

## About NEEA

*The North Eastern Economic Association formed in 1997, is a nonpolitical, non-partisan, voluntary regional economic association with a national perspective with members from not just the NE states but across the country. The objectives of the organization are to - Undertake, promote, co-ordinate and collaborate in the study of socio- economic problems and issues with emphasis on North East India; Provide a common platform for interaction of ideals and exchange of experiences among the scholars; Contribute in promoting an atmosphere conducive for research through dissemination of information and knowledge; Contribute in promoting technical competence for teaching and research in economics and allied subjects.*

## About the Host Institute

S.B.Deorah College, nestles in an ideal location in the arterial G.S. Road of Guwahati. Established in 1984, this is a provincialised college. The college is affiliated to Gauhati University and offers undergraduate programmes in Arts, Science and Commerce. Students from all across Northeast are pursuing their studies in this NAAC accredited and NIRF listed College. The following themes are chosen for discussion in the conference.

### **Theme 1: Infrastructure Development in Northeast India under Act East Policy**

That infrastructure deficit had been a constraint on economic progress of Northeast India in the post-independence period was officially confirmed in the Shukla Commission report of 1997. Of the three primary components of infrastructure, namely power, telecommunication and transport connectivity, disruption of the last following partition of India has had the most telling blow. Restoring transport connectivity of the region with the rest of the country and the world has remained a challenging task ever since as the narrow Siliguri chicken neck remained the only outlet for the region. One point which does not often receive the due importance in this context is that in view of the geographical isolation inflicted on the region, internal connectivity assumed greater importance. Enhancing and maintaining connectivity within the region is however fraught with greater challenges due to the mountains being unstable, the plains being too riverine and flood-prone, and monsoon and pre-monsoon precipitation being often too vigorous. Yet following the Shukla Commission report, there has been enhanced flow of central developmental fund to the region for addressing its infrastructure deficit. Though many projects were initiated, their implementation had been slow presumably due to technical, legal and financial issues.

However once honorable Prime Minister Narendra Modi came up with his proclamation of the Act East policy in 2014, infrastructure development in the region in general and transport connectivity improvement in particular received a great fillip. Not only the languishing projects were completed expeditiously, many more initiatives in the forms of roads, bridges, railways, waterways and airways came up. While transport connectivity within the region and out of it today is much improved, infrastructure development in Northeast India is still an unfinished agenda. In view of the progress so far and the further requirements in this regard, the following issues deserve attention of academics and policy makers.

a) As connectivity within the region has improved, what has been the economic impact on the connected pockets and on the region as a whole? Intuitively in the hitherto isolated areas, economic and developmental opportunities should have expanded. It is necessary to take stock of the nature of these socioeconomic changes. There might have been some negative consequences too in the form of displacement and easier entry of cheaper goods from outside. What has been the nature and magnitude of the net effects? Answers to such questions can have important policy implications for designing and implementation of future projects.

b) For Act East policy to liberate the Northeast India from its geographical isolation, it is also necessary to connect the region with rest of India and the world through alternate outlets across Bangladesh and Myanmar. The economic, political and diplomatic feasibility of the ongoing and proposed initiatives in this regard deserve a re-assessment.

c) In the past, hydel power potential of the region was thought to be plentiful. However, in course of implementation of a few of these projects, the enormous environmental and human cost of such projects came to be realized. In view of such experiences, it has become necessary to re-assess the hydel power potential of the region and explore less damaging ways of harnessing hydel power and other energy sources with a special focus on green energy sources.

d) The IT revolution has matured globally and now evolving further with addition of artificial intelligence as yet another disruptive component. In theory, satellite-based information transmission systems should be greatly useful for the Northeast region, of which many parts are still difficult to access and also too sparsely populated to be viable for reaching out with physical modes of connectivity. It is necessary to take stock of the extent to which the region has succeeded in taking advantage of ICT for overcoming deficits in the delivery of basic services in its less accessible parts.

Papers addressing one or more of the above-mentioned and/or related issues not specifically mentioned are invited for presentation and discussion in the upcoming 24th Annual Conference of the

North Eastern Economic Association to be held in February 2024 in Guwahati.

### **Theme 2: Fiscal Changes in the last 10 years: Impact on the Northeast**

Fiscal policy is an important component of the aggregate economic framework of a country since it deals with the taxation and expenditure decisions of the government. It is comprised of tax policy, expenditure policy, investment or disinvestment strategies and debt or surplus management. Moreover, fiscal policy being dealt by the government directly unlike the monetary policy (managed by Central Bank) is also reflective of the government's economic outlook. The quantum of government spending and receipts determine whether budget runs into a deficit or enjoys a surplus. Notwithstanding the fact of the welfare state, large deficits are not always advisable yet to meet the contingencies and development goals, particularly for infrastructure and social welfare, many governments run into deficits.

The Constitution of India clearly earmarks the role of the centre and the state governments as well as their fiscal responsibility and jurisdiction. From 1950 onwards, the constitutionally mandated Finance Commission has been assigned to frame the federal fiscal transfer regime while the adoption of the centralised planning also provisioned for government spending through the initiatives of the Planning Commission. The trajectory of the Indian Fiscal policy witnessed macro-economic interventions and incorporations over the years and ultimately the adoption of the Fiscal Responsibility and Budget Management Acts by the states of the Indian Union in the mid 2000s has been the guiding principle for fiscal consolidation at the state level.

However, the fiscal sphere of the Indian economy has undergone several changes in the last 10 years. The immediate aftereffect of the global financial crisis saw government of India adhering to the Kelkar Committee recommendations that called for fiscal consolidation and keep the deficits within manageable limits, though growth rates had decreased somewhat. Moreover, change of government in 2014 also indicated changes in the economic policy through altered tax rates and expenditure priorities. The abolition of the Planning Commission in 2015 has altered the budget document and its accounting procedure in a big way. The distinction between Plan and Non-plan heads has been done away with. The newly formed NITI Aayog has not been mandated to impose policies on States as well as do not have the powers of allocation of funds unlike Planning Commission. The Fourteenth Finance Commission increased vertical tax devolution from 32% to 42% and had also adopted new weights for deciding the states share. Also the conventional classification of the Special Category States has been done away with.

Further, it was during the last 10 years that the 7th Central Pay Commission recommendations were adopted by the central government leading to a rise in the committed expenditures. Such an increase also had its implication of the budgets of the various state governments including those in the Northeastern region.

The adoption of the Goods and Service Tax regime from 1st July 2017 has been an important landmark in the Indian economic scenario with far reaching implications. Many of the states had to face huge changes in its expected revenue and provisions for compensation due to revenue loss had been made. The GST framework is still evolving and there have been varied experiences for the states as well as stakeholders. Nonetheless, the GST collections have been increasing steadily in the recent months. Another important component to the changing fiscal structure of the Indian economy has been the incorporation of technology with greater intensity. The faceless electronic tax assessment along with simplified tax procedures are expected to enhance the ease of living for Indians. On the tax front, there have been few changes in the personal tax rates as well as corporate taxes including the initiation of a new Income Tax regime from 2020-21.

However, the entire economy and not the just the fiscal compass faced an unforeseen challenge in the form of the COVID 19 pandemic. The economy contracted and emergency measures had to be taken to recourse the country towards revival. Majority of the central government initiatives had been on the supply-side and there has been huge thrust on capital expenditure, particularly infrastructure building. The state governments also followed suit in most of the cases including the backward and lagging states of the North-eastern region. The development deficit in this part of the country calls for greater per capita government spending, particularly for building infrastructure. The limited revenue generating capacities of these states calls for larger fund flow from the centre, but it is also important to examine how are the states faring in addressing and managing its limited fiscal capacities. One cannot ignore the fact that prolonged fiscal imbalances will escalate debt unsustainability.

It is in this background, research papers are invited on the above theme.

The major sub-themes (indicative only and not just limited to) are-

1. Changing Structure of Revenue Receipts of the Central and the State governments
2. Implications of the Awards of Finance Commissions
3. The new Tax Policies and its perceived changes
4. Revenue and Expenditure patterns of the NER states
5. GST: Challenges and prospects

#### Researchers Forum

This category welcomes papers based on on-going completed M Phil, PhD work, Post Doctoral work or research projects. The scholars submitting papers for this segment should specify the basis of the paper and in case of being part of funded projects should acknowledge the sponsoring agency.

**Pre-Conference Workshop:** There is a plan to organize a pre-conference workshop on 8/2/2024 for young researchers in collaboration with 'Youth Scholars Initiative South Asia'.

**Best Paper Award** [Quick Submission suggested]

#### Guidelines for submission:

- There will be maximum three best research paper awards for young researchers in the two themes of the conference and the Researchers' Forum.
- Maximum two scholars can author a paper. Both must be within 40 years of age.
- A proof of his/her age (e.g. class X Board Certificate or any other with date of birth mentioned) along with the paper.
- For consideration of award, full paper should be submitted within the deadline. No consideration based on abstract.
- Willingness to participate in the competition must be intimated while submitting the full paper.

#### Dates and Guidelines:

Abstract (300 words): to [secretaryneea@gmail.com](mailto:secretaryneea@gmail.com) and/or [neea.sbdc@gmail.com](mailto:neea.sbdc@gmail.com) as document file on or before 15th Nov, 2023 with the subject: *Abstract for NEEA 2023*.

- I. Acceptance: latest by 30th November, 2023
- II. Soft copies of full paper(max 5000 words): by 25/12/2023

#### Registration:

Fees:(With accommodation)

For members: Rs 2500/-

For non members: Rs 3500/-

For Research Scholar/Students: Rs 2000/-

Fees: Rs 1000/- less for each category without accommodation.

By: 15/01/2024

**Online payment to: Bank A/C no. 36913625919**

**Name: S.B. Deorah College**

**Bank: State Bank of India.**

**Branch: South Guwahati.**

**IFSC: SBIN0001244**



For UPI payment

#### Registration Link:

**24th Conference of NEEA - Google Forms**



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## 24th Annual Conference of North Eastern Economic Association & National Seminar 9th and 10th February, 2024



Organised by  
**S.B.Deorah College**  
Ulubari, Guwahati