

NORTHEAST INDIA: A NATURAL ECONOMIC ZONE

Agripreneurship can enable the people of the Northeast India to practice a new model of economic growth while they continue to practice their traditions and live in communion with nature

Bhairavi Jani



In December of 2014, on the occasion of Hornbill Festival in Nagaland, Prime Minister Narendra Modi gave an address in the State capital Kohima. He articulated his government's Act East Policy and various initiatives to enable faster growth and development for the Northeast. Amongst many things he spoke of, he put forth an idea, a dream to transform the Northeast of India into a Natural Economic Zone. He said that there were Special Economic Zones across the world and in India that catered to different industries. But looking at the natural, ecological abundance in the region, he would prefer that

the states in the Northeast focused on a nature driven, nature enabled and nature supporting economic model of development.

It is surprising that a region with high natural abundance is still struggling with poverty and developmental challenges instead of using its strengths to empower its people. Almost 60-70% of population of the region is employed in agriculture but the states in the Northeast have one of the least agriculture GDP per capita in the country.

An Agriculture-Driven Economy

In a recent survey conducted by the *India Today* for all states in India, Meghalaya was ranked second last for progress in Agriculture amongst small states despite having 80% of the State's population employed in the sector. Manipur, which was ranked last, has 50% of its people engaged in agriculture. Tripura and Nagaland who have seen hardly any improvement in agriculture yields employ 75% and 70% of their population in the sector respectively. States like Arunachal Pradesh and Mizoram that have seen some improvement in agriculture GDP per capita also employ almost 60% of their people in agriculture. Sikkim with its organic farming revolution

employs 60% and Assam being the largest and most industrialised State in the region, continues to employ 70% of its population in agriculture.

Therefore, livelihood dependency on agriculture sector is extremely high in the region. Without focused development of this sector it will be almost impossible to achieve inclusive development, robust economic growth, non-migratory livelihood generation and environmental sustainability for the region. The good news is that the opportunities to strengthen and energise the sector are plenty if only we think out of the box and allow the seeding and blooming of 'Agripreneurship'— agriculture led entrepreneurship.

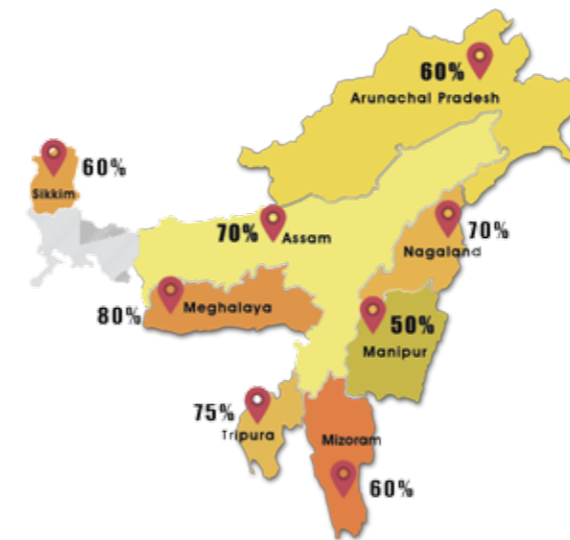
Out-of-the-Box Solutions May Just Work

Agripreneurship may just be the phenomena the Northeast of India needs. It is a farm led and closer to farm located economic activity that generates local livelihood, improves agriculture income and ensures environmental sustainability. Models for this are plenty. For example, ginger and turmeric that grows in Meghalaya, doesn't have to travel across the country to get processed. A food processing plant closer to the

farms can be set up to process the turmeric and produce the nationwide consumed turmeric powder. In fact food processing closer to the farm can ensure that the harvest is processed when it is most fresh and loss and decay in transit are minimal. The same applies to fruits in Arunachal Pradesh for manufacturing of jams, pulps, fruit drinks and fruit sweets etc.

Additionally, post harvest logistics and supply chain opportunities are not just limited to flowers, the entire region can benefit from hundreds of enterprises that manufacture packaging material, undertake transportation, run cold chain warehouses and pack-houses. There is also potential to set up distribution centres for inbound cargo into the region that range

and fish from other states. Honey production is another sunrise sector: the honey from the region has been found to be pure and organic and has huge potential in domestic and international markets. Organic tea and coffee, spices like the Raja Mircha from Nagaland and even homemade pickles can have a bigger market potential if pursued.



PERCENTAGE OF PEOPLE ENGAGED IN THE AGRICULTURAL SECTOR

Floriculture has huge potential in the Northeast. Mizoram has in the recent years made notable progress in this direction. But what are needed is entrepreneurs who can work with farmers to set up floriculture enterprises that practice modern techniques for farming and post harvest processes. Cut flowers are not the only product in demand, flowers that can be used as a source of fragrance or essence manufacturing can also be cultivated. Marketing and branding of this is a significant gap but also an opportunity. Since the supply chain of flowers is specialised, a plethora of avenues also exist in setting up flower logistics enterprises.

from FMCG goods to even ecommerce merchandise. Today, the agriculture produce from the region faces challenges in costs and connectivity due to lack of a supply chain and logistics infrastructure that is imperative for post harvest market connect. Entrepreneurs in the Northeast can be trained and skilled to fully explore and benefit from this untapped potential.

More Avenues for Growth

Given the food habits of the people of the region, investments in livestock management, poultry farms, seafood and meat processing are also huge avenues for enterprise growth. Today, unfortunately, many states in the region have to import meat

Agriculture is the corner stone of people's lives in the Northeast. It defines the food they eat, the livelihood they earn and also how they live in partnership with nature. It is not that the people from the region cannot excel at other jobs or grow in other sectors but without agriculture led entrepreneurship, there is a risk of creating wide income inequality in communities that have traditionally operated in collaboration with each other and nature. 🌱

The writer is Chairperson, IEF Entrepreneurship Foundation