

# Rationalization of subsidy and North East Development

North East Vision 2020 document accepts the fact that the region lags behind in multiple dimensions, including economic development. Thus ~~sub~~ rationalising subsidy from mainstream can release fund for its development.

North Eastern region has gone through major law and order problems in last 4 to 5 decades. But as the region stabilised, its distinct geography culture and strategic location has a great potential in not only its own but for the development of whole India.

To develop North East India can follow Chinese footsteps such as liberalising agriculture and enhancing private participation so that farmers' dependency shift from state to their own.

India spent 86,000 cr in subsidies

of fertilisers, PDS and power sector which has led to the skewed development, where north eastern region has largely remain isolated.

The trapped money can be utilised in exploring minerals in the region, infrastructure (energy, road, gas pipeline, power transmission) as well as curbing cross border motivated law and order problem.

To compete china, integration of people is required and economic integration is precursor of it. Rationalising subsidy from mainstream to horticulture of North east specially Bamboo production is required.

North east is vital for India's policy of 'look east' and ASEAN, which are the hallmark of Indian Foreign Policy.