

CHAPTER 1

INTRODUCTION

1.1 GENESIS OF THE STUDY:

One thing that constantly baffles us is the fact that in spite of having special focus on development of hill areas, predominantly inhabited by tribal population, located in Far East India, since the last fifty years or more, the hill region still languishes far behind national averages in almost all development parameters. Known to be one of the most disturbed of all districts in Assam, both the two hill districts, namely Karbi Anglong and Dima Hasao, are marred with separatists' movements. These movements are being led by various armed as well as unarmed organisations having varying demands; with some demanding complete sovereignty, while others demand implementation of Article 244(A) of the Indian Constitution which provides provisions for creation of a 'autonomous state within a state'.

As an instance, Karbi Anglong's case can be considered. Since late 1980s, with the formation of the Karbi National Volunteers (KNV), an era of abductions, extortions and taxation started. Several other armed separatist groups such as UPDS (United People's Democratic Solidarity), KLNLF (Karbi Longri North Cachar Hills Liberation Front), KPLT (Karbi People's Liberation Tigers), and some recent ones such as UPLA (United People's Liberation Army) and KLPF (Karbi Land Protection Force) followed suit. 'Peace-talks' were held, armed organisations signed 'peace'accords'; Organisations and their leaders, after joining the mainstream, took charge of developing the region by contesting elections and were being voted to power. At the same time, it was seen that whenever there was an agreement on 'peace' with a militant outfit, a small dissident faction emerged and kept the armed movement alive by forming a new outfit.

The situation in the other hill district is quite similar. So, disturbances have somehow continued till today in both the hill districts. Frequent 'bandhs'¹ continue to shackle the development process. Or is it vice versa? Are the people of the hills expressing their discontent in the form of such movements? A brief research and review

¹ According to Cambridge Dictionary, the word 'bandh' is an Indian English word and means an occasion when offices, businesses, schools, etc. close for a day and people stop working in order to show that they disagree with something or to show respect (Cambridge University Press, 2017).

on the hill districts, confirms the notion of “discontentment”. According to Deligiannis (2012), scarcities initially affect individuals, families and communities personally or directly before being translated into broader state or societal effects. Conflicts, which initially may happen at very low levels of the society, can stimulate social unrest. Reid (1944) has described the Karbis as a quiet, inoffensive tribe who have never given any trouble and opines that they have been rather neglected just because they are so harmless and non-vocal. According to Hussain (1987), people have given opinion that the armed and unarmed movement for an autonomous state fundamentally reflects economic and political frustration among the locals and certifies that development initiatives have not worked properly in their case. State statistics confirms the paucity of development in the two districts. Both the districts are included in the country’s most backward 250 districts and are among the 11 districts of Assam receiving funds from Backward Regions Grant Fund Programme (BRGF).

On the contrary, the fact that hill districts need a special focus in terms of development initiatives is well understood by the Government of India (GoI). In 1966, while preparing for the Fourth five-year plan, the Planning Commission entrusted a Joint Centre-State Study Team to suggest and recommend development plans for hill districts² of Assam. The study highlighted the uniqueness of this region in terms of its geography, people, their culture and living conditions. In addition to other suggestions, the study proposed the need for a Development Commissioner for the hill districts (Planning Commission, 1966). Subsequently, GoI articulated the Hill Area Development Program (HADP) targeting select hill areas of the country and aiming at planned interventions that had dual objectives of diverting ecologically harmful practices of villagers to alternative livelihood options such that their existing quality of life was not hampered and also ensuring proper restoration of forests and other essential resources to maintain ecological balance of the areas.

Burman (1989), while discussing problems and prospects of tribal development in North East India, suggests a reorientation of development approach in the region which is compatible with the socio-cultural specificities and which engage community organisations to function as channels for the flow of institutional finance. The scenario is almost similar in the greater North Eastern Region of India. Despite much

² During that time, the hill districts comprised of Khasi and Jaintia Hills, Mizo Hills, Garo Hills and Mikir and North Cachar Hills.

development efforts, North Eastern States still have lagged economically behind other states (Madhab, 1999; Varte and Neitham, 2013).

These have direct bearing on the livelihood situation of hill people. According to Chambers and Conway, “A livelihood comprises the capabilities, assets and activities required for a means of living (Krantz, 2001)”. Therefore, a detailed understanding of the situation is the need of the hour. Understanding of the situation of livelihood asset endowments of the households is needed. How does the hill population adapt to variations in their endowments? Researchers have argued on the importance of knowing the practices of mobilising and allocating resources by communities and households during design and delivery of rural development policies and programmes (Adams et al., 1998).

The quest for a method of pursuing this study leads to the “Sustainable Livelihood Approach” (SLA) of addressing poverty and development. The principle, on which this approach was based, fits well with the study objective of having a holistic understanding of existing situation. An adaptation of Sustainable Livelihood Framework of Department for International Development (DFID), United Kingdom (U.K) suffices as a guiding framework for achieving the study objectives.

An extensive literature review of existing studies on other related subjects has been done. Studies on poverty alleviation and rural development issues at national and global level have been reviewed. Bryceson’s (1996) views on “deagrarianisation” and other similar studies, stressing the importance of nonfarm activities in poverty alleviation, seem to rightfully address issues of poverty alleviation, employment and ecological balance in hill areas. If nonfarm enterprises can be promoted in the region, it can be an answer to ‘poverty’, through generation of ‘employment’, in a ‘sustainable’ manner by weaning off a growing population from foraging on natural resources for their livelihoods. Therefore, it becomes imperative to understand the status of nonfarm enterprises, its role in overall livelihoods of households in the hill areas, the barriers that effect nonfarm enterprise proliferation. This will enable to formulate strategic initiatives that are required for promotion of nonfarm enterprises in the region.

So, this study has been guided by the question, “What can be an answer to ‘poverty’ and ‘empowerment’ issues in the hill districts, which also addresses ‘sustainability’ issues?” By “sustainability”, environmentally sustainable solutions

were sought, in addition to the obvious economically sustainable ones. This is because, hill districts have the majority of forest cover in the state and its residents are the custodians of these forest lands, thus playing a key role in environmental sustainability.

Having found a viable solution for further enquiry, subsequent literature review hovers upon subjects such as rural nonfarm enterprises, studies connected to hill tribes, livelihood research and relevant subjects. A field level inquiry of the situation is necessary to achieve answers to the research queries. A methodology involving quantitative and qualitative processes has been employed. And finally, drawing from field outcomes and secondary sources, the study tries to address the questions for which answers are sought.

1.2 IMPORTANCE OF THE STUDY:

The sensitivity of development initiatives can be such that it may change the very ethos of a community. Perhaps, it is not what development planners had intended for the hill districts of Assam. The views of Sir Robert Reid (1944) and Hussain (1987), only reiterates failure of development initiatives. High incidence of tribal movements, criticism on the achievements of Autonomous Councils under the Sixth Schedule³, statistical figures related to facilities available in terms of medical, education, telecommunication, electricity supply, point towards failure in development approach (Singh, 1982; Bhowmick,1988; Planning Commission, 2010).

All these facts lead to the presumption that resource endowments which determine livelihood strategies in hill areas are distinct from that in other areas. Hence, livelihood situation in the hill districts of Assam ought to be different and have distinct underlying characteristics. Studies have also stressed on the importance of controlling shifting or *Jhum*⁴ cultivation and promoting alternative livelihoods in the hill areas (Planning

³ As per paragraph 3 of the Sixth Schedule of the constitution, the autonomous Councils of the Hill Districts of Assam exercise inherent powers. Besides, thirty departments have been entrusted to the councils, such that all administrative/ executive and development works can be implemented through these departments.

⁴ *Jhum* which is also known as shifting cultivation, swidden, or slash and burn cultivation is a primitive form of forest agriculture practiced mostly in tropical countries world-wide such as Honduras, Indonesia, Brazil, Mexico as well as India. Under conditions of low human population density, fallow periods can extent to 20–30 years or more and much of the forest landscape can escape the slash and burn cycle in any given year, and thus there is minor influence on overall forest biodiversity and soil productivity. However, with increasing populations, leading to high human density in many tropical areas of the world, including North East India, the fallow periods have dropped to just a few years and large portions of

Commission, 1966; National Committee on Development of Backward Areas, 1981). As an answer to this, promotion of nonfarm enterprises may ensure increase in gainful employment, improved socio-economic conditions of the poor and decreased dependence on shifting cultivation based livelihoods. Therefore, it is important to have a deeper understanding of their livelihood situation, role played by nonfarm enterprises and other relevant issues.

1.3 LITERATURE REVIEW:

The review of literature is done to have a conceptual framework covering all aspects of the study objectives and has been categorised into two thematic fields:

- i. Sustainable Livelihoods Approach (SLA)
- ii. Nonfarm Enterprise (NFE)

1.3.1 Sustainable Livelihoods Approach:

Dodman and Mitlin (2011) has observed that till the 1980s, rural development approaches were mainly focussing on stand-alone interventions such as agriculture, housing, small-scale enterprises etc. Towards the late 1980s, it was acknowledged widely by development practitioners and researchers that imposition of top-down ideas and practices was one major culprit for the failure of development activities in bringing significant improvements in the lives and livelihoods for many of world's poor. Meanwhile, initiatives of development that prioritised the participation of role of local citizens and community organisations in the development process were recognised in various studies.

Hence, a change in perspective, recognising the complexities of locale issues and the need for a participatory approach gave way to the 'Livelihood Approach' of rural development. With a view to offer a more rational and integrated approach to poverty, by adopting additional aspects such as vulnerability, interplay of various asset endowments and social exclusion, the Brundtland Commission on Environment and Development, and the 1992 United Nations Conference on Environment and Development first advocated for the achievement of 'sustainable livelihoods' as a broad goal for poverty eradication (Krantz, 2001; Elasha et al., 2005).

forest landscapes have been brought under cultivation, resulting in major losses of forest cover, soil fertility, biodiversity, and crop health (Kumar et al., 2008).

In her attempt to assess the policy implications of adopting a 'household livelihood strategies framework' for understanding poverty and deprivation, Carole Rakodi (1999) advocates the framework as it places the reality of households at the centre of analysis and policy, without ignoring the contextual economic, political and social factors which determine their ability to construct sustainable livelihood strategies.

Going through Glyn Williams' (1999) study on assessing and alleviating poverty, one can find some resemblance of SLA with Amartya Sen's "The Capability Approach", from the fact that both have put the "poor" in the centre and his "capabilities" to leverage from "entitlement sets" he is endowed with to overcome poverty. The capability approach includes the livelihood constructs opportunity, empowerment and vulnerability to risk (Myhr & Nordstrom, 2007).

Walker et al.'s (2001) study summarises that in rural areas in many countries, local people combine subsistence and income-generating activities in varied and, typically, shifting patterns to meet basic needs. Livelihood decisions are strategic and dynamic, based on changing relationships among people, their opportunities for access to, and control over, use of local resources, and their capacity to make use of those opportunities for subsistence and/or income generating purposes.

Phansalkar (2003) observes that the livelihood system is more than just a set of physico-economic preconditions for continued existence. The livelihoods approach puts households of the poor as its central focus. It takes holistic consideration of things that the poor might be vulnerable to, assets and resources that help them thrive and survive, policies and institutions that impact their livelihoods, how the poor respond to threats and opportunities and what sort of outcomes the poor aspire to achieve.

According to Hogger (2006), understanding the livelihood systems of the poor is crucial to effective poverty reduction. The livelihood systems are made up of very diverse elements which, taken together, constitute the physical, economic, social and cultural universe wherein the families live.

Summarising his views on the history of Sustainable Livelihood Approaches (SLAs), Simon Batterbury (2011) opines that SLAs help researchers interrogate vulnerabilities, and human capabilities, in rural development situations, while working across the social and natural sciences. For practitioners, SLAs offer a more informed

and holistic approach to implementation, identifying entry points for livelihood support and improving local resilience. For rural people there is the promise of targeted assistance, better communication channels, and new possibilities.

Several authors have defined 'livelihood' differently. Most of the studies have quoted definitions of Chambers and Conway, IISD, Ian Scoones and DFID (Krantz, 2001; Elasha et al., 2005; UNDP, 2010).

Chambers and Conway's definition of a rural livelihood says,

“A livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term.” Chambers and Conway (1992) cited in Krantz (2001).

International Institute for Sustainable Development (IISD) defines sustainable livelihoods as,

“Sustainable livelihoods are concerned with people's capacities to generate and maintain their means of living, enhance their well-being, and that of future generations” (Elasha et al., 2005).

Ian Scoones have defined Sustainable Livelihoods as,

“A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base.” Scoones (1998) cited in Krantz (2001).

This modified definition has been accepted by the Institute of Development Studies (IDS) and the UK Department for International Development (DFID, 2001; Krantz, 2001).

In order to better understand how people develop and maintain livelihoods, the UK Department for International Development (DFID), building on the work of practitioners and academics, developed the Sustainable Livelihoods Framework (SLF).

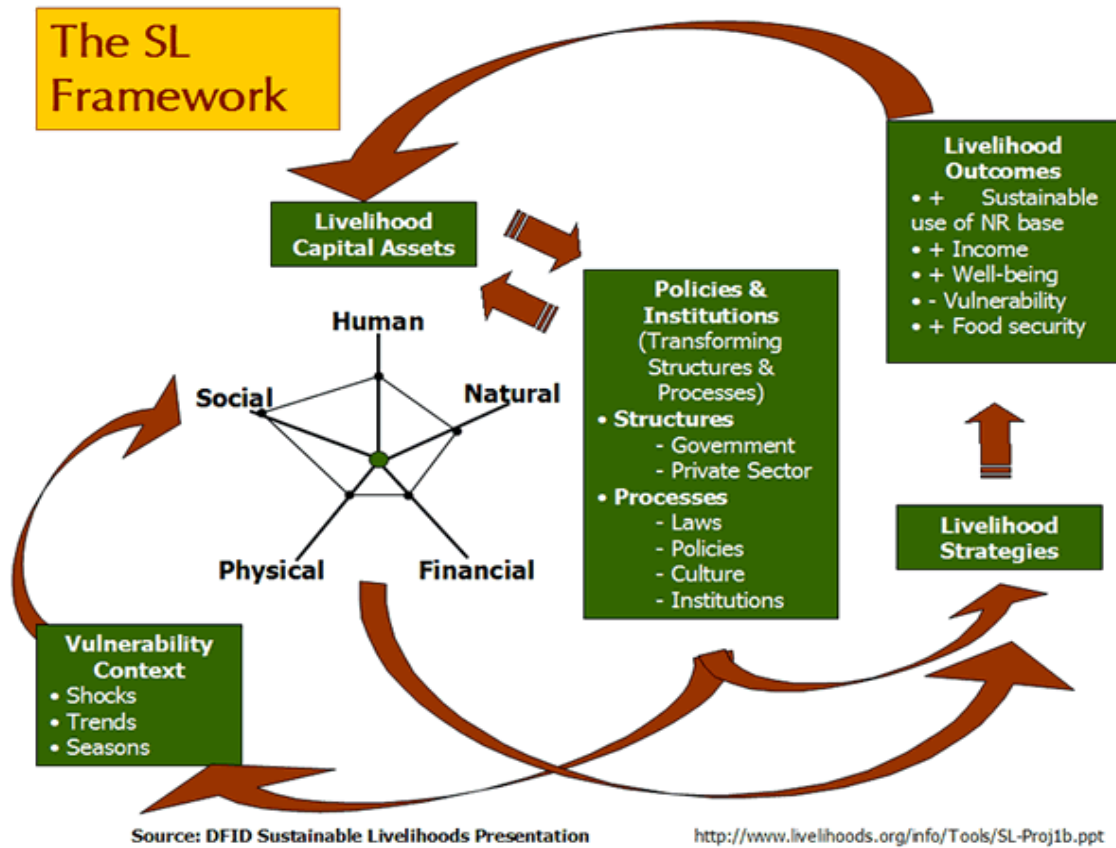


Figure1.1- Sustainable Livelihoods Framework -DFID

Source:

http://www.chronicpoverty.org/uploads/assets/files/toolbox/Collecting_data/DFID_SL_Framework.gif

This framework is an analysis tool, useful for understanding the many factors that affect a person’s livelihood and how those factors interact with each other. According to UNDP (2010), the SLF views livelihoods as systems and provides a way to understand:

- i. The assets people draw upon
- ii. The strategies they develop to make a living
- iii. The context within which a livelihood is developed
- iv. Those factors that make a livelihood more or less vulnerable to shocks and stresses.

As a response to the need for measuring the assets of the livelihood platform of SLA, the Livelihood Asset Status Tracking (LAST) tool was developed by Bond and

Mukherjee in 2002. This has helped enumerators to convert qualitative understandings of household situations into quantitative scores (Bond et al., 2007).

Scoones (2009), while offering a historical review of key moments in debates on rural livelihoods approach, points out that in order to ensure continued relevance and application, livelihoods perspectives must address questions across the four themes: knowledge, politics, scale and dynamic.

Review of research studies have also confirmed that researchers, as well as practitioners, have adapted from the established SL Frameworks to suit their objectives, keeping intact the core principles of SLA. Such adaption is seen in the work of Sabo and Thapa (2012), deploying the ‘Asset Pentagon Model’.

1.3.2 Nonfarm Enterprises (NFE)

Zafar and Uriel’s (2008) study reveals that alternative livelihood promotion can play an important role in achieving poverty alleviation in areas of land degradation. Similar views were put forward by Adhikari (2011). Literature on nonfarm enterprises reveal relevant concepts of ‘rural nonfarm economy’, ‘rural nonfarm activities’, ‘rural nonfarm employment’ and ‘nonfarm enterprises’. Various studies on these subjects have been reviewed and discussed in the following section.

According to Ellis (1999,2000), although agriculture remains the main source of income for the majority of the rural population of developing countries, a large proportion of rural households modify their economic activities in a variety of ways under different conditions.

Deborah Bryceson (1996) suggests the term “deagrarianisation” to define the diminishing role of agriculture in the household’s income and livelihood strategies. He opines that it is a universally accepted fact that the agricultural sector is, by itself, incapable of creating additional opportunities of gainful employment in the wake of increasing population. As a result, the impetus for achieving sustained development in rural areas has to pivot around expanding the base of nonfarm activities.

According to Ian Scoones (1998), farm households, may intensify, extensify or diversify their agricultural production. Secondly, they may also diversify their portfolio of economic activities outside agriculture either on or outside of the farm, or some

members might migrate to other areas temporarily or permanently in search of better opportunities.

Bryceson (2000), in another study, observes such a trend in Nigeria, Ethiopia, Tanzania, Congo-Brazzaville, Malawi, Zimbabwe and South Africa, reports a ‘de-agrarianisation’ trend in these countries.

While summarizing 55 studies on rural economies, Davis(2003) concludes that the rural nonfarm economy (RNFE) is an important part of the rural economy in almost every case, providing between 40 and 60% of incomes and jobs in rural areas. Much of rural nonfarm (RNF) activity arises in trading and in the processing of agricultural and other primary products. Rural manufacturing tends to comprise only a small part of the RNFE. Much of the RNFE provides goods and services for the local, rural economy. Little of it is tradable and earns incomes outside of the immediate rural context. In large part, then, its growth depends on that of other rural activities, above all, agriculture.

Davis(2006) while summarising his views on the role of rural nonfarm livelihoods in transition economies concludes that, RNFE should be seen as a component of a growth strategy rather than as a temporary “refuge” or survival one (Davis J. , 2006).

During 1990s, RNF activities accounted for 42% of the income of rural households in Africa, 40% in Latin America, and 32% in Asia with the data indicating an increasing trend over time (Davis, et al., 2007).

Adewunmi et al. (2011), while examining the patterns and contributions of nonfarm income diversification to poverty reduction among rural farm households in Southwest Nigeria found that nonfarm self employment the largest nonfarm income source contributing 28.2% of total income. Participation in nonfarm skilled and unskilled wage employments was found to be significantly poverty reducing.

IFAD’s Strategic Framework (2011) document for 2011-2015 observes that the livelihoods of poor rural households and communities are changing through differentiation driven by new opportunities for enterprise development and wage employment within and beyond agriculture.

Adhikari (2000) views that in India, it is increasingly being felt that agriculture traditionally employing more than three-fourths of rural workforce no longer holds the

key to additional job creation on account of increasing population and mechanisation following the green revolution. With the sharp decline in growth of employment in agriculture coupled with limited scope of organised industry due to induction of modern technology and increased levels of automation, the onus of future job creation will, to a great extent, lie on the rural nonfarm sector (RNFS).

Mehta (2002) observes that the agricultural sector is incapable of creating additional opportunities of gainful employment in the wake of increasing population. As a result, the impetus for achieving sustained development in rural areas has to pivot around expanding the base of nonfarm activities.

Expressing his views on poverty, Warren (2002) observes that reduction of poverty in the rural areas is increasingly linked to the ability of poor rural people, especially rural women and unemployed/underemployed youth, to diversify and complement their sources of income through off-farm micro and small enterprises (MSEs) which involve processing, trading, manufacturing and services, etc. According to sustainable livelihoods research, diversity (i.e. the exploitation of multiple assets and sources of revenue) is an intrinsic attribute of many rural livelihood strategies.

Recent study by Himanshu et al. (2011) has observed similar trends in India. It is observed that in Assam although 66 % share of employment is in agriculture sector, only 29% of the income is from this sector. This is unlike in states like Punjab, where share of agriculture in employment and income are more balanced at 48% and 37% respectively (NCEUS, 2007). The situation in Assam seems to be reinforcing Bryceson's views.

Majority of those residing in agricultural areas depend on agriculture as their primary source of income. But under different conditions rural poor modify their economic activities in a variety of ways. The factors influencing the uptake of nonfarm sources may be broadly categorized into *pull factors* and *push factors*; the pull factors being the demand driven income activities and push being the compulsion driven income activities (Bhattacharya, 1996; Pearce and Davis, 2000; Barrett et al., 2001). The NSS state-level data also suggest that both push-and-pull factors have contributed to rural nonfarm employment growth in the country. In certain states like Bihar, where push-related factors are strong, there are evidences of male workers crowding out female workers in the rural sector. (Jha, 2006).

There has been increasing recognition in recent years that the rural economy is not confined to the agricultural sector, but embraces all the people, economic activities, infrastructure and natural resources in rural areas. The role played by rural nonfarm economy in providing employment and income for the poor in rural areas is significant, (Basant and Kumar, 1989; Bakht, 1996, Eapen, 1996; Lanjouw and Shariff, 2002; IFAD, 2004; Davis et al., 2009; Owusu and Abdulai, 2009; Israr and Khan, 2010; Winters et al., 2010).

Bryceson (1996) defines 'Non-agricultural activities' as any work that does not directly involve plant or animal husbandry. The review of literature suggests that the concepts of nonfarm economy and nonfarm activities can be used interchangeably meaning all sources of income, from non-agricultural sources, to the household. These also include income through remittances or pension. Rural nonfarm employment includes both self employment and employment in others' non-agricultural activities. Employment in others' non-agricultural activities may be of two types- salaried or waged employment. 'Nonfarm enterprises' refer to the residual self employed entrepreneurial activities. Enterprises play a central role in the pursuit of sustainability, as they are a principal source of growth, wealth creation, employment and decent work.

According to Gurung (1999), an entrepreneur is a person who mobilises capital, utilises natural capital, creates markets and conducts business. He also opines that diversification, from traditional subsistence agriculture in the Hindu Kush- Himalayan region, to product and service based enterprise is necessary for sustainable livelihoods and alleviating poverty.

Directorate of Economics and Statistics, Assam has defined non-agricultural enterprises by terming all enterprises engaged in activities other than livestock production, agricultural services, hunting, trapping and game propagation, forestry, logging and fishing as non-agricultural enterprises (Directorate of Economics and Statistics, 1998).

According to National Sample Survey Office (2000), an enterprise is an undertaking which is engaged in the production and / or distribution of some goods and / or services meant mainly for the purpose of sale, whether fully or partly. An enterprise may be owned and operated by a single household or by several households jointly, or by an institutional body.

In simplest terms, the concept of a rural enterprise embodies the notion that a farmer (or entrepreneur) has started a new kind of business in addition to traditional farming (Kajanus, , 2000; Kajanus, , 2001).

IFAD (2004) has tried to categorise rural enterprises into three ‘enterprise-models’⁵ according to their stage of development. These are –i) Pre-entrepreneurial activities, ii) Micro enterprises and iii) Small enterprises.

IFAD’s (2004) discussion paper on ‘Rural Enterprises and Poverty’ states that women engaged in nonfarm activities not only provide the household with additional income, but also gain respect and status by contributing to their families’ welfare.

Warren and Jackson (2004) observe that rural enterprises need to be encouraged in order to preserve the countryside economically, socially and culturally.

According to Sidhu and Kaur (2006), rural women perform variety of operations in farm and home system and have basic indigenous knowledge, skill, potential and resources which can prove helpful to establish and manage enterprises. What they need is awareness, motivation, technical skill and support from family, government and other organization. With the right assistance they can strengthen their capacities besides adding to the family income and national productivity.

According to the National Commission for Enterprises in the Unorganised Sector (NCEUS) (2007), the unorganised sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of

⁵ **Pre-entrepreneurial activities**, also traditionally designated as IGAs (small crafting, petty trading, etc.), depend on people that have limited knowledge of the basic principles that guide any business activity and lack basic assets - essentially working capital - to develop their own small business ventures. Pre-entrepreneurial activities are mostly self-employed initiatives. Benefits may be partially reinvested in the activity but they are mainly used as incremental income. Typically, these activities are mainly undertaken by women, who have limited time and assets to engage in full-time entrepreneurial activities.

Microenterprises are defined as semi-structured activities, including limited fixed assets (first or second-hand equipment), possibly a physical location (for instance, a small milling workshop); and as observing some basic management principles.

Small enterprises are structured businesses that usually have a well-defined market niche and physical location, an acceptable turnover, some business skills, regular access to market-based (fee-based) business advisory services, and a number of part- or full-time employees. Small enterprises may also have legal status and a bank account. Accounting principles and financial rules (write-offs) may also be applied with regard to fixed assets such as machines, vehicles, etc.

These categories are not ‘closed’, but represent stages of development through which any small business is likely to graduate from the informal stage (pre-entrepreneurial) to the formal or semi-formal stage (small enterprise).

goods and services operated on a proprietary or partnership basis and with less than ten total workers.

A remarkable observation by Giannetti and Simonov was that more number of individuals become entrepreneurs in societies where entrepreneurship is widespread despite lower expected profits. This suggests that social norms play an important role in the entrepreneurial decision (Valliere, 2008).

Makar et al.(2009) viewed that in spite of various initiatives for the promotion of nonfarm enterprises through various projects and schemes, such enterprises face various constraints and barriers ranging from institutional barriers, constraints with regard to technical support, infrastructural facilities and economies of scale.

According to ILO (2010), sustainable enterprises, which generate sufficient decent jobs, are productive and competitive and contribute to social inclusion, while producing in an environmentally sustainable manner can go a long way towards broader sustainable development. Rural nonfarm enterprises have a prominent role to play in the overall livelihood development and enhancement of the poor.

Summarising studies on constraints faced by micro-entrepreneurs in developing countries, Nnamdi and Anayo (2010) focussed on three particular constraint themes – lack of access to market information, socio-cultural and policy induced. Poor access to market information include access to lack of awareness of benefits of credit facilities as a result of low education and other constraints such as income constraints and other requisites for formal credit.

While studying the human capital determinants of entrepreneurial performance, Onphanhdala and Suruga (2010) found that education is a very important determinant; but its importance varies across activity-types and location of the activity.

Kanoi's (2011) study on the role of government in developing entrepreneurship in Karbi Anglong District of Assam confined itself to PMRY scheme implemented by DICCC, Diphu. Most of the institutions, established by the government of India for promotion and development of enterprises, are not actively involved in the district. It elaborates on the nature of support for enterprise development by various agencies. In addition to PMRY scheme, the study also has discussed about other schemes supporting growth of enterprises. The study finally discusses the problems of entrepreneurship

growth, demographic and other characteristics of entrepreneurs and concludes with suggestions for entrepreneurship development in Karbi Anglong District.

According to Palmas and Lindberg (2013), in recent years, there is more intensity of research on the use of entrepreneurship-based approaches for international sustainable and poverty alleviation.

Stathopoulou, Psaltopoulos and Skuras (2015) have stated that the factors effecting entrepreneurship in the rural milieu may be grouped into three major categories- i) the physical environment, comprising mainly three features -location, natural resources and landscape, ii) the social environment, comprising – social capital, governance and cultural heritage, and iii) the economic environment, comprising - investments in infrastructure, the existence and operation of business networks and the level of information and communication technologies operating in the area.

1.3.3 Other relevant studies:

Summarising his work on development perspectives for Tribals, Bhowmick (1988) put forward the following suggestions- i) that tribal areas must be self managed, ii) that regional plans, which would deal with the upliftment of specific tribes and their regions, should be encouraged, iii) popularisation of native languages.

Sagar Preet (1994) suggested solutions to tribal problems from the Gandhian viewpoint. He opined that i) tribals should be protected from non-tribals and government projects, ii) there should be cooperation between various stakeholders and iii) tribal development programmes should be initiated with participation of beneficiaries.

In one study, involvement of local panchayat to ensure enrolment of children in schools among Bhaxa tribe of Uttar Pradesh was suggested by Awais and Singh (2007).

Indranoshee Das (2007) opines that the concept of health among the tribals is different in the sense that it is more functional than biomedical. A person is considered healthy unless incapable of doing normal work assigned to that age or sex in their culture.

Exploring the effects of shifting cultivation (*Jhum*) on native forest bio-diversity in Garo Hills of Meghalaya, Kumar et al. (2008) concluded that with increasing population such practices pose a threat to native forest cover and diversity.

In Assam, a study on “Participation of Plains Tribal Women in Non-Agricultural Development activities” confined itself to ‘weaving’ activity and ascertained that there were many constraints such as lack of infrastructural facilities, poor education, lack of capital, inadequate marketing facilities, inadequate training programmes etc. which did not allow expansion of existent ventures (Savapandit, 2008).

Makar et. al. (2009) while investigating the institutional barriers towards extending agricultural finance to tribal hill people of Nagaland concluded that inappropriate land record system and legislation, non-involvement of grass-root institutions and lack of agri-marketing support are some of the key barriers that need to be overcome.

Another study on the weaving industry by Alin et al.(2013) focussed on the determinants of occupational choice of workers, categorised as handloom owners, weavers, reelers and helpers, in the handloom industry in Assam. The determinant variables considered in the study were annual income of respondent from weaving activity, education of the respondent, work experience, age, access to training, access to formal credit, access to modern technology, sex of the respondent, and size of the family.

1.4 RESEARCH GAP

Studies have revealed that in spite of special constitutional recognition as Sixth Scheduled Areas and various initiatives by development agencies, the hill districts of Assam still languish far behind other districts of the state. This has led to discontent and social unrest. As is evident from literature, the hill districts of Assam have distinct characteristics such as – a predominantly tribal population, very low population density, rich biodiversity in hilly terrain, own customs and belief systems, unique agricultural practices. Shifting cultivation is considered as one of the most ancient agricultural practices and has influenced not only the economic livelihoods of hill dwellers, but also is an inherent part of their culture, their festivals, songs and dances. However, because

of its long term role in ecological degradation, shifting cultivation practices need to be controlled.

Going by the SL Framework, all this uniqueness of the hill districts has an effect on the livelihood strategies of households residing within it. However, there are no studies in the hill districts which have tried to reveal intricacies of livelihood situation of the hill people. Study on existing research works in the hill districts of Assam, show that these have addressed stand-alone subjects and that none of them have taken a holistic view of the overall situation or tried to understand the interplay of factors affecting each other and tries to achieve a sustainable answer to the livelihood issues in the hill areas. Some of these studies have targeted highly focused subjects such as working of District Council (Bhuyan, 1984), status of education system and problems faced by women (Terangpi, 2011), or on herbaceous plants (Sarkar, 1993).

Literatures suggest that nonfarm enterprises play a significant role as an alternative or complimentary employment option in rural areas. This can also be a potential solution for controlling shifting cultivation in hill areas across the globe, wherever such practice is still prevalent. The SL Framework ensures a holistic and participatory approach to understanding the various interactions of livelihood capitals, 'policies and institutions' and 'shocks' which determines the livelihood strategies of a household. This study has, therefore, focused on revealing the livelihood status of the hill people and role played by nonfarm enterprises in livelihood development. It also attempts to learn the effectiveness of other initiatives taken up various agencies in the nonfarm enterprise sector and also attempts to study the barriers and constraints faced in the nonfarm enterprise sector. Finally, drawing from the findings of survey and participatory exercises, the study has attempted to evaluate demand side potentialities that might be explored for developing livelihoods in the nonfarm sector.

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