food security, infrastructure and market linkages. Value addition of forest produce as well as development of agro-based industry too suffers on the same account.

The weakest aspect of Manipur's development performance is the availability and quality of infrastructure. The dispersed distribution of the population in low density settlements is one contributory factor, along with the terrain and neglect of the remote areas. Road is the principal means of transport in Manipur. The flights are expensive and there negligible rail facility. National highways dominate the road network of the state, a reflection of the fact that the purpose is external trade and security requirements rather than connectivity within the state to benefit the common people. Per capita consumption of electricity too is very low. The state has a rich potential of hydel power generation although its realization might involve a high socio-economic and ecological cost. The present installed capacity is very low. The main mineral resources of the state are copper, lignite, chromite and limestone. The state has other wood-based products too. One important factor impeding rural and small industry is inadequate purchasing power of the local population and influx of cheap products from foreign and mainland industry which reaps economies of scale and has benefited hugely from state-support. Small scale industries are inhibited by a shortage of raw materials, credit facilities, market facilities, etc. A closely linked aspect is the poor health of the co-operative societies. In order to provide more finances to the small and marginal farmers and under-privileged sections of the people, rejuvenation of the co-operative sector is essential.

The state has done well in education largely due to socio-historical factors. Literacy rates are significant. However, the high literacy rates don't necessarily mean that education is of good quality. This is because of high dropouts in the various stages of schooling. The school education system largely depends on the temporary teachers who form 36 per cent of the teaching community against the national average of 20 per cent. A very high incidence of HIV/AIDS and drug abuse haunts the state to a large extent due to drug abuse. Rural poverty is very high, at over 42 per cent compared to the All India average of 27.09 per cent.

Manipur remained isolated for years due to its unique geographical setting. It has thus developed various problems that are major impediments to development of the region. Lack of proper infrastructure, poor storage and marketing facilities, uneven and poor quality social services, and lack of organised bodies for people's participation in the development process have an adverse fallout in the form of malnutrition, unemployment, minimal industrial development, etc. The planning process should address these problems while maintaining the cultural heritage of the tribal people.

There are several key features of Manipur that need to be kept in mind while planning. This includes the long lead or distance from the mainland as a consequence of the Partition. This has resulted in poor access to, and relative isolation from, the rest of India; underdevelopment and 'fundamental backwardness' in terms of most social and economic development indicators; isolation of sparsely populated settlements in difficult and hilly terrains; limited cultivable area and an increase in the population pressure. A combination of factors, namely, Manipur's status as a landlocked state with a long international border, rupture of its historic trade links with East and Southeast Asia and the ongoing political turmoil has further aggravated the situation. Rich in bio-diversity, hydro-potential, and forest wealth the state is an ideal locale for the production and value addition of herbs and spices, of plantation crops like tea and rubber, fruits and vegetables, flowers and orchids, for all of which there is a growing national and international demand. Value addition would require far better facilities by way of availability of credit and cold storage, transport, power and marketing facilities. The state has an untapped potential for nature and adventure tourism like trekking and mountaineering. This calls for a more distinct and innovative strategy than what is applicable in much of the mainland.

Many new ideas have been recently propagated and older ones have been resurrected to develop the region and promote trade and facilitate transit to countries in East and Southeast Asia, which could well become the engine of growth of the state and the Northeast as a whole. These include the foundation of the South Asia Development Triangle, development of the old Burma Road and launching of the new Trans-Asian Highway and Railway, etc. However, 'even as these ideas are nurtured and exploited, the Northeast region must be enabled to grow at its own pace and in accordance with its own genius'.

Manipur is a backward state in terms of its economic or social development, or the provision and access to physical and social infrastructure, with the notable exception of education. Less than a fifth of the population has access to power, drinking water and toilets, and well over half the population does not have access to safe drinking water. Combined with the state's social and economic backwardness is a strong feeling of neglect and indifference by the Central government towards the people of this tiny and isolated state. This gave rise to disaffection, out of which rose several initially peaceful and popular mass movements. 'The task is to end the region's perceived sense of isolation and neglect and break the vicious circle of economic stagnation and unemployment which feeds militancy and, in turn, hampers investment and the harnessing of its abundant resources.' Unfortunately, the security approach to a political and socio-economic problem and the use of the armed forces created public anger and discontent. Be that as it may, the important point is that insurgency was a fringe phenomenon in the early years. Rather than a security or law and order approach, the government should address the underlying problems with sensitivity and alacrity.

The Report identifies five key areas for intervention. These are food security, infrastructure development, livelihood and social security, governance reforms and democratic decentralization.

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