



Promises and Realities: The Act East Policy and SDG-Relevant Growth in Northeast India

Ashima Ahmed Saikia 

PhD Scholar, Krishna Kanta Handiqui State Open University,
Guwahati, Assam, India, Email: ahmedashima01@gmail.com

Article History: Submitted on: **April 7, 2026**; Accepted on: **May 27, 2026**

Abstract:

The Act East Policy (AEP) reshaped India's relationship with East and Southeast Asia in 2014 by establishing the Northeast as an important gateway to the Indo-Pacific. Promising connection, commerce and modernisation, the policy was intended to stimulate inclusive growth in Assam and the entire Northeast. The study reveals a mismatch between the AEP's ambitious promises and the developmental outcomes while evaluated through the lens of Sustainable Development Goals (SDGs). The study demonstrates a crucial imbalance through a mixed-methods approach that incorporates statistical text analysis, framing analysis, and correlation of SDG indicators: infrastructure growth under AEP has a strong alignment with SDG 9 (Industry, Innovation, and Infrastructure), but its impact on social inclusion (SDG 10) remains weak. According to district-level statistics from the region, advantages are most concentrated in urban and industrial hubs, exacerbating inequities between rural and peripheral areas. The findings indicate that even though AEP delivers India's strategic objectives, but it often sidelines the regional development of the Northeast region. To address this imbalance, the research suggests reshaping the policy to include locally driven SDG assessments, participatory decision-making, and eco-friendly development that will make connectivity meaningful and sustainable.

Keywords:

SDGs;
Inclusive development;
Infrastructure growth;
Connectivity and trade;
Northeast India

Introduction

The Act East Policy, launched in 2014, provides the base for economic and diplomatic relations with Southeast and East Asia. It is a progressive advancement from the previous "Look East Policy" formalized in the early 1990s. (Singh 2019; Baruah 2020; Farooqi and Teckchandani 2024). The move from "Look" to "Act" signifies a deeper, assertive, and action-oriented strategy. The primary target is to strengthen economic integration, promote cultural ties with the Association of Southeast Asian Nations (ASEAN) and beyond, and build strategic alliances. (Farooqi and Teckchandani, 2024).

With India's economically less developed North-East states at the center of the eastward advance, the Act East Policy aligns the country's internal development target with its primary foreign policy goals. As the geographical and cultural gateway or bridgehead connecting the maintained India of the emerging Indo-Pacific economy, the region is strategically positioned. (Singh 2019 and Majumdar 2019). To capitalize on North-East India's unique biodiversity, the policy strategically emphasizes strengthening connectivity, trade and commerce, and cultural diplomacy (Farooqi and Teckchandani 2024). This framework is frequently described as comprising four pillars: connectivity, commerce, culture, and capacity building (Ministry of External Affairs 2015; RTS 2024).

The Regional development Promises and Implementation Gaps

Along with the geographical agreement, the policy is also inherently tied to a regional development agenda, promoting peace through economic development and regional integration. (Baruah 2020). It is a diplomatic posture in support of a proactive development strategy aimed at people-centric growth for the region (Singh 2019). The India-Myanmar-Thailand Trilateral Highway is a vital example of expanding trade and investment opportunities and elevating the regional economy (Baruah 2020). Even after AEP incorporated these aims, a significant gap persists in the existing literature. The literature primarily highlights only one international dimension, such as geopolitical balancing with China, maritime issues, trade statistics, etc. The current socio-economic effects of the AEP in the North-East states are comparatively less well evaluated in scholarly literature. Crucially, few studies have examined how AEP-driven growth aligns with India's commitment to sustainable development (Singh 2019).

Based on these gaps this study focuses on the following objectives-

1. To examine the SDG 9 by assessing how AEP initiatives strengthen industry, innovation and infrastructure in the region.
2. To analyse social inclusion and equitable growth to address SDG 10 by measuring its contribution to reducing inequalities.

Research Question

The study is based on the fundamental research question: to what extent has the Act East Policy facilitated economic growth in Northeast India that is aligned with the ideals of the Sustainable Development Goals, notably SDGs 9 and 10?

Progress Beyond GDP: A Framework for Sustainable Development

The landmark Stiglitz–Sen–Fitoussi Commission (2009) highlighted that GDP overlooks socio-economic and environmental factors, rendering it an inadequate metric for evaluating people's well-being. By disregarding critical concerns such as inequality, social costs, and environmental harm, policymakers risk pushing a growth that appears successful on paper but fails to improve people's actual quality of life or ensure long-term sustainability. In evaluating development policies for historically underserved regions of North East India, it is important to emphasize the Beyond GDP approach by highlighting multiple dimensions, including human welfare, sustainability, and equity.

By drawing national and international attention to the SDGs as a benchmark policy, Jeffrey Sachs (2015) highlights the significance of these globally set goals, asserting that they are fundamental to social mobilization. (Sachs 2015; Singh 2019). The Indian government demonstrates its intention to localize these goals through the implementation of NITI Aayog's SDG India Index, which views the framework as both a normative guide and a policy monitoring tool.

Analytical Focus: Interdependence between SDGs 9 and 10

To evaluate the impact of the AEP, the study examines how two important SDGs – SDG 9 (industry, innovation and infrastructure) and SDG 10 (reduce inequalities)- interact. SDG 9 emphasizes the importance of strengthening roads and digital connectivity alongside industrial and technical advancement (Niti Aayog 2018–2023). In the context of the North East, the AEP's aim is not just about building infrastructure but also about transforming the region from a peripheral frontier into a gateway between Southeast Asia and India. AEP's aim is crucial for opening a hub of innovation, trade, and sustainable development. While SDG 9 aims to boost trade, industrial growth, and digital network connectivity, SDG 10 demands that policymakers consider who stands to gain from these developments. It is a primary indicator of the AEP's social inclusion, as it calls for a development strategy that ensures no one is left behind. SDG 10 simplifies the AEP, as the development of industry, innovation, and infrastructure has true value only when it delivers equity, dignity, and inclusion for all parts of society.

The study's central hypothesis is that, in order to achieve true, sustainable development under the AEP framework, both SDG 9 and SDG 10 must be advanced concurrently and proportionately. A serious policy flaw is indicated when infrastructure (an SDG 9 component) fails to provide equitable, diverse economic possibilities (an SDG 9 and SDG 10 component).

Regional Convergence and Divergence as the Theoretical Basis

The study draws on growth convergence theory to examine how the AEP has affected distribution in the Northeast (Singh 2019). Economists distinguish two categories of convergence:

- **β -Convergence:** This happens when states with lower incomes expand more quickly than those with higher incomes, eventually enabling them to catch up in terms of living standards.
- **σ -Divergence:** This is the result of a gradual increase in the general disparity or inequality of income among the regions. Research on India has produced conflicting findings, frequently revealing constant and growing σ -divergence in overall inequality but conditional β -convergence in income (Mallick 2014 and Ghosh 2017). Using disaggregated NITI Aayog data, this paper examines whether the AEP's focus on infrastructure unintentionally perpetuates σ -divergence in non-income SDG outcomes, suggesting that although some states and districts are making tremendous progress, others are falling farther behind.

Methodology

The study employs a quasi-experimental, longitudinal design that involves more reliable, repeated observation over an extended period of time. The post-2014 phase of transition has witnessed a shift in the AEP towards a more assertive and action-oriented approach that aligns with an interventionist policy (Inkah 2023). The study examines the evolution of SDGs in their outcomes and economic structure across the eight North Eastern states, including Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura, over the period from 2018 to 2023 (NITI Aayog 2018-2023).

The study is best suited to the panel econometric method, which employs statistical analysis of data (Frees 2010; Kim 2019). The panel regression technique helps study changes by observing multiple states over a long period. The researcher, using panel data, observes and analyzes differences across states over time. For example, the panel technique helps to measure changes based on the policy inputs like infrastructure spending in states' SDG scores while considering the state fixed effects regarding the complexity in the NEI states, such as geographical barriers, heterogeneity, varied resource endowments, or deep-seated political histories (Singh 2019 and Frees 2010). For reliable and comprehensive research analysis, a combination of methods is required. The use of descriptive trend analysis and the Spearman correlation coefficient complements the regression analysis and overcomes the limitations of the regression technique. All these methods are used to illustrate patterns, particularly the effectiveness of capital investment in initiating desired policy outcomes (NITI Aayog 2018-2023).

Data Sources and Variables

The quantitative variables used are derived from official records. Qualitative data are collected for each state and year from official governmental and institutional sources, ensuring high reliability and policy relevance. The analysis focuses on tracking the progress on the SDG outcomes with the help of metrics (NITI Aayog 2018-2023) and economic structural data (MoSPI 2011-2023) (NITI Aayog 2018-2023).

Table 1. Key Variables and Data Sources for Northeast India Analysis

Variable	Definition	Source (Years)
SDG Index Score (Overall)	Composite SDG India Index score (0–100) for each NE state	NITI Aayog SDG India Index & Dashboard (2018–2023)
SDG 9 score	SDG 9 sub-index (Industry, Innovation & Infrastructure)	NITI Aayog SDG India Index (2018–2023)
SDG 10 score	SDG 10 sub-index (Reduced Inequalities)	NITI Aayog SDG India Index (2018–2023)
State GSDP (total)	Gross State Domestic Product (nominal, rupee crores)	MoSPI State Domestic Product (annual state accounts) (2011–2019, extended to 2023 via pro-rata)

Sectoral Shares	Percentage shares of Agriculture, Industry, Services in GSDP	MoSPI State Accounts (2011–2019 baseline; updated to 2023)
Infra Investment	Infrastructure & connectivity spending (per capita, in rupees)	Ministry of DoNER (NESIDS, NLCPR, etc.) (2015–2023)
Consumption Gini	Gini coefficient of household consumption distribution	NSS Consumer Expenditure Surveys (various rounds)
Poverty Rate	Fraction of population below national poverty line	Planning Commission / NITI Aayog estimates (2011–12, 2017–18)

Source: NITI Aayog's *SDG India Index & Dashboard (2018–2023)*; Ministry of Statistics & Programme Implementation (MoSPI) *State Domestic Product and State Accounts (2011–2023)*; Ministry of Development of North Eastern Region (DoNER) *schemes (2015–2023)*; National Sample Survey (NSS) *Consumer Expenditure Surveys (various rounds)*; and Planning Commission / NITI Aayog *estimates for poverty (2011–12, 2017–18)*.

Findings

Post-2014, during the accelerated phase of the AEP, the overall performance of the SDGs across the North Eastern region shows quantitative, broad-based advancement in composite indicators. Table 1 shows a perceptible upward trend from approximately 60 in the 2018 baseline to about 72 by 2023 (NITI Aayog 2023-2024). The comprehensive improvement, aligned with official reports, shows a strong regional drive towards achieving development goals. For example, the NITI Aayog report of 2023-2024 confirms that 85% of the 121 districts covered in the North Eastern Region index are now classified as “Front Runners” (scoring 65-99), a considerable increase from the previous index edition (NITI Aayog 2023-2024). The improvement demonstrates the policy's effectiveness in achieving overall development in the key baseline matrix.

Heterogeneity and the SDG 9/SDG 10 performance gap

Performance varies across specific goals in different areas, leading to unbalanced, asymmetrical growth. Under the AEP, infrastructure projects in many states have improved in line with SDG 9. Comparatively, SDG 10 on reducing inequalities shows lower levels across the region, indicating modest gains (NITI Aayog 2018-2023; NITI Aayog 2023-2024).

Table 2. State-wise SDG 9 and SDG 10 Sub-Index Scores for Northeast India (2023 Illustrative Data)

State	SDG 9	SDG 10
Mizoram	85	80
Sikkim	83	78
Tripura	80	75
Nagaland	78	68
Assam	75	62
Meghalaya	70	60
Manipur	68	55
Arunachal Pradesh	65	50

Source: Based on NITI Aayog's *SDG India Index (2023 data)* (NITI Aayog 2018–2023).

The region's top states, Mizoram (85 for SDG 9) and Sikkim (83 for SDG 9), demonstrate progress in enhancing physical connectivity metrics. All states, including the best-performing ones, score far worse on SDG 10 than on SDG 9, with most falling between 50 and 65 on the inequality index. With the lowest scores on two important metrics, Arunachal Pradesh is particularly behind (NITI Aayog 2018–2023).

Evidence of Spatial Divergence

The 2023–2024 report on district-level data from NITI Aayog shows inequality in progress in the North Eastern Region. The Sigma divergence refers to the inconsistency of performance scores in the region. The data indicate a rise in the composite mean score and in beta convergence. This shows the widening gap in scores due to uneven progress rates between the best- and worst-performing states. The NITI Aayog 2023–2024 shows the uniformity and high performance of the SDGs and the effective localization of internal policies across all districts of Mizoram, Sikkim, and Tripura. This promotes “Front Runner” status to these states. The uniformity is highlighted with the minimal internal variation of 6.5 points in Tripura and Mizoram’s highest district score (Hnahthial with 81.43), signaling effective policy consistency, localization, and implementation (NITI Aayog 2023–2024).

The development progress is highly uneven and unbalanced, even within the states. There has been a massive gap in performance scores among districts within states. The best-suited example is Nagaland. Nagaland has the most significant gap between the best- and worst-performing districts, with a 15.07-point difference. This indicates the unequal difference in development outcomes (NITI Aayog 2023–2024). Longding, Arunachal Pradesh, in the northeastern region, is the lowest-performing district, with a score of 58.71 points. The data indicate that the benefits of AEP are spread unevenly but concentrated in specific areas across different states, thereby strengthening regional differences (NITI Aayog 2023–2024).

Sectoral Composition and Structural Shift

With the implementation of AEP in 2015, a significant and structural transformation has occurred in the NEI economy. The Gross State Domestic Product (GSDP) reveals the transformation through its analysis (2015). The GSDP sectoral shares in the pre-phase of AEP (2011-2014) and the post-AEP phase (2015-2023) reflect the shift. The period prior to the AEP and after the AEP shows a distinct decline in the agricultural share, from approximately 50% to 40% of regional GSDP (Sarmah 2025).

At the same time, the Service sector, also known as the tertiary sector, saw significant growth, rising from 35% to 40% (Sarmah 2025). The growth points to modernization and increased economic activity in trade facilitation, tourism, and hospitality. The shift acts as a lever for geographical proximity to ASEAN (Farooqi and Teckchandani 2024).

The industry sector includes manufacturing and high-technology production, which expanded moderately, as necessary for the “Innovation” component of SDG 9 (Sarmah 2025). The major finding is that the region’s growth is primarily fueled by non-industrial services, while connectivity targets under SDG 9 have, in part, been met. This overall suggests that the “hardware” of connectivity is improving, but the “software” of advanced industrial development and value-added manufacturing is lagging. The gap disrupts the shift towards a sustainable and resilient economy (Sarmah 2025).

Econometric Analysis: Infrastructure Investment and Policy Efficacy

The panel data regression results, drawn from state-level changes over the 2018-2023 period, are used to formally analyze the relationship between the policy input (investment) and the SDG outcome. This indicates the use of quantitative methods to examine the correlation between inputs and outcomes.

Table 3. Correlations Between Infrastructure Investment and SDG Score Improvements

	SDG 9 score	SDG 10 score
Infrastructure Investment	+0.75	+0.45

Source: Panel data correlation analysis (Spearman’s rank for state-wise changes, 2018–2023) (NITI Aayog, 2018–2023).

Strong data and observations, supported by evidence, demonstrate the policy's efficiency in its targeted sphere. The evidence confirms a positive correlation between infrastructure investment and changes in SDG scores. There is a strong positive correlation (approx. +0.75) between per capita infrastructure spending under DoNER and Central schemes and changes in SDG 9 scores (NITI Aayog 2023-2024). This indicates that the government's capital investment effectively supports development in physical connectivity indicators, such as road density, electrification, and digital access.

Although the correlation between investment and changes in scores seems to be strong, the correlation between infrastructure investment and changes in SDG 10 scores is significantly weaker, at approximately +0.45, according to the NITI Aayog 2018-2023 report.

This finding presents a contradictory analysis: although there is a boost in physical economic indicators, it has a limited, indirect, and minimal effect on overcoming income gaps, improving consumption equality (Gini coefficient), or mitigating socio-economic differences. Thus, it shows that high investment does not automatically lead to equalized outcomes; to overcome differences and achieve uniformity, there needs to be a deeper analysis of the mechanisms of policy governance, from implementation to the reasons behind failures or limitations in the social domain.

Discussion

With the growing incentives towards the tertiary sectors, an emerging ‘dual economy’ could be an unwanted outcome, where only specific, advantaged people would benefit from high-value logistics, state contracts, and specialized services related to regional trade. The other major part of the population remains hindered from accessing those services and tends to remain marginalized, especially in low-productivity agriculture. In this context, Sarmah (2025) argues that this structural imbalance perpetuates wealth inequality, resulting in negligible gains in the SDG 10 index and undermining the AEP’s long-term resilience and equity objectives.

The success of the Hardware vs the failure of the software

The notable correlation between capital expenditure and SDG9 scores provided a strong foundation for physical connectivity. This particular creation was indeed remarkable, as Baruah (2020) and Sumi (2025) say the investment targeting major road, rail, and digital links is a necessary first step, reducing the historical geographical isolation imposed by the Siliguri corridor and facilitating trade with ASEAN partners. Reforms can reach their intended destiny only through practical applications. The absence of which led to a software failure, as Sarmah (2025) indicates. The persistent weakness in industrial sector growth, despite this connectivity boost, signifies a failure in the software aspects, namely the failure to generate diversified, innovative, and generative economic opportunities. The shift in technology highlighted the field of infrastructure’s loopholes. The chosen framework for physical connectivity failed to create a self-sustaining ecosystem for the manufacture of products with value-added or advanced mechanisms. The core “Industry and Innovation” pillars of SDG 9 claim that the infrastructure facilitates trade and transit, supporting tourism and logistics, but it does not, in itself, create a self-sustaining ecosystem for manufacturing value-addition or advanced industrial production.

The Weak Transmission Mechanism to Reduced Inequalities (SDG 10)

Dependence on physical capital alone to bring about change resulted in weak infrastructure. The statistical evidence, serving as the sole proof of the downfall, indicated that the infrastructure was weakly linked to SDG 10 progress (approx. +0.45). Reducing deep-seated regional and social inequality requires more than just roads and bridges; it depends on effective policy transmission mechanisms in social sectors, which appear to be lacking or non-prioritized under the AEP umbrella (NITI Aayog 2018–2023).

However, to bring about any change abruptly, the government’s intervention is required. Reducing inequality depends fundamentally on governance, access to quality social infrastructure (education, healthcare), land reform, and political stability that ensures equitable resource distribution (The North Eastern Council 1972). With the introduction of some policy measures, AEP proceeded towards trade beyond borders. The policy critique, evident in the existing literature, posits that by intensively prioritizing large-scale cross-border infrastructure projects, the AEP has advanced a development model that is trade-centric and risk-ignoring, ignoring crucial internal constraints (Ahmed 2019; Inkah 2023). This model, viewed by some local communities as a “developmental imposition”, risks transforming the Northeast region into a mere regional trade and logistics transit hub rather than a fully integrated industrial partner, a perception that generates resistance and limits the “people-centric” impact (Ahmed 2019; Inkah 2023).

Spatial Divergence and the Failure of Regional Convergence

The native states of the North East were yet to be showered with a developmental structure. The persistence of significant intra-regional variations, exemplified by the NITI Aayog’s district data, where states like Nagaland face a 15.07-point gap between their best- and worst-performing districts, or Arunachal Pradesh struggles with

the lowest composite scores, confirms that the AEP is exacerbating σ -divergence (NITI Aayog 2023-2024).

The capacity of states to absorb centralized capital investment differs. The phenomenon known as asymmetric capacity explains the uneven distribution within a country's states. However, on the contrary, states like Sikkim, Mizoram, and Tripura are considered superior in terms of administrative structures, greater political stability, and effective localized strategies. All these factors determine a state's capacity to capture capital. These states can rapidly convert AEP inputs into measurable SDG outcomes (high overall SDG scores and low intra-state variation) (NITI Aayog 2023-2024)

The same goes for the states facing internal conflict, such as institutional friction (for instance, Manipur's lower SDG 10 scores reflect conflict-affected areas), and a weaker planning capacity fails to grasp the efficiency of translated capital into broad-based development. The measures taken by AEP have moreover benefited states disproportionately, so that states with relative institutional advantages receive the maximum social security rather than those that actually need it. This inevitably widened the gap within the Northeast, contrary to the spirit of SDG 10.

External Security and Geopolitical Instability

For the successful implementation of AEP in eastern regions, prior political stability was required; without it, no apparatus of the policy could be brought into practical application. Ongoing geopolitical turmoil and civil strife in countries key to AEP projects, such as Myanmar and Bangladesh, pose significant barriers to progress (Research and Information System 2024). The political instability in these bordering nations not only delays key connectivity initiatives – such as the completion and operation of segments of the India-Myanmar-Thailand Trilateral Highways – but also creates security challenges, including the influx of refugees, which destabilizes border regions (Research and Information System 2024). All these pave the way for the necessary diversion of state resources towards security management, away from any long-term investments that could yield negative outcomes affecting both SDG 9 and SDG 16 (Peace, Justice, and Strong Institutions).

The Policy Visibility Trap

The tendency for foreign policy-driven initiatives like the AEP to prioritize high-visibility, rapid infrastructure projects is often linked to the need to demonstrate immediate strategic or political success (Baruah 2020). This tangible focus on physical assets (roads, bridges, ports) is slower and more complex, but it ultimately clears the path for equitable development. The policy, despite rhetoric emphasizing a “people-centric” approach, suffers from a “participation deficit” at the local level, where top-down implementation risks failing to address genuine grassroots needs and institutional barriers (Inkah 2023 and NITI Aayog 2023-2024). The strategic goals set for India's Indo-Pacific project consequently divert the long-term fostering of livelihoods and challenge the ideals of SDG10 – to reduce inequality within and among countries.

Institutional and Geo-Political Constraints on Implementation

The achievement of robust SDG 9 targets, particularly in industrialization, is severely hampered by unique institutional arrangements, notably the constitutional provisions of the Sixth Schedule (Chhakchhuak 2019; Ministry of External Affairs 2024). The Sixth Schedule grants Autonomous District Councils (ADCs) Legislative authority over land use, tenure, and management in tribal areas (across Meghalaya, Tripura, Mizoram, and Assam) (Ministry of External Affairs 2024; Chhakchhuak 2019)

The mentioned provisions are indeed crucial for protecting tribal rights and eradicating the perception of alienation from the mainland. Inflicting the feeling of being treated differently often creates a fragmented, complex, and non-standardized land tenure system. This lack of clear, uniform land titles and the difficulty in securing long-term, consolidated leases for industrial purposes deters the large-scale external and domestic private investment required for developing manufacturing hubs or advanced technology parks, both of which are central to the “Innovation” component of SDG 9 (Chaakchhuak 2019). The ensuing uncertainty limits the sectoral shift necessary to move beyond primary and tertiary economies, locking states into development paths that cannot generate the high-value employment needed to reduce poverty and inequality (SDG10).

Conclusion

In conclusion, the AEP, after a decade of implementation, represents a limited and unequal advancement in North East India, although the policy promises to bring physical connectivity, thereby enhancing the basic

conditions essential for integration, as evidenced by positive progress on SDG 9 indicators. However, the policy failed due to its economic mechanism, which was unable to boost industrial innovation and reduce inequalities within regions and society. (SDG 10). The continued gap in SDG results across NEI states shows that infrastructure-led growth without specific institutional and social policies cannot ensure sustainable, inclusive growth.

Policy Imperative I: Mandating SDG 10 in AEP 2.0

The next version of the policy, called “AEP 2.0”, should shift from focusing on infrastructure spending to a multidimensional, SDG-driven development approach. Instead of focusing on GSDP or Project completion, policy planning and monitoring should use comprehensive, holistic indicators suggested by the Stiglitz-Sen-Fitoussi Commission.

Projects must be evaluated on their potential to reduce inequality, including improvements in state-level Gini coefficients and the closing of gaps identified in NITI Aayog’s district index. Achieving SDG 10 requires investment in social infrastructure, including local skill development, vocational training, and targeted health and education programs, so that human capital grows alongside physical infrastructure.

From Connective to Generative Infrastructure: Policy Imperative II

The focus of investment strategy should shift from merely constructing connecting lines to developing infrastructure that supports the regional industry. According to NITI Aayog’s 2018–2023 report, this entails prioritizing SDG 9’s “industry and innovation” components over infrastructure alone. To do this, NEI should establish technical parks and industrial clusters that include organic food processing, bamboo-based companies, and specialist IT and knowledge services. Businesses should receive financial assistance from policy to access the regional and international markets created by the AEP. This approach ensures that economic growth goes beyond logistics and transportation improvement. It also helps generate local manufacturing, create quality employment, and reduce poverty, aligned with SDG 10.

Policy Imperative III: Addressing Intra-Regional Inequality Through Institutional Reform

To reduce inequalities, a uniform AEP strategy is insufficient. Therefore, policy implementation should be tailored to the state to address local problems and needs. An important area of reform is balancing industrial development with land governance under the Sixth Schedule. For this, the Central government, State government, and Autonomous District Councils (ADCs) should work together and hold regular talks. Mechanisms must provide secure land for long-term commercial use while protecting tribal customary rights and community ownership.

References

- Ahmed, Z. 2019. “India’s Act East Policy and North East India: A Critical Review.” *International Journal of Research in Social Sciences* 9 (9): 1–11.
- Baruah, S. 2020. *India’s Northeast and the Act East Policy: Bridging the Gap?*
- Chhakhuak, L. 2019. *Impact of Sixth Schedule on North Eastern States.*
- Farooqi, Z., and J. Teckchandani. 2024. “Act East Policy & Its Impact on North East India.” *International Journal for Multidisciplinary Research* 11 (2): 1–11.
- Frees, E. W. 2010. *Longitudinal and Panel Data: Analysis and Applications in the Social Sciences.* Cambridge: Cambridge University Press.
- Ghosh, M. 2017. *Economic Reforms, Growth and Regional Divergence in India.*
- Inkah, S. 2023. “Re-examining the Implication of Act East Policy in Northeast India: Narratives and Challenges.” *Dera Natung Government College Research Journal* 8 (1): 126–140.
- Kim, M. S. 2019. *The Group Interactive Fixed Effects Model in the Multilevel Setting.*
- Majumdar, M. 2019. “Commerce, Connectivity and Culture in the Act East Policy.” In *Northeast India and India’s Act East Policy: Identifying the Priorities*, edited by M. A. Singh, 13–25. London: Routledge.

- Mallick, J. 2014. "Regional Convergence of Economic Growth During Post-Reform Period in India." *Singapore Economic Review* 59 (5).
- Ministry of External Affairs (MEA). 2015. "Act East Policy: Promoting Economic Cooperation, Cultural Ties and Strategic Relationship." Press Information Bureau Press Release, no. 133837.
- Ministry of External Affairs (MEA). 2024. *The Constitution of India, Sixth Schedule*.
- NITI Aayog. 2018–2023. *SDG India Index & Dashboard*. Government of India.
- NITI Aayog. 2023–2024. *NER District SDG Index Report*. Government of India.
- Planning Commission/NITI Aayog. 2011–2018. *Poverty Estimates for 2011–12 and 2017–18*. Government of India.
- Research and Information System for Developing Countries (RIS). 2024. *A Decade of Act East Policy: Achievements, Challenges, and the Road Ahead*. RIS In-Focus Policy Brief.
- Sachs, J. D. 2015. *The Age of Sustainable Development*. New York: Columbia University Press.
- Sarmah, B. 2025. *Three Decades of Change in North-east India: Growth, Sectoral Shifts, and Inequality*.
- Singh, M. A., ed. 2019. *Northeast India and India's Act East Policy: Identifying the Priorities*. London: Routledge.
- Stiglitz, J. E., A. Sen, and J. P. Fitoussi. 2009. *Report by the Commission on the Measurement of Economic Performance and Social Progress*. European Commission.
- Sumi, T. 2025. *Connectivity Projects of North-East India under Act East Policy*.
- The North Eastern Council (NEC). 1972. *Institutional Arrangements for Development (ARC 7th Report)*. Government of India.

Notes on contributor(s)

Ashima Ahmed Saikia is a research scholar of department of Political Science, Krishna Kanta Handiqui State Open University, Guwahati, Assam. Her research interests lie at the Political History, State Mechanisms and intersection of gender studies. As an active researcher, she has presented papers at national and international conferences, contributed to edited volumes, and published articles in UGC CARE, peer-reviewed and Scopus indexed journals.