

Reimagining Border Haats as Border Co-prosperity Zones

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It has been the consensus that Border Haats as an instrument to increase local livelihood, foster better cross-border micro-trade, facilitate people-to-people contact, reduce informal trade, and enhance border security, has been largely successful. The request for increasing the number and frequency of Border Haats has been forthcoming from many of the bordering districts.

But beyond the several tangible benefits experienced, Border Haats have given way for several intangible benefits – managed to create a narrative to generate more interest and awareness on issues and opportunities of border regions; nurture relationships at a local level; and be confidence boosters in strengthening foundations of the bilateral relationship beyond politics of the day, regime changes and sheer economics.

This Briefing Paper proposes a logical evolution of Border Haats to take forward these tangible and intangible benefits in multiple dimensions to become centres, which celebrate shared borders. The idea of a 'Border Co-prosperity Zone' has been presented. The paper argues that such co-prosperity zones with requisite investment in appropriate infrastructure and technologies can inspire confidence in seeing border zones not as 'thick lines of regulation' but as 'connectors for mutual growth and co-prosperity'.

'Border Haats': Background Drivers

India's north-eastern states and the eastern neighbours comprise a geographically compact and ecologically fragile region. Seen as a whole, the region enjoys a natural mountain to sea ecosystem in the heart of the Ganga-Brahmaputra-Meghna basin, with several climatic patterns, connected by an

interlaced system of rivers, i.e. home to rich biodiversity and habitat.

Since time immemorial many communities have thrived here with rich cultures and traditions. Intra and inter-community trade of the rich array of local produce ensured economic prosperity. The advent of partition drew hard political lines over this naturally contiguous region.

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Several communities were split in the middle, finding themselves on two sides of international borders. The natural movement of goods and people became restricted and what was traded as a natural way of life suddenly became 'illegal'. Regime changes in respective nations, the twists and turns of geopolitics, and many other factors such as the rise of insurgency, led to the borders becoming heavily securitised.

Areas along the borders, which were traditionally points of exchange for goods and people, became hot spots of smuggling contraband and arms. Due to this, goods and services traditionally traded and forming an integral way of life of the local communities also came under the 'security scanner'.

In effect, an entire way of life and livelihood for border communities ran into peril. Vested interests of nefarious players rose in keeping these border zones underdeveloped and dark. The people-to-people exchange became suspect and the socio-cultural scene greatly deteriorated.

In the case of many communities living along the political borders, the desire to reconnect with their forcefully alienated community members has led to intense demands and attempts at establishing this reconnect at the popular level, often based on local and individual initiatives. Most significantly, communities have evinced interest to negotiate these artificial boundaries.

In the Indo-Myanmar border in Nagaland, the Indian government stopped the fencing of borders due to intense demands and threats of conflict from local tribes. Herein exists the case for creating regulated borders with greater emphasis on developing

people-to-people contact and cross-border trade initiatives, which are likely to yield greater security benefits.

Border Haats: The Initial Intent and Experience So Far

The mechanism of Border Haats was introduced as an experiment to reintroduce pre-partition synergies between Bangladesh and India as an instrument primarily for generating livelihood for people in the border areas of the two countries that are marred with limited access to development though the trade of locally grown produce and products.

The haats were also expected to channelise a part of the informal trade that thrives along the porous borders of the two countries. Four border haats are presently in operation at the India-Bangladesh border: two in Meghalaya (India)-Rangpur/Sylhet (Bangladesh) sub-region and the other two in Tripura (India)-Chittagong (Bangladesh) sub-region.

These four haats have been reported to register a trade figure of ₹17 crore in the last five years. The achievement of these haats has also been acknowledged by the India-Bangladesh Joint Committee on Border Haats in its first meeting in Agartala, Tripura in July 2018.¹

In the last decade, the experiment of setting up such an institutional mechanism has been successful in many measures. The demand for 'Border Haats' has grown bottom-up from the states and local districts' administration. Communities, who were isolated, got a new lease of life and the micro-economics of the area greatly improved giving rise to constructive players.

1 Bordering on Happiness: An Assessment of Socio-Economic Impact of Bangladesh-India Border Haats, 2019, CUTS International, India

Several new facets have also been revealed: Firstly, Border Haats, if accessible such as that in Kamalasagar, Tripura, has been proven to be a potential tourist destination on the sidelines, increasing the scope and quantum of trading.

Secondly many cases of families being united have been reported giving a huge comfort factor to otherwise distressed border communities. Thirdly, almost all border haats have shown a propensity to trade in a larger variety of products that are not necessarily produced within the region. Melamine ware (from Bangladesh) and Cosmetics (from India) are such examples.

Border Haats have also been instrumental in generating livelihood opportunities for people at the border areas of both the countries that are marred with limited access to development.

Although the Border Haats are customs-free zones, with restricted/positive lists and the total trade of all Border Haats combined is a minuscule fraction of the formal bilateral trade between the two countries, the haats have proved to be a mechanism to introduce new items of trade that otherwise are not traded through formal channels: exotic fruits, locally developed handicrafts, are some examples.

The haats also helped channelise a large part of the informal trade in the areas where they have started functioning, helping, in turn, law enforcement challenges in these remote locations.

Lastly and most importantly, perhaps intangibly, it has stood its test of time as an instrument to withstand the ups and downs of regime changes and bilateral relations at government levels and truly shine as an enduring symbol of a bottom-up driven platform to foster people-to-people connect.

A major area of improvement for existing Border Haats pertains to infrastructure. When a haat is established in an area, which is prone to climatic hazards like excessive rainfall or floods, one should consider the creation of concrete vending platforms and adequate shelters for various stakeholders to seek refuge.

However, already operational haats in the likes of Kasba-Kamalasagar has been facing similar issues of waterlogging over years, with no proper measures and interventions. Other areas of infrastructural development that could contribute to better functioning of the haats include access to electricity, improved approach roads, availability of water and properly functioning toilets.





One ought to bear in mind that families from both sides of the border come to haats not only for economic reasons but also to socialise and meet up with friends, family, and acquaintances.

Additionally, it is equally important to provide the necessary equipment to security officials like CCTV cameras, scanners, and metal detectors, which will help them to monitor the haats more effectively. Augmenting female participation in the forms of vendors, vendees, and other stakeholders can boost up the efficiency of haats.

Recent times have also witnessed real strides in regional integration. However, this is mainly in two spaces — one, led by governments and two, initiated by big businesses. The potential of the '*third space*' has remained unappreciated and therefore, largely unharnessed.

While governments can put in political structures and big businesses in partnership with government together can take forward economic structures, it requires a strong civil society driven network of communities across the region to complete the picture of integration.

This '*third space*' requires dynamic stakeholders, people across disciplines, who think creatively for out-of-the-box solutions even to address concerns

on the ground such as loss of livelihood, invasion of identity, illegal migration, demand for statehood, cross-border terrorism among others.

It is only when the people of the larger region see the 'connected picture' that binds them together, will there be a sense of ownership over this narrative of integration.

Connectivity and economic integration have to be seen in the context of the physical geography, fragile ecology, and social history of the region, transcending beyond the argument of only economic benefits.

In this context a fresh look at borders is apt. For the north-eastern states of India, border regions that were often seen and dealt with from a security prism and meant to be kept remote are becoming increasingly recognised for their potential to be corridors of international trade and transit. Special Economic Zones along borders are being discussed.

International Customs Posts have been established and upgraded. The paradigm shift of borders from being thick dividers demarcating national boundaries to becoming corridors and connectors is being seen as a positive development towards regional cooperation and increasing regional security and prosperity.

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Towards this end, three enabling factors may be considered — Firstly, Border Tourism exploiting the tourism potential of selected border points based on factors such as natural beauty, heritage, or pilgrimage value.

Secondly, border points could draw popular footfall if promoted as duty-free outlets, something the Border Haats have already hinted at in their present avatar, albeit on a minuscule scale and scope.

Thirdly, selected border points could be set as destinations for health and educational services by setting up quality educational and health services institutions such as premier skill training institutes, hospitals, residential universities among others.

Some glimpses of the above ideas have already been witnessed in the existing border posts: Tamabil and Jaflong on the Indo-Bangladesh border are very popular tourism sites. The potential for border tourism in the Balat-Sunamganj Border Haat is immense, owing to the rich natural beauty of the area and the presence of river Jhinjira.

Dholabari on the Indo-Nepal border is a popular shopping site. The Kasba-Kamalasagar haat in Tripura due to its proximity to a revered temple and the urban centre of Agartala are popular draws for shoppers.

The Shija Hospital in Manipur on the Indo-Myanmar border is a popular draw and one of Bangladesh's most prestigious schools is coming up just across the Tamabil border in Jaintiapur.

In summary, the experience of the last decade has seen a renewed interest in developing border areas to make points along the border as connectors and corridors of prosperity.

The Border Haat mechanism so far can be seen as one whose value far exceeds simple trade to include intangible benefits such as aiding border security, bolstering bilateral relations, and becoming an indicator of the progress towards regional cooperation.

Imagining the Next Logical Step: The Case for a Customs-Free Trade Stimulus Zone

Based on the experience so far, and converging on all the ideas discussed it may not be impossible to conceive of a mechanism that extends the idea of a Border Haat to a larger specifically demarcated and designed area based on the following principles:

- Celebrate shared borders by showcasing and facilitating a deeper appreciation of the unique natural, cultural, and historical importance of shared border points.
- Make local, regional, and international tourism a major driver for the economic development of the border area by encouraging points of sale at border areas.
- Forge institutional collaborations with local bodies to encourage local skills, talent, and produce of the point, and making the local people the key producers and interested stakeholders for the region.
- Promote setting up of institutional collaborations in the field of education or health services as major drivers for people-to-people contact in the border point, as well as a means to showcase the strong bonds of friendship beyond borders.
- Use of smart technologies to collect primary data on the meaningful outcome from people-to-people contacts, which can be up-scaled with further means for increasing bilateral collaborations and diversify trade.

It is with these ideas that the concept of a 'Border Co-prosperity Zone' referred to as BCZ henceforth is presented:

The BCZ is a specially chosen, demarcated, enclosed, and designed area to be a living symbol of a celebration of shared borders as connectors of peoples and ideas by people themselves facilitated by their respective governments. The BCZ location could be chosen and operationalised with the following components:

- **Location:** For its location, the BCZ can be housed in a specially demarcated area based on bilateral agreement and meeting the needs of security agencies on both sides.

While Border Haats are now located in the 'Zero Point' between fences, the BCZ could be conceived of as more welcoming and people-friendly. While the BCZ could lie in parts in both countries, it would be a naturally enclosed area or with a fence all around, with the focus being on developing the tourism potential of the place, along the border to facilitate entry of residents from the countries.

The choice of location could be a scenic location, with good connectivity to an urban centre and preferably enjoying some heritage value as well as natural beauty. For example, there are many riverine areas on the Indo-Bangladesh, (for example, Ranikor on the Jadukata River, Dawki on the Umgot River) and Indo-Myanmar border (Rih Dil Lake) with immense tourism potential.

- **Security and Access Control:** To facilitate increased footfall to the BCZ while at the same time meeting security needs, the BCZ could have ticketed entry for visitors. Special Identification cards can be made available to vendors, officials, and staff.

A single window system for procuring and checking the validity of tickets with the use of appropriate technologies could ensure accurate record-keeping of all traffic as well as aid surveillance.

- **Infrastructure and Facilities:** The BCZ could house retail spaces including floating markets in





case of a water body available, duty-free shopping, kiosks of local produce.

Curated spaces for cultural performances, exhibition spaces, food outlet for common as well as local delicacies could be designed with contemporary and traditional themes to attract footfall.

Activity spaces for training, workshops, health and banking services, ample staff quarters, offices for the collaborating institutions, parking, and areas aimed specifically for paramilitary and security establishments from both sides could be included.

- **Planned Calendar of activities:** The BCZ could run an event calendar throughout the year curating festivals, educational tours, the performance by local and celebrity artists, exhibitions by master craftsmen of the area, and special conferences on the border aimed to maintain healthy and regular footfall.
- **Institutional Collaborations:** The BCZ could be an opportunity to forge institutional collaborations between civil society organisations, small entrepreneurs, and cultural organisations to create and host joint projects (live performances, exhibitions) using the BCZ as a launch platform. Mechanisms for skill exchange and skill development of local resources could be designed powered by such collaborations.

- **Institutional Representations:** In light of the above the BCZ should also house representative offices for staff from regulatory authorities such as health and quarantine, customs, border security, immigration, and testing labs to facilitate quick resolution of issues that may come up.
- **Complemented by institutions:** The BCZ could also house an educational or health service institute in the likes of developing a university town at the border.
- **Size:** The size of the BCZ should be large enough keeping in mind the need for adequate parking and growth opportunities for the future, besides accommodating all the facilities.

Setting up a 'Border Co-prosperity Zone' will need adequate political will, financial inputs, careful planning, and convergence of several agencies on both sides of the border

There is a need for votaries of win-win solutions across borders to ensure overall balanced economic growth, and ensure security and stability

The Way Forward

The above ideas are by no means complete or exhaustive and need to be evaluated in detail. However, a convergence of all the various institutions and ideas proposed into a single focused area such as BCZ has enormous potential to develop into a public-private-people-led project.

This can catapult bilateral relations to a new orbit: a case for more integrated and inclusive development of border regions: turning borders into connectors.

Setting up a 'Border Co-prosperity Zone' will need adequate political will, financial inputs, careful planning, and convergence of several agencies on both sides of the border.

What is finally possible may be in question. But the case of Border Haats has shown that the process itself will be a great confidence booster in the idea of borders as connectors.

There is a need for votaries of win-win solutions across borders to ensure overall balanced economic growth, and ensure security and stability. This is

where the need for re-envisioning and energising the third space comes.

In the overall context of connectivity, there is a need to reclaim a space for 'togetherness' in all its dimensions: physical, economic, civilisational, and mental. Generating ownership and stakeholder-ship in the overall narrative amongst local people is the need of the hour.

People of the nation and particularly of the region need to see and understand the tangible benefits of connectivity in their lives and livelihood, by drawing upon their unique cultural and social identities and recognising the factors that bind them together. Political will, trade, and commerce have to be complemented by knowledge and participation from ground-level stakeholders.

The real success of any initiative towards this end would only flow out of conscious facilitation of free interaction of people while retaining national boundaries and imagining a feasible zone of communication stretching across the borders. The BCZ proposed is a proposal towards this end.



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