

BOEDER MARKET IN NORTH EAST INDIA: A SOCIOLOGICAL ANALYSIS

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INTRODUCTION

During the colonial period, repeated change had been made in the administrative arrangement of Surma-Barak region, sometimes it was hooked up with East Bengal, sometimes it was made an autonomous territory, sometimes it was attached to Assam province, sometimes to hill states. Following the Radcliffe Boundary Commission Award in August 15, 1947, Sylhet district was transferred to the newly created East Pakistan (Present Bangladesh) and River Kushiara was declared as the natural boundary between Assam and East Pakistan. On 17th August, 1947 more than three *thanas* of Karimganj sub-division of the Sylhet district, namely, Ratabari, Patharkandi, Badarpur and half of Karimganj came back to Assam. This truncated Karimganj sub-division was ultimately included into the Cachar District of Assam as a full-fledged sub-division and finally on the 1st of July, 1983 it was upgraded to a district. Karimganj is an essential river port and has seasonal cargo and freight transport link with Kolkata through Kushiara River passing through Bangladesh.

Throughout the 19th century, transport infrastructure of the Sylhet district including Karimganj, remained underdeveloped and due to the avoidance trade flowed mainly through waterways. Barak and its tributaries having links with the key rivers of Bengal played the leading role in transporting goods to Sylhet, Habiganj and Nabiganj and to other parts of Bengal (Pemberton:1835). The Indo-Bangladesh waterways remained operational up to the war between Indo-Pakistan, 1965. With the sealing of border following the war, the volume of trade via waterways had declined. The independence of Bangladesh revived the cross border riverine trade. Further in course of time and the demand of these countries 2 Land Customs Stations (LCS) namely; Sutarkandi LCS (land route) and Karimganj Steamerghat & Ferryghat LCS (riverine route) were established along Karimganj-Bangladesh border. Ferry service from

Karimganj is now an important channel for the export of coals and other tradable commodities to Bangladesh (Roy: 2007). At present, most of the trade of Karimganj-Bangladesh is conducted through Sutarkandi LCS. The present study, therefore, focuses on the nature, commodity composition, mode of operation of the cross border formal as well as informal trade since 1981 via Sutarkandi LCS. It also tries to highlight the socio-economic effects and impacts.

Distance of Sutarkandi LCS from the state capital is approximately 338 km, about 14 km from the district headquarters of Karimganj, almost 200 km from Dhaka and only 46 km from Sylhet, Bangladesh. It is walled with Zarapata village, Gandhan village, Aminpur and Gonaduri village and Bangladesh. Sutarkandi LCS is working under the Commissionerate of Customs, North Eastern Region, Shillong. According to the Government of India's Notification of 27-2-1948, declaring Pakistan as a "Foreign Territory" with effect from 1-3-1948, Sutarkandi LCS on the Indo-East Pakistan border was established and declared as a transit point on the Sylhet-Karimganj-Trunk Road. Under C.B.R. (Cross Border Region) Notification No. 22/Cus/of 2nd February, 1952, Sylhet-Karimganj-Trunk Road was declared as a prescribed route by which commodities may be sent to the territory of East Pakistan through the Sutarkandi LCS. After the liberation of Bangladesh, this LCS started working since 1972. On January 9, 2007, Sutarkandi LCS was open as 'Border Trade Centre' of South Assam.

Sutarkandi LCS occupied 154 sq meters of land and this LCS is opened for commodity and passenger movements. All trade related financial transactions are conducted via the main branch of State Bank of India (SBI) located at Karimganj town on Karimganj-Sutarkandi road and United Bank of India (UBI), Karimganj. This SBI branch has computerized foreign exchange counters. There are a few license holder private money dealers, who exchange the foreign currencies of passengers coming through Sutarkandi LCS.

The security arrangement at the LCS appears to be inadequate; very less numbers of policemen are posted in the adjacent police station of Sutarkandi LCS. The National Highway 151 connects Sutarkandi LCS to Karimganj which in turn is connected with the mainland of India through National Highway 44. Bangladesh has a highway from Sheola (opposite side of Sutarkandi LCS) which connects Dhaka via Sylhet. Thus, Sutarkandi LCS can be approached from both sides of the border. But the road and other infrastructure available at present need development to boost up the cross-border trade. As Bangladesh is the nearest international

market from NE region, all cross-border modes of communication should be cost-effective. Some infrastructural projects have already been initiated to boost up the cross-border trade.

Commodity structure of export to Bangladesh

The major exportable commodities to Bangladesh through Sutarkandi LCS may be classified into three categories, viz., agro-horticultural products, mineral products and processed and manufactured products. The exports of agro-horticultural products to Bangladesh via Sutarkandi LCS had come down and were substituted by minerals products, for two reasons; firstly, Bangladesh slowly became self-sufficient in the production of food crops. Secondly, from Sutarkandi LCS, there is a direct road connection up to Sylhet, Bangladesh; therefore, it is very convenient to the North Eastern Region's (NER's) exporters to send all the bulky tradable items directly to the Bangladesh via Sutarkandi LCS without wasting time for transshipment. Interestingly, while the export share of agro-horticultural products is continuously decreasing, on the contrary, the export share of ores and mineral resources to Bangladesh is consistently increasing over time. Thus, Sutarkandi LCS is presently being used for the export of mineral products while agro-horticultural products find their way through other LCSs. The exports of manufactured goods have never been significant through Sutarkandi LCS. As the hinterland areas of this LCS are rich in mineral resources and agro-horticultural produce, whatever export of manufactured goods has flown through this route is only transitory in nature.

Commodity Structure of imports from Bangladesh

Sutarkandi LCS has been used for the region's export to Bangladesh since 1981, this route was not used for import during the initial years. In fact, import from Bangladesh into the region through this trading post started since 1990 with limited items like hilsa fish and gradually got momentum over the years. The Sutarkandi LCS becomes the trade root of import from Bangladesh consists of primary goods like fish and other food items. Import of industrial commodities is very limited. NER's import from Bangladesh via Sutarkandi LCS may be classified into two major categories, viz., primary products and manufactured goods. Fish particularly of hilsa variety is the main component of import under primary products. Later the region started to import cement from Bangladesh.

Mode of operation of formal trade

Sutarkandi LCS is considered as a corridor of prosperity for the people of the adjacent areas of the international border. The growth border trade has recently received attention from the government. It has been declared as one of the border trade centre in 2007 by the Government of India. Trade is conducted through the mechanism of 'Letter of Credit' (LC) or through 'Telegraphic Transfer' (TT) system through the local branches of SBI and UBI in Indian side and Bangladesh Bank on the other side (Jugashankha, 2007 Pp 5). All exportable commodities from Sutarkandi LCS (mostly Coal and limestone) reach the Sheola LCS of Bangladesh and then commodities go to the Biyani Bazar (a town, located almost 46 km. away from Sheola) for sale. From Biyani Bazar all the exported commodities have transported to other parts of Sylhet and Dhaka.

During October to March, almost 100 to 200 trucks of coal from Meghalaya cross over to Bangladesh via Sutarkandi LCS per day and during the off-season hardly 3 to 5 trucks per day is exported. Trucks carrying the exportable first assemble at the Sutarkandi (ward number I), then they move to Zarapata (ward number II) for inspection and clearance, then the consignments are handed over to the Bangladeshi LCS for further paperwork. A field study is attempted to get details of time involved at different stages for the custom clearance. Sutarkandi LCS is used to export coal and limestone, where it takes about half a day for custom clearance. However, except coal, custom clearance for other goods is organised in such a manner so that the trucks are green signalled within an hour. It has been noted that about 25 to 30 signatures are needed for the clearance of a consignment. There is room to simplify the procedure of custom clearance and reduce the duration of waiting at the border outpost. An overhaul of the existing manual system in favour of mechanised inspection will certainly improve the delivery system for the better.

Mode of operation of informal trade

The villages located in the bordering areas are inhabited both by the Hindus and Muslims, though Muslims are majority. Bangladesh side's LCS is surrounded by the village Kunagram, which lies on the left side of the NH-151 and on the right side of this road is the village Khalpar, in middle of these two villages is the Zero Point Bridge. Like NER side villages, both these villages are highly populated and the village Kunagram is a Muslim dominating one. The socio-

economic conditions of all these bordering villagers are terrible. Majority of the villagers had adopted farming as their main profession, rest are working either as a carpenter or a daily labourer. Due to traditional cultivation technique and inadequate irrigation facilities the yield rate is very low. Besides, as farming completely depends on monsoon, there are hardly any off-season jobs. Due to the lack of alternative the local youths got involved in informal trade. They gainfully utilize ethnic, linguistic and religious affinities across the border. Therefore, a strong network across the borders has developed to conduct informal trade.

To examine the mode of operation as well as current position of informal trade at Sutarkandi-Bangladesh border, I have discussed with a few exporters and importers from both sides of the border. The purpose of this discussion was to assess the current informal trade situation on this border point. In the course of discussion, I came to know that the informal traders from Bangladesh easily cross the Sutarkandi borders at some points with the help of middlemen. They purchase the commodities from the town as an ordinary customer. Discussion with the BSF personnel revealed that every day at least 10-15 people used to illegally cross the Sutarkandi border and mix together with the local people. They transact in Indian currency, which they collect against a small commission (5%-8%) from the border agents. The commodities they purchase have sent to Bangladesh either by road or the person himself carry the commodities on foot. For cattle smuggling, the markets of Karimganj are favourite hunting grounds for the Bangladeshi agents. While discussing with some of the persons engaged in cross-border animal smuggling, it is learnt that there are syndicates consisting of 8 to 10 persons in a group on both sides of the borders. During the festivals of Bangladesh like Eid, Kaliganj, Kanaibazar, Mullaganj, Cherragi, Batoia of Karimganj markets filled with Bangladeshi buyers who illegally enter into the district either through unfenced bordering villages or through Patharkandi forest. In the sun light, their counterparts on the other side of the border arrange the clearance, and then these agents pushed the cattle to the other side of the international border for selling them to the Balia, Bilbari and Sunatulla markets and finally reach to the Sylhet Market. It is much easier to smuggle the animals to Bangladesh at night. Cattle smuggling is a thriving seasonal activity and every year thousands of cattle are successfully smuggled into Bangladesh particularly just on the eve of *Idds*.

Impact of border markets

The border market in the era of globalization shows an increase in the volume of business in agricultural produces, handicrafts and so on. It always reflects the expansion of productive activities among the people. But, an increased intensity of trading activities in manufactured goods brought from outside to siphon off whatever cash and agricultural produces, live stocks, handicrafts, and forest products are available. The market has its impact, even at the pace of all-round development of infrastructural facilities in the region, such as road link with the neighbouring areas to the border market and other part of the country should be accelerated to lead the extension of the market for the growing volume of products. It has been observed that irrespective of location of the market, it offers a set type of commodities catering to the immediate daily needs of the buyers in the market. The agricultural commodities traded in the market are generated from the villages in its vicinity and other parts of the region such as vegetables, rice, fruits, poultry etc and also from the town which keeps the item fresh and also provides scope to the local people and local cultivators to sell their agricultural produce to the entrepreneur. Here an attempt has been made to understand the social, cultural, economic, political, technological and developmental impacts of the market in the region.

Economic Impact

Border market plays a pivotal role in the economy because the market serves as the main channels through which the commodities and products brought from outside and self-produced are marketed. The market can be treated as the centre for economic development, as the change in the socio-economic condition of the region takes place after the establishment of the market. It opens new avenues for the people of the region and other distant parts of the country.

Social Impact

The border market of has worked as a coordinating centre for the people. The market is a place of interaction of various communities, it helped those communities and to live and work collectively and in a harmonious relationship. Different cultures have found a way to come into contact through this market.

Political Impact

Border market of is a phenomenon that has a close connection with social, economic and political aspect of human life. From the beginning the market was the centre of politics in the area. During British period the market was treated as one of the important market for cross border trade.

As the NER is backward and almost disconnected from the national market places, the markets across the border in Bangladesh act as the vent for surplus for her produce. A strong resource-trade linkage has already been established where mineral resources from the region are used for the development of industries in Bangladesh. It may be noted that had these resources not exported to Bangladesh, their extraction would have to wait till their demand grow sufficiently in the national economy justifying a higher transport cost and making their use economically viable. The mineral and agro-horticultural products are side by side exported to Bangladesh. Fruits and vegetables from Mizoram, Meghalaya, Tripura and N C Hills find their way to Bangladesh markets through land custom station of Suterkandi. On the Bangladesh side, Meghalaya coal has great demand particularly in the Dhaka and Chittagong districts. Besides domestic demand, Bangladesh also exports cement to NER and earns a good amount of foreign exchange (The Daily Star, March 21, 2009). Therefore, we find that Bangladesh imports raw material from the cheapest possible market i.e., NER and also sells the finished products to NER.

Conclusion

Traders in NER and Bangladesh are discovering the most convenient commodities to procure from each other, rather than from more distant sources. NER's natural resources, primary products, fruits and vegetables etc. can be easily exported to the markets of Bangladesh. Previously, Bangladesh, as a low resource endowed country, was interested in importing ores and minerals from NER. But with the discovery of coalmine in Bangladesh's Balarpukulia in Dinajpur district, the demand for Meghalaya coal in Bangladesh has slightly come down. Sooner or later NER will face the limitations of mineral resource extraction based economy. Resources will not be there for all the time to come and hence as short term goals emphasis should be laid on the value addition instead of selling the raw materials which will increase the return from trade manifold for NER. As long term measure, NER needs to diversify her export basket

particularly in areas where the region enjoys comparative advantage to create win-win situation in future.

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