

# Contextualising the Political Economy for Peace, Inclusive Growth and Sustainable Development

**PHUIREINGAM HONGCHUI**

Assistant Professor (Guest Faculty)  
Miranda House, University of Delhi, New Delhi (India)

## ABSTRACT

The blue print of this article is a study on the nature of the political economy of the Naga society in the North East of India within the context of peace, sustainable development and inclusive growth. Accordingly, considering the importance of political economy in shaping the overall growth and progress of the society and nation, there is an increasing need to understand the different conceptions, nature, nuances, specificity and particularity of a given society along with the complex interface, interdependence, challenges and its implication with different frameworks, contours and patterns of political economy for holistic understanding of the nature of political economy at large. Following which, understanding this primary formulation, ethical orientation, nuance, contextual framework and application of the nature of political economy is crucial and imperative for better policy formulation, effective governance, peace, inclusive growth, and sustainable development.

**Key Words :** Political Economy, Community, Peace, Inclusive Growth, Sustainable Development

## INTRODUCTION

The political economy as a concept is generally understood as a study of interface and interaction between the economics and the political system. In other words, it refers to how the political behavior, processes and institutions engaged with the economic behavior, systems and policies in the determination of the nature of the production, policies, pricing and distribution for the competing interest of the groups, individual and society as a whole. However, the political and the economic relationship in the form of political economy have differing conceptions, methodologies, understanding, framework and approach on the very nature of the study of political economy.<sup>1</sup> Accordingly, the competing concepts and paradigms can be seen in the emphasis that one framework laid in the analysis of the political economy.

As for instances, while the classical Marxist view the economic structure as the base for the determination of other superstructure, other theories focus on the role of political power in shaping the economic policies and outcome.<sup>2</sup> Still others tend to foreground and explain the political economy based upon the socio-cultural, religious phenomena and political reality apart from the economic considerations and frameworks.

Taking the above into consideration, the central theme of this study is on the nature of the political economy of the Naga society in the North-East of India within the context of sustainable development. Accordingly, it would delve into the complex interface, interdependence, integration and implications of the local economy of the Naga society with the national and global economy. Thereby in order to understand the overall nature of political economy along with its context, specificity and

1. John Toye, "Political Economy and the Analysis of Indian Development", in a Journal, *Modern Asian Studies*. Vol 22. No. 1, (1988), pp. 97-122, published by Cambridge University Press, accessed on 18 – 09-2018.
2. Ibid.p.98.

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particularity, it is pertinent to understand the different conceptions of the nature of political economy within a particular society and state.

### **Different Conceptions and Explanations of Indian Political Economy:**

With this understanding at the background, the political economy of India can be broadly understood through the examination and analysis of the relationship of the political processes, economy and social interaction post-independence. The political aspect can be roughly understood from its journey of “One Party Dominance or the Congress System”<sup>3</sup> to the emergence of regional party which later graduated to a multiparty system that shaped the politics in the form of coalition government. While in the economic and developmental sphere, it undergoes a process and a phase for modernization through planning, socialistic pattern of important means of production, license Raj, green revolution, nationalization, denationalization and finally towards liberalization, privatization and globalization. Accordingly, the political economy of India is analyzed by different experts with varied explanations and perspectives yet in general it project and portray the varied nature, complexity, shift and underlying current of the Indian political economy

Following which, according to Francine Frankel, the nature of the Indian political economy follow a path of “Gradual Revolution”<sup>4</sup> wherein it takes into account a balance and holistic development of political, social and economic emancipation rather than a disproportionate sphere of growth and development. While Rudolph and Rudolph explain the emergence of “the Bullock Capitalist”<sup>5</sup> with the impact of green revolution that

eventually gave rise to the demand and concretization to the politics of reservation in the form of Other Backward Class (OBC) reservation. Other like Atul Kohli argued that the political economy is determined by the form and nature of government expressed as “Regime Type Matters”<sup>6</sup> and liken the post reform regime as a “Pro Business”<sup>7</sup> regime. Still other scholars emphasized that political economy of post reform and liberalization is characterized in different aspects and terms like “Development by Dispossession, predatory capitalism or crony capitalism.”<sup>8</sup> Then, there are others who perceived that owing to the increase in the complexity of the Indian political economy, it ought to examine beyond the aggregate economic terms and instead also take into consideration the “disaggregated regional explanation.”<sup>9</sup> Furthermore, the alternative vision of the nature of Indian political economy is also steered, shaped and analyse along the Gandhian framework of Swaraj and Swadeshi as exemplified and manifested in the various governments and present government policies orientation and dispensation of the policies, provision and political actions such as Community Development Programme and decentralisation of power, Made in India, Skill India, Digital India and Atmanirbhar for a self-reliant based economic growth and development. On the whole, these different conceptions and approaches unfold the varied nature and contours of political economy.

### **The Nature of the Political Economy of the Naga Society:**

Taking into consideration the multi-facet conceptions and complexity and challenges in understanding the political economy, it is pertinent to study and examine the specificity, peculiarity and nuances of a society so as to

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3. Rajni Kothari, *Politics in India*, (New Delhi: Orient Blackswan Private Limited, 2010).
  4. Francine Frankel, *India's Political Economy: The Gradual Revolution (1947-2004)*, (London: Oxford University Press, India, 2006).
  5. Rudolph and Rudolph, “*In pursuit of Lakshmi: The Political Economy of the Indian State*” (Chicago: University of Chicago Press, 1987).
  6. AtulKohli, “*State Directed Developmemt: Political Power and Industrialization in the Global Periphery*”, Cambridge University Press, 2004.
  7. Ibid.
  8. These are the terms used by AmitBhaduri in his works which is further incorporated in introductory section of the book “*Political Economy of Contemporary India*” edited by R. Nagaraj and S. Motiram, published by the Cambridge University Press, 2017, p.6.
  9. This point of argument is based on the book “*Political Economy of Contemporary India*” edited by R. Nagaraj and S. Motiram, published by the Cambridge University Press, 2017, p.5.

understand the interface, processes and implication with different contours of national and international economic engagements. Accordingly, the political economy of the Naga society is rooted in the socio-economic, cultural, political and ecological values and reality of the society geared towards a holistic and sustainable development. Apart from the general discourse, it is also important to note that the nature of the political economy of the Nagas is informed by certain philosophical underpinnings and ethical orientation

This in a ways informs that the political, social and the economic conception and system of the Nagas unlike the general discourse is not shaped by the variables of caste, landlordism and capitalist class of the Indian mainstream political economy but rather characterized by the unique features of regional variation and wider egalitarian principles. Though there are many flaws, disruptions, deformities and aberrations in structure, practices, processes and subsequent gap between theory and praxis in the prevailing society yet the focus is on reifying the nature and conception of political economy. As a result, critical understanding on the nature of political economy is crucial for the overall understanding of the different economic systems, engagements, interaction and processes of the national and international economy for growth, peace and sustainable development.

### **Liberal and Communitarian Conception of Political Economy:**

The philosophical foundation of the political economy, social, cultural and ecological understanding of the Nagas and way of life emanates from the very fact that it is based on both the communitarian and liberal conception of good life and Justice wherein the common good and interest of the community as a whole is pursued in conjunction with the interest of the individual wellbeing. Further it is also interesting to note that both the individual and the community right is accompanied by corresponding duties and obligation for both the categories. This dual conception is exemplified in the existence of both the community and private ownership of land and property. The rationale and the uniqueness of the ethical and moral orientation and conception of the nature of the political economy of the Nagas is unfolded from the fact that the communitarian principle, ethos and values of common good check the individuated interest, atomism, greed or excesses that could paved the way for exploitation, domination, enslavement, slavery and corruption for larger

collective interest and enriching the individual as well. Similarly, the liberal values and space provide the incentives to the individual to finds a fuller meaning, creative freedom and excellence for the realisation and fullest development of oneself and common good. At the same time it acts as a catalyst to checkmate the circumventing tendency and excesses of the communitarian framework.

Furthermore, it is interesting to note that this conception and embedded practices not only act as a check and balanced for sustainable development, self-reliance and social development but also facilitates a holistic well-being and meaningful freedom of both the individual and the collective. Thus, the two principles complement each other in the very process of interaction with political, social and economic system. The complementary role of communitarian and liberal values could be further extended, situated and contextualized within the Naga society through their lived experienced. Thus, despite the flawed application and its limitation in its conception yet the conception of the political economy of Naga society is rooted in the communitarian and liberal conception of good life. This non binary is also seen in the way how the individual right, freedom and liberty flourish in harmony with the social wellbeing. This in a way implies that it takes both the individual and societal wellbeing very seriously. Further, the sense of community feeling, space and social sphere for common good is further reinforced through community social responsibility or common social responsibility and duty. Thereby, the negligence and selective conception and application of either the liberal or communitarian framework rather discount and negates the very essence and the nature of the political economy of the Naga society which points the path, condition and the embedded lived experiences for sustainable development.

Another important aspect of this conception related with economic principle and practice is the stress on the egalitarian and community way of life. This is based on the notion of liberal democratic principle in consonant with the communitarian approach to ensure that both the social and community responsibility are taken together for the realization of individual freedom and collective good. Following which, it denounces caste and class and instead advocate for individual respect, dignity and social harmony. This love for freedom, justice, autonomy and equality make the society strongly defensive against all form of external interference and resist against policy

for subordination and domination. This egalitarian form of economic, social and political setup in turn opposed all form of domination, subjecthood and exploitation like slavery, forced labour and unfreedom. Thus, the nature of political economy and practices of the Naga society is deeply tied to social virtues and values.

Nonetheless, this need not mean the very simplification of the very notion of what constitute a common good. Noting that, one of the interesting feature of the political economy of the Nagas would be to examine whether there is an economic system of production in the form of community ownership in production or is it only limited to the commonness to the means of production through cooperation or division of workforce along age group, skill etc. thereby, common property only in the form of social institution, social capital, community land and properties. It is also noteworthy to take into account that the political economy of the Nagas is based on principle and ethics of cooperation, hard work, honesty, justice, equality and collective social responsibility in the form of shared community ethos and embedded practice of social safety net for the least advantaged. Thus, it entails the tangible and the intangible aspects of life.

### **Nature and Practices of the Political Economy of the Naga Society:**

The nature of political economy and practices of the Nagas are interwoven, rooted and based upon the socio-political, cultural, religious, economic and ecological structure and aspects oriented towards egalitarian society and sustainable development. The philosophical underpinning of the economic lives and activities is rooted in the principles of equality, community life, justice and liberty and sustainable ecology. Further it aims for the good and wellbeing of the individual and community as a whole. This theoretical framework and embedded culture has an embodiment and a combination of communitarian as well as liberal democratic principle. As such, it take the community and the individual very seriously. As for instances, though it considers sharedness as a way of life, yet it also firmly believed in the right to private

property. The nature of the economy and activities of the Nagas to a large extend revolve around the community ethos and spirit of cooperation. However, the competitive spirit is mainly confined to the domain of competition for social recognition in consonant with the self-fulfillment. Keeping this in mind, the notion of individual excellence as virtue in the selfless service of community and society with due social recognition and status is exemplified “in the feast of merit” where in a person gain social status, respect and recognition for hard work, sacrifice and generosity through public service. Hence, political economy is intrinsically woven within the moral fabric of social-religious and cultural ethos of the individual, society and community beyond the materialistic understanding, interpretation and conception.

The Naga society is essentially an agrarian economy. Some even categorized the nature of the economy by alternative term as “forest economy.”<sup>10</sup> The economic systems and activities of the Nagas are deeply embedded within their socio-cultural practices and rituality. They mainly practice subsistence cultivation for household consumptions and followed mainly shifting cultivation and sedentary terraced cultivation. According to U. A. Shimray, the ecological settings, in the context of the Nagas are the village territory, land and forests where in the interface or inter-relationship between human and ecological components revolve around “territorial localised system.” Since the fundamental characteristic of tribal economy is essentially household contentment, there is a tacit and deliberate absence of profit motive in any kind of economic exchange. Scholars like Majumdar and Madan summed up that the tribal economic system falls in the broad category of “production-consumption-distribution”<sup>11</sup> type. However, the Nagas economic system is also categorized as “household production-household consumption”.<sup>12</sup> The village truly acts as the heart of a Naga society and as a result it traditionally managed and operated through collective mandate and decision in the function and administration of its system. Another important social phenomenon in the Naga economy and workforce is the practice of cooperation and labour exchange among relatives, clan and neighbours

10. This is term used by Rev. A. Shishak in his article, “Nagas and Education”, written in the book ‘*Nagas at Work*’.

11. D. N. Majumdar and T. N. Madan, *An Introduction to Social Anthropology*, (Bombay: Asian Publication House, 1956) as referred by U. A. Shimray, *Ecology and Economic System: A Case of the Naga Community*, (New Delhi: Regency Publications, 2007), 3.

12. U. A. Shimray, *Ecology and Economic System: A Case of the Naga Community*, (New Delhi: Regency Publications, 2007), 7.

which in fact give more space for cultural interaction and inculcate the value of social responsibility and thereby, sustain the spirit of community life.

It is also significant to note that the economic activities are organized around certain virtues and spirit of cooperation, honesty, sacrifice, discipline, straightforwardness and sense of sharing with others.<sup>13</sup> The Nagas as a social, political and cultural entity lived in the villages. Every village is an independent and sovereign entity<sup>14</sup> and at the same time they have a strong attachment and affection for their village.<sup>15</sup> Further, it is also important to note that land embodies freedom for the Nagas and as a result they glued to the village and lived as a settled community. The society was not only a self-governing people but also had a self-sufficient economy.<sup>16</sup> It was a self-reliant economy wherein they produce all by themselves from food, clothing, cooking vessels, bridges and even medicine. They governed and administered through their own laws.<sup>17</sup> One example could be seen in the realm of decision making where in the Chief administrator and the Councilors allocates the site for Jhum cultivation based on the sustainability of the ecology. The self-reliance and the sustainability is reinforced by the centrality of administration through justice and egalitarian understanding and practices. This in turn infused less differentiation, disparities and in the end reinforces economic equity and justice.

However, the imbalance and faulty conception, aberration in understanding and practices of the nature of political economy in Naga society is demonstrated in the form of tilting the modern societal outlook, orientation and practices towards atomistic individualism. Besides, the fallout of this implication is also expressed and reflected in the gradual rise in inequality, poverty, deforestation and environmental destruction, deligitimisation of authority, deinstitutionalisation of systems and values, erosion of individual and social responsibility, decline in the spirit of cooperation, neglected obligations and other evil practices. These challenges,

disruptions and implications to a large extent is attributed not only in the flawed conception and practices of the nature of political economy but also increasingly due to the failure of the society and the political community at large to capture, contextualise and understand the subtle and nuanced conception of the nature of the particular society.

One of the most important aspects of this outcome in the prevailing nature of political economy is the decline of embedded community way of life and on the contrary it merely exists as a form of socialization process devoid of meaningful engagement, inclusive growth and sustainable development. This much embedded culture of individual and social responsibility towards each other through social institution and practices especially to the least advantage<sup>18</sup> and the vulnerable ones is increasingly kept at the whims and mercy of an individual Samaritan act, altruism and goodwill bereft of collective duty and social responsibility.

### **Complex Interface and Interdependence of Political Economy:**

Considering the dynamics of the nature of the political economy into consideration, it is pertinent to take into account the shift and the complex interface of the different conceptions, trajectory and nature of the political economy in order to capture the overall understanding of the prevailing society and economy. Accordingly, it necessitates to-examine the pre Colonial, Colonial and the Post-Colonial experiences, engagement, encounters and complex web of interaction and interdependence so as to encapsulate and better analyse the interface of local, national and global engagement and its implications.

Nevertheless, as the primary focus of the political economy of the Nagas in this study is mostly confine to the post-independence period, it is pertinent to understand the background, the contestation and the corresponding shift in the course of time. At the foremost, the political conflict between the Indian state and the Nagas has led to the prioritization of the political concern that in turn

13. R.R. Shimray, *Origin and Culture of the Nagas*, (New Delhi: Somsok Publications, 1986).

14. Ibid.p.43.

15. This is also mentioned by J.P Mills and further elaborated by .R.R Shimray in his work, *Origin and Culture of the Nagas*, (New Delhi, Somsok Publications, 1986).

16. Verrier Elwin, *A Philosophy for NEFA*, (Shillong, 1964), P. 27. He mentioned that the Nagas had a self reliant economy

17. R.R Shimray, *Origin and Culture of the Nagas*, (New Delhi: Somsok Publications, 1986).

18. This term of least advantage is extracted from John Rawl's, *Theory of Justice*, (London: Oxford University Press, 1971).

has overshadowed the discourse on development where the conflict and politics for conflict resolution and non-resolution occupy a central theme which in the end has dominated the discourse on development and nature of political economy. This in turn generates a conflict induced political economy from a once self-sufficient economy as it views the region and developmental question from the prism of security. Moreover, the generalized framework of understanding in consonance with the securitization and militarization in the region eventually brought underdevelopment, backwardness, dependency, patronage, co-option and corruption.

In addition, another very important question of political economy of development of the Nagas relates to the Colonial and Post-Colonial politics of geo-political mapping of the region and state reorganization or the politics of minoritisation<sup>19</sup> and division along the prism of security which eventually led to the multiplication of conflict and process of underdevelopment, alienation and social exclusion. This has led to the very process and politics of the political economy of exclusion or the “politics of exclusionary growth”<sup>20</sup> and over concentration of institutions and infrastructure for development through ethnic determination of economy, structural discrimination, non-recognition and non-redistribution especially for the Nagas that are outside the state of Nagaland as exemplified in the acute gap and hill valley divide on the development aspects in the state of Manipur<sup>21</sup> and demand for separate statehood from the Eastern

Nagaland Peoples Organisation (ENPO) etc. Take for instance, though the present government of Manipur makes some serious attempt and laudable works to bridge the gap of uneven growth and development through important measures and policies like “go to the Hills Programme, Developmental projects, initiating dialogue and communication across communities and civil societies, war on drugs against poppy plantation etc. for peace and development yet these multiple challenges are merely symptomatic expressions of the different impending crisis in the very nature, conception, structure and the process of political economy and governance. These structural and functional impediments and the consequent denial of these rights in the process hinders the just representation, recognition and the distribution of resources for meaningful freedom, inclusive growth and sustainable development and in turn eventually paved the way for social exclusion, structural violence,<sup>22</sup> chronic poverty, alienation, marginalisation and deprivation of opportunities and capabilities<sup>23</sup> conflict and peace deficit. Hence there is a need for critical examination on the nature, structure and the processes of Political economy for inclusive growth, for a more balanced, equitable and sustainable development<sup>24</sup>

### **Government Policies and Initiatives:**

The nature of the prevailing political economy in most of the North Eastern States and the state of Nagaland in particular largely depends on the state

19. The very politics or the process of creating minority so as to divide and rule can be termed as the politics of minoritisation. Here in the case of the Nagas, it is undertaken through the politics of geo-political mapping in the name of the reorganization of states. The drawback of this approach of viewing only along the line of security has failed to understand the larger implications that not only entails security concerns but also political, economic, social and other larger concerns beyond border.
20. It is extracted from the Stuart Corbridge work “The Political Economy of Development in India Since Independence” published by *Development Studies Institute*, London School of Economics.
21. Though the present government is making some serious attempt to bridge the gap of uneven growth and development through important measures like “go to the Hills Programme, increasing dialogue and communication across leaders and civil society through democratic process, yet there are structural impediments that hinder the just representation, recognition and equitable distribution of resources.
22. Johan Galtung, popularly known as the father of Peace Studies proposed a theory of the conflict triangle. Accordingly, he classified the three corners of the conflict triangle in the form of direct violence, cultural violence and structural violence. Thereby, Structural violence is referred to the injustice and discriminatory practices built into societal structure that eventually led to poverty, domination and social alienation.
23. Amartya Sen, Social Exclusion Concept Application Scrutiny, *Critical Quest*, New Delhi, 2004. P.4.
24. This demands reexaminations of the special constitutional provisions safeguards and protection that guaranteed political and financial autonomy and judicious implementation of the same for inclusive growth, sustainable development and meaningful democracy. As for instance, there is a need for judicious safeguard, protection and implementation of the special constitutional provision that is guaranteed through Art. 371C for more political and financial autonomy for inclusive and equitable growth and development.

support, incentives and subsidies from the central government under various schemes. However, despite the various initiatives and policies, the economic practices and the pattern of institutional governance especially the lack of accountability and non-transparency in turn has led to the culture of corrupt practices at different levels. At the same time this eventually led to the external economic dependency and more corruption that thwart innovation, creative enterprise, entrepreneurship and self-sufficiency.<sup>25</sup> This in the process paved the way for the decadence of the spirit of resistance against corruption and injustice.<sup>26</sup> Following which, the resistance against the state for separation, autonomy was to a large extent based on the very fear and perception of domination, exploitation, exclusion and subject hood. Further, this pattern of development in turn led to the devaluation of work culture and ethics manifested in the gradual erosion and decadence of moral values and moral code which eventually bent toward materialism, westernization and consumerism.<sup>27</sup>

Furthermore, owing to the predominance of agrarian economy and especially the subsistence method of agricultural practice, there is urgency for good governance, commercialization of agrarian products, infrastructural development for growth and development in-order to incentivize sustainable development and minimize dependency and uneven development.

Nevertheless, there is a shift in the nature of engagement to view the region beyond the prism of security towards developmental aspects. This measures, initiatives and project for peace, security, trade and economic integration and development is reflected in the form of cooperation and collaboration for better connectivity through the ongoing construction of four lane highway from Dimapur to Kohima,<sup>28</sup> signing of MoUs between Japan International Cooperation Agency (JICA) and India so as to avail 400 Cr as loan for Nagaland

Forest Management Project<sup>29</sup>, construction of Trans Asian Highway and other undertakings. Moreover, Japan also provide Official Development Assistance (ODA) loan of 2500 Cr for the North East Road Network connectivity improvement Project Phase(2)<sup>30</sup>. Moreover, facilitating the peaceful democratic processes and favorable condition, policies would in turn eventually paved the way for further growth and development of the North East and the nation as a whole.

However, it is note worthy to remember that the post independent political economy is also shaped and determined by the process and interface of different variables. These determinants include the political economy and democratic processes and its impact on political economy, geo strategic consideration, government policies like the Look East and Act East policy, emergence of tourism sector, migration, modern education etc. Thus there is a need for understanding the complex interface and interdependence of different conceptions and processes of political economy.

#### **Conclusion :**

The study of the nature of the political economy presents and unfolds the complex and dynamic processes. Following which, it demands a critical and nuance understanding of the conception of the nature of political economy of a particular society. Moreover, considering the importance of political economy is shaping the overall growth and progress of the society and nation as a whole, there is an increasing need to understand the nature, nuances and complex interface, interdependence, conceptions and contours of the nature, practices and context of political economy. Thus, understanding these nuances, contextual framework, insights and its implications will in turn direct the attention for better policy formulation, effective governance, sustain peace, social inclusion, inclusive growth and sustainable development.

25. This is extracted from the article contributed by Shri Khekiho Zhimomi in the Book entitled, '*Economic Development in Nagaland prospects and constraint*, (Kohima: NUTA Nagaland University, 2006).

26. Ibid.

27. Ibid. p. 52

28. The Economic Times, May 23, 2013.

29. Extract from the Morung Express, April 6, 2017

30. The Shillong Times, April 4, 2018,. Earlier japan had also provided an ODA loan of 4000 Cr for the development and improvement of the North East Road Connectivity Project Phase I. Even in the future the country is willing to invest in the infrastructural development of viability road connectivity as contribution for the realization of North East as the Gateway for the South East Asian and East Asian Countries as a part of the Look East and Act East Policy.

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