



Trade & Development in NER of India And Incentives under ‘Atmanirbhar Bharat Abhiyaan’

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Abstract:

It has been found experiencing unfavorable trade balance in bi-lateral trade with China, Bangladesh and Myanmar for last three consecutive years. Based on this perception, the investment incentives in MSMEs (Micro, Small, and Medium Enterprises) have been justified, particularly in northeast Indian states. Further, need of having surplus products and its benefits to the whole world has been analysed with a trade model for surplus exporting. The incentives available to MSMEs in the north eastern states have been summed up as to inspire the owners of the MSMEs to actively participate in nation building productive activity.

Index Terms: self-reliance, unilateral trade, trade balance, production-linked incentives (PLI), free trade area, immigration, immiserisation.

1.0:Introduction:

Trade could be used as engine of economic growth and development. Atma-Nirbhar Bharat Abhiyaan” (ANBA) has been launched on 12th May 2021 to make India a self-reliant, infusing a corpus of ₹ 20 lakh crore in five trenches with a view to boost up the cottage, and MSMEs (Micro, Small, Medium Enterprises) and their production, promoting the agriculture sector and opening a new horizon of trade and development. The NER (northeast region) of India is also within the wrap of this scheme.

NER of India is consisting of eight states, namely –Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim having a geographical area of 262,179 km² (8% geographical area) of the country, India. It has humid sub-tropical climate with hot, humid summers, monsoons and mild winters.

This NER of India has been experiencing growing and expanding economy, in spite of the bottlenecks and hindrances on the way and competitive challenges of aggressive exporting trade of Myanmar, China and Bangladesh. NER shares land border with five countries, viz: Bangladesh, Bhutan, China, Myanmar and Nepal.

Looking at the bilateral trade of India with the neighbouring countries, Myanmar, China and Bangladesh during the last two years, attempt has been made to look into the development prospects of NER of India arguing in the line of Hla Myint’s trade model (P.N.Roy, 1986).

2.0:Need of study:

This study is important to look into the trade position of India with the counterparts, mainly with China, Bangladesh and Myanmar, the most contiguous countries to easternmost part of India. In addition to that it needs examination the necessity to provide trade incentives through infusion of financial capital in various sectors of the economy, particularly in MSMEs.

Arguments supporting the ANB scheme have been offered reviewing the bilateral free trade position of India with Myanmar, China and Bangladesh, thinking on the line of Jagdish Bhagwati and H. Myint’s trade model.

3.0:Research methodology:**3.1:Analytical Method used:**

The export- import situation and the trade balance of bilateral trade between India and three other neighbouring countries adjacent to NER has been examined first for understanding the direction of trade and to search appropriate theoretical model. Accordingly, descriptive and analytical research method has been used.

3.2:Samples: Three sample countries have been arbitrarily selected in order to examine the direction of trade balance. These are -- Myanmar, China and Bangladesh. The balance trade of India with these three countries has been examined first as the background of study in preparing this paper. Time covered for this is two years only, viz: 2019-2020 as we have data constraints.

3.3:Sources of data: Data supplied in the published works of various authors, Economic times of India, and trading economics.com and in other write-ups available on NET have been used.

4.0 Trade with Myanmar, China and Bangladesh:

Spate of discussion may occur as regards future course of trade and development and international trade relations between developed and developing countries. Trade is an engine of growth and economic development of a country.

India-Myanmar bilateral trade grew by 7.53% in 2018-19, and in 2019-20 its volume is 1.7 billion US dollar. India's imports from Myanmar shows a decline of 18.47%, while India's exports to Myanmar have witnessed 24.74% growth during the same period (<https://thekootmeeti.in> 2020/09/03,). India is Burma's (Myanmar) 4th largest trading partner after Thailand, China and Singapore ; and 2nd largest export market after Thailand absorbing 25% of Myanmar's total exports. By 2021, India has trade deficit with Myanmar to the tune of 538.26 billion US dollar.

Thus, the NER of India is flooded with products of Myanmar. The export-imports and trade balance with India for last three years are as follows:

Table -4.1:Exports-Imports of Myanmar with India (in million US dollar)

	2021	Last year /2020	2019
Myanmar's exports	1377.30	1132.90	1236.70
Imports	839.04	1124.00	1282.80
Balance of trade	538.26	8.90	-46.10

Source: i.tradingeconomics.com; retrieved on 26th april,2022.ii.Central statistics organisation, Myanmar

Table -4.2:Major items Myanmar imports from India in 2020 are-

	(in million US dollar)
Pharmaceutical products	229.37
Vehicles other than railway and tramway	62.51
Iron & steel	52.08
Machinery, nuclear reactors, boilers	38.45
Electrical equipments	38.12
Mineral fuels, oil, distillation products	23.50
Cotton	20.94
Total (including Other 90 items)	1124.00

India's exports to China was 186.83 billion dollar in 2019, it increased to 228.70 billion dollar in 2020. But, imports were much larger, which figured 217.42 billion dollar in 2019 and 276.08 billion dollar in 2020 (table-2). Basically, imports of electrical items and machineries from China in spite of Covid -19 related restrictions have led to trade deficit ⁽¹⁾.

Total trade between China and India in 2021 has grown to 125.66 billion US dollar with India's imports of 100 billion US dollar in that year. Indian imports from China were up by 30.3% over 2019, which was not impacted by the pandemic Covid -19. India's bilateral trade with China has grown to this volume despite the tensions in eastern Ladakh ([economic times.Indiatimes.com](https://www.economic-times.com); retrieved on 26th april,2022 and Ananth Krishanan,15th January,2022).

As per data on January 2022, the sharp up trend in imports has pushed India's trade deficit with China of 30.58 billion dollar in 2019 and 47.38 billion dollar in 2020 and to 69.4 billion dollar in 2021. All these happened because imports from China to India has increased from 217.42 billion US dollar in 2019 to 276.08 billion US dollar in 2020, it rose sharply to 97.5 billion US dollar in 2021 (*Indian express: article as on 26th January,2022.*).

The export-imports and trade balance of China with India for last two years are as follows:

Table -4.3:Exports-Imports of China with India in 2020 (in billion US dollar)

	2021	Last year /2020	2019
China's Imports	28.1	228.70	186.83
Exports	97.5	276.08	217.42
Balance of trade	69.4	47.38	30.58

Source: [https:// tradingeconomics.com>china](https://tradingeconomics.com>china); retrieved on 27th april,2022

Table- 4.4:India's major imports from China in 2020(in billion US dollar)

Items of imports	US dollar
Electrical, electronic equipments	19.25(billion US dollar)
Machinery, nuclear reactors, boilers	13.14(billion US dollar)
Organic chemicals	8.44(billion US dollar)
Plastics	2.51(billion US dollar)
Optical, technical , medical apparatus	2.19(billion US dollar)
Articles of iron steel	1.58(billion US dollar)
Furniture, lighting signs,Pre fabricated materials	1.49(billion US dollar)
Fertilizers	1.42(billion US dollar)
Vehicles, other than railway and tramway	1.32(billion US dollar)
Toy, games, sports requisites	1.03(billion US dollar)
Iron steel	862.3(million US dollar)
Miscellaneous articles of base metal	627.56(million US dollar)
Ceramic products	607.56(million US dollar)
Manmade filaments	578.53(million US dollar)
Total(including other 83 items)	276.08(billon US dollar)

Some other items imported from China are- vegetable, fruit, nut food products, carpets, textiles, floor coverings , edible oil, oil seed, printed books, newspapers, pictures, coffee, tea, spices, milling products, ships, boats, sugars, sugar confectionary, beverage, zinc, coca, coca preparations, meat, fish, air craft, space craft, cereals, flour, milk products, lead, dairy products, eggs, honey, edible products, brick producing machines etc.

5.0:Trade with Bangladesh:

Now, look at the case of Bangladesh-India trade affairs. During last 25 years the exports of India to Bangladesh has increased at the rate of 8.46% per annum from 1.04 billion dollar in 1995 to 7.91 billion dollar in 2020. Major exports from India to Bangladesh include cotton, cereals, fuel, vehicle parts, machinery and mechanical appliances. In another report, the bilateral trade between India and Bangladesh has gone up to 10.8 billion dollar during 2020-2021 (*Historical Data:https://oec.world>ind>partner>bgd;*).

But, it is sad that India is a trade deficit country as her imports are more from Bangladesh compared to her exports. Let us look at the figures of exports and imports of India from Bangladesh and the trade balance.

Table -5.1:Exports-Imports of Bangladesh with India in 2021&2020 (in billion US dollar)

	Last year /2021	2020	2019	2015 BDT billion
India's Imports	60.74	55.45	46.4	333.37
Exports	40.22	34.57	64.9	590.01
Balance of trade	-18.51	-20.88	18.5	256.60

*BDT=Bangladeshi Taka.

Source: i)India's export to Bangladesh; tradingeconomics.com; retrieved on 27th april,2022

ii)tcdata360worldbank.org retrieved on20th May, 2022

Bilateral trade between India and Bangladesh figured at 6.6 billion US dollar in 2013-2014 with India's exports at 6.1 billion US dollar and imports from Bangladesh at 462 million US dollar (<https://en.m.wikipedia.org>wiki;>).

But, with huge imports from Bangladesh, the Indian economy has been suffering from unfavourable balance of trade in the last two years, 2020 and 2021. However, India exports some products, some of which are imported from other neighbouring countries.

Table-5.2:India's exports to Bangladesh in 2021(in billion US dollar)

Export items of India	In billion US dollar
Cotton	3.74
Cereals	2.32
Mineral fuel, oils, distillation products	1.23
	In million US dollar
Vehicles other than railway and tramway	913.45
Iron & steel	419.12
Electrical, electronic equipments	356.45
Organic chemicals	352.02
Aluminum	200.60
Salt, sulphur, stone , plastics, lime and cement	193.60
Edible vegetables	171.28
Total (including other 87 items)	42.22 billion US dollar

6.0:The Scheme of ANBA:

Such facts reveal that India is an importing country from her big neighbours with trade deficit. Under this consideration, the consistency of “ANBA” scheme has been tried to analyse with the help of existing trade models.

The “ANBA” scheme launched on 12th May 2021 has five objectives and to achieve these five objectives ₹ 20 lakh crore has been infused in the economy in five trenches. The basic cause of poor past performance has been found to be inadequate institutional incentives for improving the provision of infrastructure. For promoting the responsive service delivery, incentives need to be infused in commercial management, competition, and infrastructure development and user involvement (*The world Development report,1994*). So, to provide the necessary capital need and infrastructure to various sectors of the economy the “ANBA” scheme has been launched.

The objectives have been termed as phase, as the financial assistance given through the banking sector has been released systematically or phase by phase. The phases are-

- i) growth of business sector, and the cottage industries, and MSMEs;
- ii) to assist the migrants and agricultural farmers;
- iii) to assist in agricultural growth for self sufficiency in food items;
- iv) venting up new horizon of growth; and
- v) to reform the agriculture sector and the labour employment.

6.1:Size of financial infusion & the implementing agents with vision:

By the march 2022 infusion of fund for the last phase has been completed. The volumes of financial infusions in different phases are as follows:

Table-6.1: volume of infusion in different trenches in Indian Economy

Trench/ phases	Infusions in Crore ₹	% to total infusion	Objectives
1st phase	₹ 594,550	28.35%	MSME,EPF, Garib kalyan, RERA Credit
2 nd phase	₹ 310,000	14.78%	Farmers, migrants
3rd phase	₹150,000	7.15%	Agri & allied sector
4th and 5th phase	₹ 48,100	2.29%	Coals,minerals,defense, space,atomic-energy,business, health & education
Earlier infusion	₹ 192,800	9.19%	Under PMGKP
Under RBI assistance	₹ 801,603	38.24%	
Total	₹ 2097,053	100%	

*EPF= employees' provident fund, RERA= real estate regulating authority to protect the home purchased. This bill was passed on 10th march 2016. PMGKP=Pradhan Mantri Garib Kalyaan package.

Source: financial express; www.mbauniverse.com retrieved on 18th april,2022

This economic strategy has been designed to make India self-reliant enabling the MSMEs , and agricultural sector to be viable to produce more in order to reduce imports and to generate export surplus and enough employment in the subsequent years. This is an import substituting strategy as well as, an export promotion through growth of indigenous products and skill.

7.0: The trade bowl & incentives:

NER is spaghetti of trade bowl for India with massive imports and competition from the neighbouring countries, mainly from Myanmar, China and Bangladesh.

Under the first phase of ANB liquidity infusion scheme, the automobile and auto component sector has attracted 76% more investment than the planned outlay of ₹ 42,500 crore. Automobile and auto component manufacturers of the country have given commitment of investing ₹74,850 crore in the country over next five years.

Out of ₹74,850 crore, in total 20 auto makers under the scheme have proposed to invest ₹45,016 crore; and the other 75 short listed companies (Maruti Suzuki, Hero Motor Corp, Hero cycles, Motherson Sumi, Minda Industries Bharat Forge, Tata auto comp, Ceat, Sandhaa technologies, Sona Comster, Bosch, Toyota etc) of component makers shall invest ₹ 29,834 crore (*Economic Times*, March, 2022)*⁽²⁾.

Such financial credit assistance to MSMEs has been given because India wants to have a leap towards cleaner, sustainable, advanced and efficient electric vehicle based system. Of the financial infusion of ₹594,550 crore the MSMEs, the major contributor to the socio-economic development of the country, shall absorb a large share and play crucial role in development with innovative efforts. As policy support, in the financial year 2021 loan disbursement to MSMEs stood at ₹ 7,572 crore and more than double i.e. ₹ 15,700 crore in FY 22 (*MSME industry in India, IBEF, www.ibef.org*). There are over 63 million MSMEs in the country that contribute 30.5% to India's GDP in 2019 and 30% in 2020 ([https://www.ibef.org/blogs/msm4th may,2022](https://www.ibef.org/blogs/msm4thmay,2022)).

7.1: Incentives to MSMEs :

Incentives for the growth of MSMEs is an import substitution strategy in view of negative trade balance in recent past, but not against globalisation and free trade. As per data of NCAR and NIPER due to pandemics of Covid -19, the growth in different sectors of the economy have got reduced. As such, these sectors need incentives.

Table-7.1.1: Growth rate of different sectors of Indian Economy, 2019-2021.

Sectors	Growth in % in 2019-2020	Growth in % in 2020-2021
Agriculture	2	2
Industry	1	-27
Service sector	6	-8
Total	4	-13

Source: data of NCAR (*national council of agricultural research and NIPER (*national institute of Pharmaceutical education and research, Guwahati)

Exemption of central Excise duty for 10 years for industrial units in the North east has been guaranteed. And capital investment subsidy in plant and machinery has been given at the rate of 30% ([https:// industries.assam.gov.in/nejp](https://industries.assam.gov.in/nejp)).

In this context **Neids** (Northeast Industrial development scheme, 2017) is held responsible to cover all eligible industrial units in the NER to promote industries and boost employment and income generation. Under this scheme, an applicant may submit a certificate with recommendation/ letter from scheduled commercial bank/ institution indicating credit limit granted by the bank with respect to the working capital requirement for the claim period.

NEIP (Northeast Industrial and Investment Promotion Policy, 2007) provides financial incentives for 10 years to all eligible units which commence commercial production within 10 years in the NER for industrial expansion. NEIP has released in total ₹ 3415.25 crore to the states of NER.

During 2021-22, ₹ 180 crore and during 2022-23, ₹ 20 crore has been released by NEIP. It provides incentives in the form of capital investment subsidy (@3% interest up to ₹ 30 crore), capital interest subsidy (@3% interest for 10 years), Comprehensive Insurance subsidy (100% reimbursement) and 100% income tax exemption. Apart from manufacturing sector, the benefits of NEIP has been opened for hotels of two star category, nursing homes, old-age homes, vocational training institutes, bio-technology industry and power generating industries.

Two other schemes are **CISS** (central interest subsidy scheme, 2017) and **CCIS** (central comprehensive insurance scheme, 2007) have been made available to inspire the entrepreneurial activity in the states of NER.

Commitment from the vehicle makers to invest the collateral loan from Banks and NBFCs shall give boost to MSMEs in the NER, thereby meet the demand of vehicles, help development of infrastructure, technology driven economy, and lead quantum jump of the economy, generating more employment & income for the poor⁽³⁾.

Critics opine that such inward looking import substitution policy is likely to produce negative outcomes. This was warned in long past by an economist in an article - "Free Trade, Imperialism and Unequal Development in the Global Economy, 1800-1950" (*M. Shahid Alam, 2012*). This has recently happened to Sri Lanka, where China colonized in the form of huge capital investment and to Venezuela where labourers sit on idleness.

However, with domestic investment, it may be possible to have a quantum jump for the Indian economy to allow its manufacturing sector to acquire its rightful place (<https://www.lovemint.com>>option; 19th June,2021;). More arguments could be added here.

8.0:Trade under WTO regime:

The bilateral trade with Myanmar, China (for the years of 2019 and 2020) and Bangladesh (for the years of 2020 and 2021) shows negative trade balance for India. This is the outcome of free trade. India has been a WTO member since January 1995 and GATT member since 1948. Under WTO's article- 24, free trade is allowed to contiguous countries as in the case of a custom union. In four different ways, trade is freed in the world today.

Two ways of unilateral approaches are-

The Unilateral method may be i) aggressive unilateralism, or

ii) Conventional unilateralism.

Under the aggressive unilateralism method, unilateral reduction in others' trade barriers is followed. The Conventional unilateralism is reduction of one's own trade barriers (*Jadish Bhagoati,2002*). The manner of reducing trade barriers is termed as preferential trade agreement (PTA). Under this as per GATT article-24signed, everyone agrees to free the trade barriers, with reciprocity. Bhagawati is of the opinion that-

i) MTN (multilateral trade negotiation), and

ii) Conventional unilateralism, which has reciprocity, has the useful role to play in freeing the trade.

In the NER of India, while we follow the Conventional unilateralism in trade with border countries, China has been adopting aggressive unilateralism trade practices with India creating Doklam standoff (2017), Ladakh standoff (March,2022), building bridge on Pangong river (January,24,2022), ignoring LAC pacts (Feb,2022) and sometimes intimidating the neighbors (*The Indian Express:E papers; https://en.m.wikipedia.org>wiki*:). Therefore, Chinese manufacturing products are made abundantly available in the markets of NER at competitively lower prices. This, depresses the initiative of manufacturing, innovation of technology, even if production of edible fruits, electrical and electronic goods. All these are suppressing employment of labourforce, development initiative; causes flee of foreign exchanges, and threatening our internal and external security.

Under such circumstances, infusion of financial assistance for growth and expansion of cottage and MSMEs in the NER of India is important and very relevant.

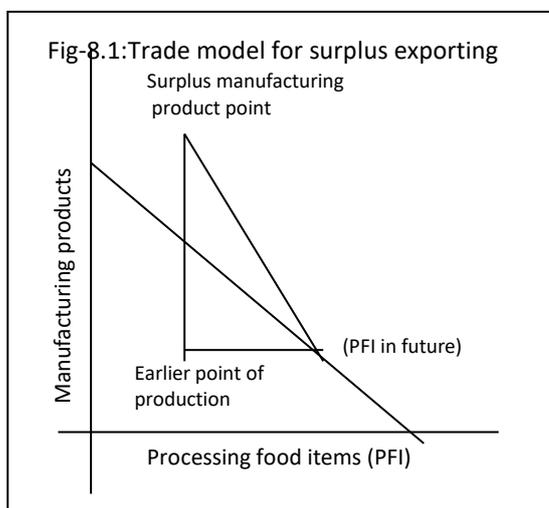
Other two ways of dealing with reciprocal bargaining are- MTN and PTA ⁽⁴⁾.

India has signed bilateral FTAs (free Trade Agreements) with some countries such as- Sri Lanka(1998), Afghanistan(2003), Thailand(2004), Singapore(2005), Bhutan(2006), Nepal(2009), Korea (2009), Malaysia (2011),and Japan(2011). Among these countries, trade is free ([https:// www.Indiatoday.in](https://www.Indiatoday.in)>story).

India opted for RCEP (Regional comprehensive Economic Partnership) in 2019 and the FTA members has increased to 15 with the inclusion of Japan, China and Australia in 2022 ([https// www.dristiias.com](https://www.dristiias.com) 04jan 2022). Similar to the European Custom Union, a free trade zone has been created for India with the Asian member countries.

8.1:Trade model of a Myanmarian economist H. Myint:

NER is in most advantageous position to reap the benefits of trade. For this, the region must have surplus of manufacturing products and food items to export and thrive on. How can it be beneficial for the NER may be explained with a trade model of a Myanmar development economist, H. Myint (1920-2017) (*H.Myint ,1954*). Surplus Production may vent up for trade and let use of our abundant labour force. Trading the surplus and producing above the transformation curve the economy, our country could move up. The vent up model of trade , propounded by H.Myint has been presented here for theoretical understanding.



Such a situation could push the production point of our domestic demand on the transformation line and could distribute the gains to the world through trade. The northeast region of India has vast population without employment. But, a rapid development is possible utilizing her available human labour to the existing resources (*H.Myint, 1958*).

In three manufacturing sectors of the country, there is PLI (production-link incentive) scheme. These are:

1. Mobile Manufacturing and Specified Electronic Components;
2. Drug Intermediaries and Active Pharmaceutical Ingredients;
3. Manufacturing of Medical Devices.

The PLI scheme has been extended to another 10 key sectors for enhancing India's Manufacturing Capabilities and Exports (<https://t.me/IASbabaOfficialAccount>). Different Departments and Ministries have been put under responsibility to implement such schemes. This is as follows:

Table-8.1: scheme implementing Departments/ Ministries, and the approved amount for five years

SINo.	Name of the sectors	Amount approved in ₹ crore for 5 year period from 2021	Implementing department/ Ministry
Priority-1	Advanced chemistry cell battery (ACC battery)	18,100	NITI Aayog and Department of Heavy Industries
2	Electronic & Technological products	5,000	Ministry of Electronics and Information Technology
3	Automobiles and Auto components	57,042	Deptt. of Heavy industries
4	Pharmaceutical drugs	15,000	Deptt.of Pharmaceuticals
5	Telecom & Networking products	12,195	Deptt. of Telecom
6	Textile Products: MMF segment and technical textile	10,683	Ministry of Textiles
7	Food processing	10,900	Ministry of Food Processing Industries
8	High Efficiency Solar PV Modules	4,500	Ministry of New & Renewable Energy
9	White goods (ACs& LED)	6,238	Deptt. Of promotion of Industry and Internal Trade
10	Speciality Steel	6,322	Ministry of Steel
	Total (1 to10)	145,980	

Source: <https://iasbaba.com/2020/11/production-linked-incentive-pli-scheme-approved-for-10-more-sectors/>

Table-8.2: earlier sectors, approved amount and Scheme implementing Departments/ Ministries for five years

SIno	Name of the sectors	Amount approved ₹ crore	Implementing department/ Ministry
1	Mobile Manufacturing and Specified Electronic Components	40,951	Ministry of Electronics and Information Technology(MeiTy)
2	Drug Intermediaries and Active Pharmaceutical Ingredients	6,940	Department of Pharmaceuticals
3	Manufacturing of Medical Devices	3,420	
Grand Total	(1 to 10 + 1 to 3)	197,291	

The companies willing to involve in production of manufacturing goods covered under the ANB scheme must be registered in India. Implementation of the PLI scheme is to set up a wide supplier base for the global champions in the key sectors and to generate massive primary and secondary employment.

Despite accounting only 1.5% of India's MSMEs, the NER of India contributes nearly 62% to the economy in terms of employment, output, and exports (<https://www.eximbankindia.in/>). However, with 32.6% poor, Assam is the poorest state in the northeast, second is Nagaland with 25.23% poor.

Table-8.3: Poverty level of states in NER

State	% of poor	Rank
Assam	32.67	1 st
Arunachal Pradesh	24.27	11 th
Manipur	17.89	14 th
Mizoram	16.65	17 th
Nagaland	25.23	10 th
Tripura	16.65	16 th

Source: <http://www.Sentinelassam.com>. afdtdt27th November,2021

The unabated poverty in Assam state is the result of ceaseless immigration of destitute from Bangladesh that substitutes the local employees, accepting lower market wage rate, and hence increases the size of unemployment. What paralyzes Assam, among others are the nonchalant bureaucracy, turmoil, and spending most on immigrant families. Once Assam industry minister said that big industry needs large lands which are presently not available in the northeast India (*M.economic times.com;june14,2012*). For, most lands have been allotted to immigrants from Bangladesh.

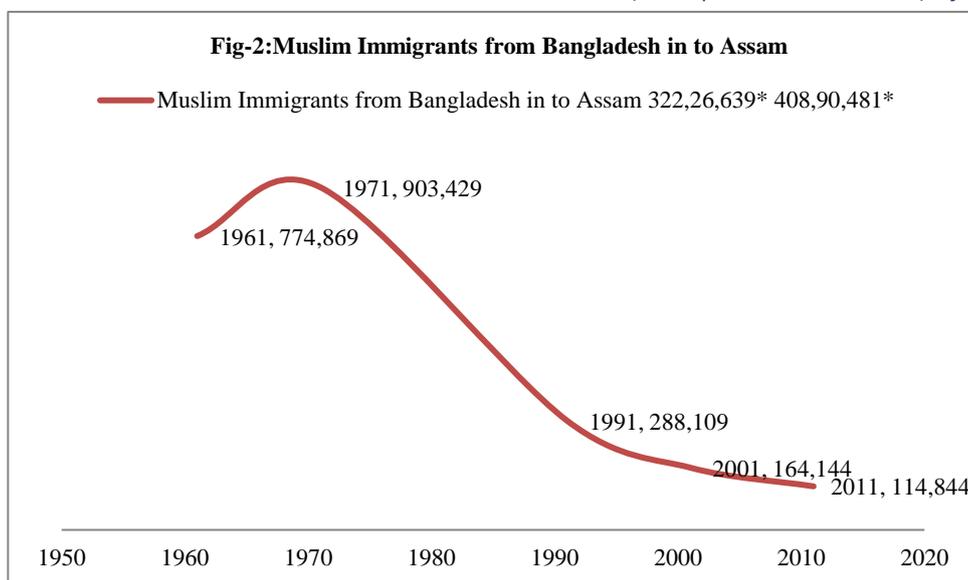
Table-8.4: Land Allotment to immigrants from East Bengali/ East Pakistani (in acres)

District	1912-1913	1917-1918	1922-1923	1927-1928	1944-1945	1950-1951
Kamrup	542,199	602,573	678,128	783,178	1072,783	1092,906
Darrang	309,935	363,235	412,281	485,348	645,644	700,231
Nagaon	261,700	295,581	374,938	463,677	628,868	699,348
Sibsagar	565,035	609,529	650,591	696,702	786,647	812,381
Lakhimpur	262,129	311,802	260,786	433,557	592,260	643,511
Total	1940,998	2182,720	2376,724	2862,462	3726,202	39,48,377
Index	100.00	112.4535	122.4486	147.4737	191.9735	203.4199

Source: Roychodhury, 'Asamot Bangladeshi'; Jagoron Sahitya Prakashan, Guwahati, Reproduced by Madhumita Sarma, M.Sc. in '*A Study of Migration from Bangladesh to Assam, India and its impact*'. , table-5.2. Ph.D. thesis submitted to The University of Adelaide, Australia, March 2015, p.124. <http://digital.library.adelaide.edu>

9.0: Muslim Immigrants from Bangladesh into Assam, 1941- 2011:

The inflow volume of immigrants has been gradually declining as per data furnished in table-10 from 1991 onward with a - 68.11% decrease to 114,844 persons in 2011, and with -30.03% decreases over the previous decade.



The actual figure of immigrants would be more. Before 2031, the absolute volume of Muslim immigrants into Assam from Bangladesh would be treble to that of the size in 1971, geared most by their higher fertility and religious dogma. The down swing trend is not the result of individual family size control, but the consequence of constrained land scarcity everywhere in India and in the North eastern region of India.

Table -9.1: Bengali Muslim Immigrants from Bangladesh into Assam 1941- 2011

Year	Muslim Immigrants from Bangladesh in to Assam	Decadal % increase or decrease
1941	322,26,639*	-
1951	408,90,481*	26.9% increase
1961	774,869	-98.11
1971	903,429	16.59%
1991	288,109	-68.11%
2001	164,144	-43.02%
2011	114,844	-30.03%

*M. Sharma referring MC Bhuyan puts these figures as 2300,000 and 3000,000 respectively, in table-1.6. Source: Madhumita Sarma, '*A Study of Migration from Bangladesh to Assam, India and its impact*' (2011), Table 5.7, p. 113 and Registrar General of India, Census of India, Assam Part II, (2001 & 2011).

Till 1992-93 in 55 development blocks of 14 districts in lower Assam 2089 nos. Char villages sprang up full of Immigrants from Bangladesh and they captured 239, 000 hectares of land. In these chars alone more than 16 lakh immigrants had settled. As per report of Directorate of Char Areas Development, Govt. of Assam by 2003-04 the number of Char villages increased to 2251 and the size of population has increased to more than 26 lakh. Accordingly, the size of land occupied by the immigrants had figured at 360 thousand hectares as shown in table 11. Such demographic factors have caused land scarcity in Assam, and in limited extent in other hilly states in NER. Together with the immigration in to char areas the percentage of poverty has been inflating. It poses a big question.

Whom you may blame for poverty in *Char* areas ? Should Taxpayers pay more to feed the poor? Yes. Richer section must share their hard-earned income to poor. But, how long? Should it be a theory that " You go on Producing more Children; We are Ready to Pay more tax".

Table-9.2: population, land occupation and poverty in Floating Char Villages, 1992-2004

Year	Nos of Char Villages	Total population	Total land occupied in hectares	% of bpl population
1992-93	2089	1600244	239, 000	48.90
2003-04	2251	24,90,397	360, 927	67.90
% increase	7.75	55.62	51.02	+19.00

Source: Directorate of Char Areas Development, Govt. of Assam '*Socio-Economic Survey Report*', 1992-93 and 2003-04, & IMAGE: Research Journal, v01.ii, Sivasagar, Nazira (2013), ISSN 2347-534xPp.80-82

As such to generate employment to match the uncontrolled population size, mostly of immigrants would be a challenge. Such challenge could be met controlling the fertility of individual immigrant families into two child norm against the existing average of seven children, through the administrative measures at district and block level.

10.0: Unemployment in NER:

As per data of CMIE (Centre for Monitoring Indian Economy), the unemployment rate in India has fallen down to 6.57 % in January 2022 (<https://www.nagalandpost.com>stat;>). Causes of unemployment are often attributed to mindset of people. But, only unemployed youths understand the problems of getting self-employed and the agony of remaining unemployed. The reasons and nature of unemployment differs region and state wise.

Table-10.1: Unemployment rates in NER

Assam	8.5	CMIE 03 rd Feb,2022
Arunachal Pradesh	42 for male &43 for females in urban areas	august2013
Tripura	17.1	2022
Rajasthan	27.1	2022
Hariyana	34.1	CMIE-CEDA 18 th January,2022
Kashmir	25	CMIE-CEDA 18 th January,2022
Jharkhan	17.3	CMIE-CEDA 18 th January,2022
Sattishgarh	0.6	CMIE,04 April,2022
Meghalaya	5.9	2020
Monipur	44.4	2020-21
Mizoram	23	29% in Aizawl
Nagaland	13.7	2021 it was 24.7 in 2019-20 as per periodic labour force survey of Nagaland
Tripura	14.08	March 2022
Sikkim	9.98	2021

Source: CMIE data,2022

In Assam, though the rate of unemployment is stated to be low (8.5%in 2022) by CMIE, it has increased by 1.2% in April; and the actual figure of unemployment is much higher than 11,22,000. Because, most of the youth-labour force do not register themselves in the employment exchanges due to corrupt practices of the latter and the applicants of the state do not get call letter through the employment exchanges. Employment exchanges are much obliged to the non- Assamese employers and applicants since long back as alleged by the local unemployed. The incidence of unemployment is, therefore, very high.

Experts' opinion highlights the list of "must avoid" for the success of PLI scheme (<https://www.google.com/url?sa=i&url=https%3A%2F%2Fwww.themachinemaker.com%2Fmarket%2Fpli-scheme-production-linked-incentive;>). This includes-

- i) Avoidance of complicated incentive reward criteria at too much discretion of officers in disbursement of incentives and long-term tariff protection. Tariff protection to these sectors needs to have an explicit end date.
- ii) Greater need is to focus what PLI industries should do to achieve genuine industrial transformation and provide competitiveness to Indian industries.
- iii) PLI industries should develop their competitiveness at global level through transfer of skill and technology.
- iv) PLI must generate enough employment that require skill beyond generic assemble of components, PLI should have genuine creation and penetrate into export market. For, PLI scheme executed by MeITY for mobile phones is alleged to be unsatisfactory as it simply assembles the mobile parts of other companies(*ibid**5) .

Under Section- 301 of the WTO, investigations into trade practices relating to intellectual property (IP), technology duplication, technology transfer and innovation are the legal proviso in the WTO's member countries. Currently investigations into China's distortion of free trade practices and technology transfer has been done⁽⁶⁾. Arguing against it, China has been asking the WTO members to defend the multilateral trading system, while countries such as Japan and European Union are highly demanding safeguarding of the intellectual property rights (IPR) of their long standing innovative research efforts (https://www.wto.org/english/news_e/news18_e/good_28mar18_e.htm).

As such, the PLI industries in the northeast must remain aware of such limitations and develop new and genuine technology in the manufacturing sector.

Given the sincerest efforts of all, and dedication of the implementing agencies and the machinery, with innovation of new technology, the ANB scheme could surely enable the states of NER to be self -reliant and developed in particular and the whole India in general within a span of six to ten years.

11.0: The summing up:

Unless India develops import-substituting industries, the aggressive unilateral trade policy of trading partners may depress economic activity of India. Such form of trade policy of foreign countries may lead to colonization in India and then, immiseration under free trade regime. M. S. Alam apprehends that growing superiority of neighboring trading partners may start colonial policy such as free trade, no support to manufacturers, discrimination against indigenous capital, industry and skill and dismantling of indigenous education system; and keep off the third country in providing the assistance (*M. Shahid Alam, 15 november 2012*). As such, the scheme ANBA is a timely taken right decision for making our nation self-reliant.

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Notes:

1. India's exports to China was 17.1 billion US dollar in 2019, it grew to 20.9 billion dollar in 2020, then to 28.1 billion US dollar in 2021, up 34.9% from exports worth of 20.9 billion US dollar in 2020, which was impacted by Covid -19 related restrictions ([https:// wap.businessstandard.com](https://wap.businessstandard.com)).
2. Economic Times, March, 2022. * (₹45,016 crore + ₹ 29,834 crore) = Total ₹74,850 crore.
3. These are termed as pillars; viz: Economy would have a quantum jump, there will be additional infrastructure building, and develop technology driven system, employing its large labour force, meeting the growing demand and supplying the needs.
4. MTN = Multilateral trade negotiation under WTO) and * PTA = preferential trade agreements, respectively.
5. Under PLI scheme 16 MSMEs and 15 non MSMEs (of which 8 local and 7 overseas) with an internal production of ₹ 1.82 crore has been certified. These 31 investors shall invest ₹ 3,345 crore over the next 4 years and create additional jobs for 40,000 people.
6. "The WTO Goods Council on 26 March, 2018 heard the world's largest traders exchange views on actions the United States is taking against China following a "Section 301" investigation of China's trade practices relating to intellectual property (IP), technology transfer and innovation".