CHAPTER-7
SUMMARY AND CONCLUSION

Introduction:

Border trade has come to occupy an important place for the State of Mizoram. Considering the significance of border trade between the State of Mizoram and neighboring countries namely Bangladesh and Myanmar, the establishment of border trade between Mizoram and neighboring countries is included in the Mizoram Accord signed between the Government of India and the Mizo National Front. As border trade plays a vital role in this part of the region, India and Myanmar signed border trade agreement on January 21, 1994, thereby, making Zokhawthar-Rih sector in Mizoram a second border trade point between the two countries.

This second border trade point, however, has been neglected in the first decade until the Government of Mizoram built a bailey bridge across the river Tiau at Zokhawthar in 2002 to facilitate the movement of people across the Indo-Myanmar border. The Indo-Myanmar border trade at Zokhawthar was officially inaugurated on 30th January 2004 by Tawnluia, the then Home Minister of Mizoram. This was a step in the right direction towards the implementation of Indo-Myanmar border trade agreement. With the help of Central financial assistance the construction of the Composite Land Custom Station at Zokhawthar has been completed. But transaction of goods as per border trade agreement has not yet taken place due to the non completion of the infrastructural facilities. Nevertheless, the informal trade has been going on in full swing across the border.
The State of Mizoram has benefited immensely from the peace it has experienced since the signing of the Mizoram Accord. The Indo-Myanmar border trade is one such peace dividend. It is seen that over the two decades of its Statehood the State Government has tried to implement almost all aspects of the Accord. A typical case is the provision of allowing the State Government to have border trade in local produced or grown agriculture commodities with its neighboring countries. The interaction between the State and Centre has been in consonance with the federal structure of the Indian Constitution. Mizoram enjoys the special status under Art. 371(1) and yet Mizoram Government complies with all the Central rules. With regard to collection of taxes also, the Government of Mizoram follows as per the general norms of Indian system.

The following paragraphs in the chapter will attempt to summarize the findings of the research on the Indo-Myanmar border trade in the Zokhawthar-Rih sector. We will also attempt to provide some suggestions for policy orientations by the policy makers.

**Summary Of Findings And Conclusion:**

In this section we will attempt to examine and summarize our findings in the light of the five important research questions that we broached in the first chapter.

1. Although the people of Mizoram are dependent on border trade for various kinds of goods for their day to day use, there is no substantial impact on the growth in the volume of trade. As it has
been seen that the bulk of transaction has been mainly informal in nature, this does not help in increase in the trade activity in the either side of the border. There are avenues for increase in the volume of trade subject to the condition that a full fledged trade activity in the formal sense takes place along with the improvement in the basic infrastructure. The people of Mizoram are quite aware of the economic benefits accruing from formal border trade. There are efforts in the direction though, due to bureaucratic and political reasons, the pace of economic transaction in the Zokhawthar-Rih sector seems to go very slowly.

The above conclusion was arrived at from the investigation made by the scholar during various field trips to the border post. There is no official statistics to prove the point though, the unofficial estimates and the personal observation by the scholar bring home the point that there is no visible change in the volume of trade in this border point. In fact, this issue is related to the first research question we raised in the first chapter of this thesis.

A peculiar phenomenon, however, that has been practiced in the Indo-Myanmar border trade is the barter system. Barter system was practiced by the people before the invention of money. But the Indo-Myanmar border trade agreement includes the barter system in the agreement clause. This is possibly done for the convenience of the people living across the Indo-Myanmar border. But in actual practice it is very difficult to avoid the involvement of money in
modern age. In this type of system the element of money is also involved in the process of barter trade.

2. The Indo-Myanmar border being porous, permit rules for the movement of the people across the border seem to be more honored in violation than in observance. In fact, when India and Myanmar became independent in 1947 and 1948 respectively, they permitted the hill tribes of the border areas to travel back and forth across the border and to buy and sell goods within a radius of 40 km from the Indo-Myanmar border. The reason for this practice was that the people inhabiting this region have a close cultural link and as such, both the governments felt it essential to have free movement across the border for the people of border areas. But this free movement across the border was objected by India, citing security reason. Therefore, from July 31, 1968, the Government of India unilaterally introduced permit system for people entering India. However, this permit system also does not seem to work to the extent desired.

There is no doubt that the Myanmarese migrants have been contributing to the economy of Mizoram in various ways. Many of the Myanmarese migrants have been working as domestic helps and wage labors in Mizoram. Some of them have also been working in the handloom sectors. In fact, some of them have integrated into the Mizo society. Some have been even holding some respectable position in Mizo society.
Border trade between Mizoram and Myanmar is largely determined by the ethnic closeness of the Chin State and Mizoram. The traders are mostly Mizos and Chin groups, who are ethnically the same group, but speaking slightly different dialects. Informal border trade has been flourishing between India and Myanmar continually through Zohkawthar-Rih sector in Mizoram. Though the process of formal trade has been going on in full swing, the informal trade is the main trading activity in this route. The reason for the growth of informal trade across the Indo-Myanmar border is the cumbersome process of the formal trade in which the traders have to fulfill all the requirements in order to do formal trade. Most of the traders across the border are uneducated and prefer informal to formal trade. Nevertheless, the Indo-Myanmar border is porous as such, traders are criss-crossing the international border to buy and sell. Wage labor has become the main occupation of the people of Zokhawthar border town. It is indeed the main livelihood of the people of Zokhawthar. As development in transport and communication improved and trade began to progress, the people of this border region find it difficult to survive without the flow of goods from across the border. This can be felt whenever the flow of goods are interrupted from across the international border.

The above point deliberates the second research question we raised in the first chapter. With the increase in the mobility of people across the border there was an assumption that there would be increase in the volume of trade in Mizoram. This assumption does not seem to be holding true. As we have already mentioned in
the previous point that there is no substantial visible increase in the volume of trade.

Of the three types of trade in the border between India and Myanmar, the third tier; i.e. normal trade, has not picked up in this sector. In the Indo-Myanmar border trade agreement, there was agreement to have a three-tier system of trade. The first tier is the traditional exchange system in which the volume of trade in one time consignment should not cross US $ 1000. The traditional trading system is done by the indigenous people living within a radius of 40 km. The aim is to facilitate the people living in the border areas of both international boundaries. Transaction should be done only through head load. If non local people want to involve in traditional system of exchange, then they have to do within 40km. In the traditional exchange system both barter trade and transaction through money can be done but the amount at one time transaction should not exceed US$1000, and consignment should be done within 1 or 2 days. The second tier is the barter system of agreed tradable items and one time consignment should not cross US$ 20,000. In the barter system, transaction should be balanced within a period of 6 months from the date of export or import. The third tier is the normal trade which is done under the letter of credit system. The normal trade between India and Myanmar border in the Mizoram sector has not yet picked up due to the absence of regular banking system on either side of the border.
Barter trade as per Indo-Myanmar border trade agreement may be difficult to practice through Champhai-Zokhawthar sector in Mizoram. The reason is that barter system is inconvenient for the traders because if the trader in Mizoram wants to import betal nut from Myanmar, he has to send items equivalent to that of betal nut which is a very difficult process. Traders are profit seekers. If there is no profit in the exchange of goods, there will be no traders.

The reason for such lack of normal trade is that the Memorandum of Understanding between the banks of India and Myanmar has not yet been signed for the transaction of border trade. Without signing of the Memorandum of Understanding between the State Bank of India and Myanmar Commercial Bank which are designated banks for the formulation of Indo-Myanmar border trade through the State of Mizoram, transaction of goods through normal trade cannot take place across the border. The reason, it has been pointed out, for not signing the Memorandum of Understanding is that the Myanmar military junta makes the value of Kyat very high in response to US Dollar. The official exchange rate is not consistent with the real market value of Kyat vis-à-vis Dollar. Presently, for example, the official exchange rate of US $ 1= 6 Kyat. This is an unrealistic exchange rate. Consequently; traders are unwilling to transact business under regular trade.

The Indo-Myanmar border trade in the Mizoram sector has been totally neglected until the year 2003 when the MNF Ministry in the second term paid special attention to it. The infrastructural facilities
for the conduct of trade at Zokhawthar could be put in place with the construction of a composite structure for land custom station in 2007. This could be possible only with the active involvement of various civil society groups which took up the case of border trade. One group notable among them was Mizoram Consultative Forum. This organization was instrumental for the fast construction and completion of land customs station at Zokhawthar.

3. The guidelines for the entry of the Myanmarese nationals into the State of Mizoram reveal similarity with Inner Line Permit. Following direction from the Centre, the Government of Mizoram issued directions concerning the entry, exit, stay etc., of Myanmarese in Mizoram. Accordingly, entry permits are issued at various border crossing points between India and Myanmar.

Consequent upon the signing of Mizoram Accord, the State of Mizoram witnessed the influx of Myanmarese migrants both legally as well as illegally. So far, however, there is no official census record on the population of Myanmarese migrants in Mizoram. Due to this reason, their exact number in the State could not be ascertained. As a result of suppression of democracy movement and the rule of military junta in Myanmar, a large number of Myanmarese made their exit across the international border with neighboring countries. Many of them have crossed the Indo-Myanmar border and have settled in Mizoram. According to one estimate, about 60,000 -10,000 Chin refugees have settled in Mizoram. These Myanmarese migrants have been engaged in
different works in the State and many of them have integrated into the Mizo society, thereby holding even respectable position in the Mizo society.

Further, the social consequences of the border trade in Mizoram have been visible with the influx of a sizeable number of Myanmarese migrants into the State of Mizoram. The reason attributed for such kind of influx into Mizoram is the internal situation obtaining in Myanmar. The suppression of democracy movement by the military junta has been hurting the people of border areas economically very hard. The supplies of basic provisional are also hard to come by in the border Chin State which is one of the provinces of Myanmar. This has resulted in movement of the people across the border, as the people of Mizoram are of Chin descent.

Although the people of Mizoram are ethnically and emotionally close to the people of Chin State on the other side of the border, the official position of the government of the Mizoram with respect to Myanmarese migrants has been that they are to be treated as foreigners. As such, any one who does not have the official papers like permits or pass ports will be deported to Myanmar. This position has been more in paper than in practice. There are numerous cases of violation of travel rules in Mizoram by the Myanmarese migrants.
The second Indo-Myanmar border trade route of Zokhawthar-Rih sector is prone to smuggling of liquor, narcotic drugs, weapons and other related issues. A large quantity of Myanmarese liquor enters Mizoram. Myanmarese liquor is further used for the multiplication of local made liquor. Heroin is smuggled through this trade route. Excise Department, Crime Investigation Department (CID) and NGOs together make joint effort to curb the smuggling of illegal drugs. Even then the flow of drugs continues. Also weapons like AK 47 rifles, grenades, rocket launchers etc., cross the border into India. Apart from these smugglings of narcotics and other related issues, a large volume of different items of goods enter Mizoram. Apart from these smugglings of narcotics and other related issues, a large volume of different items of goods enter the Mizoram. The Indo-Myanmar border is also the main supply line of pigs and Bovine cattle in Mizoram wherein meat is heavily consumed by the Mizo.

The above scenario that has been obtaining in the border State of Mizoram has to a large extent impacted on the guidelines for regulating the entry of Myanmarese tribals into Mizoram. This, in other words, highlights the third research question that we raised in the first chapter. With the increasing mobility of the people across the border it is very difficult on the part of the Government of Mizoram to enforce the permit system for the Myanmarese migrants very strictly.
There are social implications emanating from the Indo-Myanmar border trade with regard to the migrants. The down side of the immigration of Myanmarese into Mizoram is also glaring in the sense that many of them engage in numerous anti-social activities. There are cases of these migrants engaging in bootlegging and other such nefarious activities. So much so that there was an out break of communal tension in 2001 and 2003 at Phunchawng and Rangvamual which are the two most populous settlements in the vicinity of Aizawl. Timely management of the situation, however, quelled the tension on both the occasions by the government and civil society groups like YMA.

There are various factors for promoting the Second Indo-Myanmar border trade center of Zokhawthar-Rih sector in Mizoram. Trade and Commerce Department of Mizoram occasionally conduct seminars on promotion of Indo-Myanmar border trade in Mizoram. Several sectoral level meetings between India and Myanmar for the promotion of Indo-Myanmar border trade and other related issues also used to take place. The Mizoram Consultative forum which is a non governmental organization formed for the overall progress of Mizoram put pressure to the Government of Mizoram so that Indo-Myanmar border trade may function as per agreement. The organization claimed that it was through their pressure tactic that the Land Customs Composite structure at Zokhawthar was completed sooner than later. The construction of land customs station composite structure at Zokhawthar began in 2005 and was completed in 2007. These infrastructural facilities created at
Zokhawthar enable it to become a commercial center of Indo-Myanmar border in Mizoram.

4. The fourth research question that we have examined is about the prospects of formal trade and its impact in lessening the movement of illegal trade between India and Myanmar. This research work reveals that formal trade in the Zokhawthar-Rih sector has not come into force in full swing. However, as we have already mentioned that the bulk of trade in this sector is being conducted through informal means. In other words, illegal trade has been practiced to a large extent. This has an impact on the prospect of formal trade for which there have been a lot of efforts by the Government of India and Myanmar.

5. In the first chapter we raised the issue of Inner Line Regulation as the fifth research question. We will discuss in this section the impact of Indo-Myanmar border trade on the question ILR. Whether it is losing its significance? The Inner Line Regulation (ILR) is the legacy of the British rule in India. It is also known as Inner Line Permit (ILP). The original intension was to divide the British subjects and the Mizos so that the two communities might live in peace undisturbed by each other. It was to safeguard the economic interests of the British subjects from the Mizos tribes. But as time passed, the Inner Line Permit is used as protection of the Mizos from plain people of the country. The ILP is included in the Mizo Accord which says that
the Inner Line Regulation which is in force in Mizoram will not be repealed without consulting the State Government.

On the surface, it may be difficult to find the linkage between the ILR and the Indo-Myanmar border trade in Mizoram. The reason is that the ILR is used to curb the influx of the non tribals to Mizoram, whereas, in the Indo-Myanmar border trade Mizos and the Myanmarese have been involved. The case of Myanmarese traders and migrants has come under the foreigners’ Act and not ILR. But if we examine deeply the underlying phenomena of the Indo-Myanmar border trade, there are strong links between the ILR and the Border trade. The Inner Line Regulation will play more important role in the Indo-Myanmar border trade when formal Indo-Myanmar border trade takes full shape. The reason is that the non tribals who want to engage in the border trade in Mizoram have to obtain Inner Line Permit.

The internal situation in Myanmar is not good as Military Junta used to employ people as forced labor; the people have to obey the dictate of the government. In fact, life in the Chin State bordering Mizoram is harsh. As such, many people started leaving the country in search of employment across the international border. Many people in Chin State crossed over the border of eastern State of Mizoram and settle in the State. At the same time, Mizos have a strong cultural link with the people of Chin Hills and as such Chins are welcome in Mizoram, from these reasons the majority of the Myanmarese migrants come from the Chin State. The Mizos give
moral support to the democracy movement in Myanmar. They want that their brethren in Myanmar also should live in democratic country. Apart from that, there is a geographical contiguity between the State of Mizoram and the Chin State which makes people to people contact easy. Myanmarese migrants contribute for the development of Mizoram economy and enrich the socio-cultural fabrics of the Mizo society. The migrants have engaged in different occupations in Mizoram. Myanmarese contribution to the growth of handloom industry, household work and other services in Mizoram are remarkable indeed. These Myanmarese migrants must be given decent treatment as circumstances compel them to come over to Mizoram, as such, they deserve sympathy. These migrants may become leaders of their country when democracy prevails in Myanmar.

There is much opposition within the Mizo society with regard to Indo-Myanmar border fencing. Zo Re-Unification Organization strongly objected Indo-Myanmar border fencing on the ground that the border fencing will further divide the Mizo ethnics who are living in Myanmar and Mizoram. The MNF Ministry passed a resolution in the Legislative Assembly by urging the Central Government to do Indo-Myanmar border fencing like that of Indo-Bangladesh border.
6. **Look East Policy:** The thesis has also dealt with the Look East Policy in the context of Mizoram. The implication of LEP has a bearing on the State of Mizoram from the point of the infrastructural development to implement LEP. This has also a direct impact on the border trade between India and Myanmar. It is a well known fact that without trade and commerce no region can grow rich and develop. The Government of India wanted to develop good relations with her eastern neighbors in recent past. Consequent upon that it has formulated Look East Policy (LEP) as one of its foreign policy objectives. In this matter, trade relationship between India and Myanmar become an important step towards the fulfillment of LEP. The border trade agreement, the opening of border trade point at Zokhawthar-Rih sector in Mizoram and agreement on Kaladan Multimodal Transit Transport Project (KMMTTP) which is a trade route connecting Myanmar are all part and parcel of the LEP. When KMMTTP is complete Mizoram will become a gate way to the eastern neighbor and beyond. Trade between India and Myanmar will become brisk through this route in southern part of Mizoram. Moreover, the people of Mizoram will get access to Indian Ocean via Sittwe port. Border trade between India and Myanmar in the southern part of Mizoram will develop well because of Kaladan Multi-Modal Transit Transport Project. Through the second Indo-Myanmar border trade of Zokhawthar-Rih sector and KMMTTP, Mizoram is destined to become the gate way to the eastern countries. These are all part and parcel of Look East Policy which will have great impact for Mizoram.
The KMMTTP has been widely debated in the Media in Mizoram. A sizeable population in the State has pessimistic views on the KMMTTP on the ground that the Mizos will be assimilated by richer nations and the identity of the Mizos will get lost in the long run. They also fear that the economic benefits of the Kaladan Multi-Modal Transit Transport Project will go to the non Mizos. But KMMTTP will transform the face of Mizoram for good. The export and import of goods across the international boundary will become easier and more tourists will visit the State. In the process the outlook of the people of the Mizos will change for good.

The Indo-Myanmar border trade through Mizoram is so significant that without this border trade many lives in Mizoram will be dislocated. Many foreign goods which are used at home are from Myanmar. These goods are available easily in the markets in Mizoram. Many people also get employment through informal Indo-Myanmar border trade, thereby, getting the benefits of black economy from across the border. Therefore, there has been a significant impact for the socio-economic fabric of the State of Mizoram of the Indian Union.
Suggestions:

On the basis of our understanding of the problem of Indo-Myanmar border trade at Zokhawthar-Rih sector, we suggest the following policy prescriptions.

1. As far as the Indo-Myanmar border trade through the State of Mizoram is concerned, both the State Government and the Centre Government must pay attention more seriously than ever before to improve infrastructural facilities of roads and communication. Roads transport communications across the international border in Myanmar, roads from Tiau to Tiddim in Myanmar and roads from Tiau to Falam in Myanmar need to be improved and developed.

2. The high transport charge imposed by the Champhai Transport Union and taxes imposed by the Customs Department on the traders must be looked into and anomaly be corrected by the Government. Though foreign goods are continually entering from across Indo-Myanmar border, the prices of foreign goods are high in Mizoram. This is mainly due to high transport charges and taxes collected by the Custom Department.

3. The roads maintained and controlled by the Border Road Organization between Champhai to Aizawl should be more efficiently manned, particularly during rainy season.

4. The Land Customs Composite Structure at Zokhawthar must be equipped with all necessary means to cop with formal trade. Only
then the three tiers of border trade agreement between India and Myanmar will take shape.

5. The people of Mizoram must continue to support the pro-democracy movement in Myanmar and continue to co-exist with Myanmarese migrants in the State of Mizoram. As political situation in Myanmar is the concern of the entire democratic world, so the people of Mizoram also must sympathize the Myanmarese migrants in the State and help in whatever possible way, in a non-violent democratic spirit.

6. The Kaladan Multi Modal Transit Transport Project must be completed on time so that the natural resources of the State may be tapped and transported through this commercial route to Myanmar to the maximum level. In the process, the N.H-54 must be improved and developed so as to transport goods and services in and out side the country in a more efficient and faster pace.

7. Roads and railways links from Indo-Myanmar border to Thailand, Laos, Cambodia, Vietnam and China should be constructed so that the rich natural resources and man powers of these contiguous regions may be tapped to the fullest extent. Trans high way sub-regional grouping will go along way for the greater development of border trade in these regions.

8. The people of Mizoram must start preparation so as to have maximum benefit from the Kaladan Multimodal Transit Transport
Project. For this, the Government’s Land Use Policy has to be taken seriously so that by the time Kaladan Multi Modal Transit Transport Project is completed, Mizoram may be able to reap the maximum benefit by exporting its products to the Myanmar Sittwe port in Bay of Bengal and from there to different parts of the Asian countries.

9. The Indians living in Myanmar and the Myanmarese people living in India should be more involved for the promotion of trade between India and Myanmar in whatever possible way they can.