

Sustainable Development and Tourism Impacts of Cross-Loc (Line of Control) Trade in Poonch (J &K)

Abstract

In times gone by, Poonch was a princely state which had to face the brunt of partition and it was rendered shattered and scattered between the two nations. It had to lose its major chunk to Pakistan. And today, Poonch has a unique distinction of being on the global map, due to cross LOC trade via Poonch- Rawalakote transitory point. It was after 61 good years after partition when in 2008, trade was instigated between the two neighboring countries- India and Pakistan. Given the number of boundaries in the countryside, it becomes all the more important to look for alternatives where such regions can be enhanced through Cross Border Cooperation (CBC). This can help not only in removing barriers and restrictions and other factors which contribute to the separation of border communities but it is a welcome step as a Confidence Building Measure (CBM). The initiative has acknowledged support from business community since its start despite numerous barriers including barter exchange of goods, lack of communication, no banking channels, deficient legal contracts, limit on tradable goods, structural difficulties in free movement and other barriers. The basic aim is to reduce tensions and avoid potential conflicts by promoting exchange. This further improves relations with the neighboring country so as to promote tourism and recreation. The initiation of Cross-LOC trade from two border crossing points in Jammu and Kashmir is a noteworthy from the point of view of border studies. Free flow of trade and transit across LOC will help the communities on both sides of Jammu and Kashmir become key stakeholders in the peace process. First, it potentially broke the barriers between India and Pakistan and secondly, it set a stage for Cross-LOC cooperation between the two regions. Although it is difficult to unravel the growth of cross-border trade. This study scrutinizes the impact of cross LOC trade. How it provided ample employment opportunities to the locals, contributed to raise the economical standards on both sides of the border and strengthened the political unity between the two countries. The barter of canons and bullets and hatredness got replaced by peaceful sustainable environment. This commendable move turned the battle ground into a peaceful trade zone.

Keywords: Poonch, partition, LOC, trade, CBM, goods, exchange, tourism, transit

Introduction

The cross – Line of Control (LOC) trade is a proposal to endorse peace on the two disputed lands. This not only fortifies mutual understanding between people divided by political lines, but also helps maintain diplomatic relations between two nations. The LOC, which randomly divided former Kashmir state into two regions- Jammu & Kashmir and Pakistan Occupied Kashmir, while its way through Jammu, passing Rajouri, Poonch, Baramulla, Kargil and ending at the mouth of World's highest battlefield, Siachin Glacier. This is an obstruction in the smooth flow of trade and commerce between the two regions, resulting in bad economies, on both sides of the fences.

In that sense, the initiation of Cross-LOC trade was like a dream package to boost the economy of the state and also seen as a Confidence Building Measure (CBM) to reduce the tension over 'Kashmir' issue and to thaw the frost. After long channel of communications, which virtually yielded nothing fruitful; the governments of India and Pakistan retorted to people-centric approach, by initiating Cross-border trade in 2005.



Khadam Hussain

Associate Professor,
Deptt. of Geography
Govt. Degree College,
Poonch

How it began?

Though the LOC separated thousands of families living in the two parts of Kashmir state. However in 1949, cross-border travel was instigated in the shape of simple 'rahdari' permit system only to be discarded a few years later in 1965. A proposal for bus-services was revived some four decades later in 2001 and then again in 2003. The two nations held meetings and after serious discussions, it was agreed that a fortnightly bus service will be started from Srinagar to Muzaffarabad. The year was 2005.

The two governments agreed to issue a permit as the basis of travel, once the identities were verified. It was a middle path to avoid the argument when India persisted on passport while Pakistan stressed on UN document. The buses were not allowed to cross the LOC, but only to drop the visitors at the LOC; the passengers will have to cross the LOC on foot, and get on the bus on the other side, after securing an entry permit.

This bus-service restored communication links between Pakistan Occupied Kashmir (POK) and Jammu & Kashmir (J&K). The fateful 2005 earthquake paved way and Poonch-Rawalakote was opened to allow the exchange of earthquake relief goods on November 07, 2005. Six months later, in 2006, both countries agreed to start another bus service to link Poonch and Rawalakote. In 2008, the fortnightly bus-services were converted into weekly services.

Reason

The nuclear tests by India and Pakistan, economic demands and US war on terror set the chain reaction to push the headship on both sides to encourage steps that would promote Cross LOC interaction; this has opened a window of opportunity to promote cross-LOC interaction. This not only helped address the sentimental needs of the divided families but also helped to boost the socio-economic conditions of the state. As such, the growth in cross LOC travel, and thus, cross LOC trade helps Kashmir from the bone of conflict to a bridge for peace between the two countries. America's role is quite evident because it wants India-Pakistan relations to normalize so that it might better pursue its strategic objectives in Afghanistan and other Gulf nations like Syria, Iran etc.

Cross LOC Trade

After the initiation of Cross LOC travel, the people of the state urged the governments on both sides for Cross LOC trade. After carrying on the long series of dialogue processes, cross LOC trade was facilitated between the two parts of Kashmir. Cross LOC trade and travel has the potential to create transformational spaces which will help ease tensions over Kashmir and bring in its people to resolve Kashmir dispute.

The year was 2006; primary products of state origin were selected to start cross LOC trade. But it took three good years to initiate Cross-LOC truck services, and so started trade on the Srinagar-Muzaffarabad and Poonch –Rawalakote routes, in October 2008. 21 items were selected for the trade between the two parts of Kashmir and the routes were opened only for limited trade.

India had to initiate this move to getaway with the upheaval in Kashmir valley following the Amarnath controversy and the following economic blockade of the Kashmir valley. This led to the demand for opening Srinagar- Muzaffarabad road and hence trade ties were allowed to resume decades after partition; trucks were allowed to move across the LOC between Srinagar and Muzaffarabad and Poonch-Rawalakote, these being traditional routes.

On October 21, 2008; 13 trucks casketing apples set off for POK and 14 trucks reached India's side carrying fruits, onions and spices. The goods which are traded include vegetables, fruits, rice, dry fruits and Kashmiri handicrafts. The goods trucks were to cross at the above mentioned two points , twice a week and no customs duty was to be imposed under the agreement signed by India and Pakistan. Moreover barter system was to be conducted, there being no banking facility available.

Cross LOC trade is seen as a substitute trade route to ensure never-ending flow of consumer items into the valley. And for exploring items. This step was welcomed by the business and trade community. It was expected that trade will help to bring people get closer and reduce tension between the two counties while strengthening the peace process.

Status Report of Cross LOC Trade Through Chakkan da Bagh Poonch

Year	O U T G No of trucks	O I N G Quantity in Qtls	I N C O No of trucks	M I N G Quantity in Qtls
22-10-2008 to 31-03-2009	42	1543.76	23	185.50
01-04-2009 to 31-03-2010	1492	142921.76	1560	59196.53
01-04-2010 to 31-03-2011	1836	133443.72	1626	113377.36
01-04-2011 to 31-03-2012	2020	115192.60	1255	167158.46
01-04-2012 to 31-10-2012	938	91410.24	507	455241.11
T O T A L	6328	484503.08	4971	795158.96

Following points were decided in meeting (September 08, 2012) to review progress in the Dialogue process.

1. List of 21 products of permissible items for Cross-LOC trade will be respected by both sides.
2. Regular meetings between the traders on monthly basis on both sides will be facilitated.

3. The designated authorities will resolve operational issues concerning Cross-LOC trade through regular meetings.
4. Improvement of roads and bridges for Cross-LOC trade will be facilitated.
5. Transportation links on operational crossing points will be upgraded.
6. Both sides agreed to facilitate the exchange of business delegations.

Impacts of Cross LOC Trade

Cross LOC Trade has created rooms that have improved local economies. Noteworthy to mention here that the weekly trade averages Rs 20 crores.

Cross LOC Trade has generated employment and livelihood opportunities. e.g. traders, drivers, loaders etc.

It has aided in trust-building; eventually bridging the gap between the two countries on Kashmir. regions of Kashmir.

It has not only helped build trust across the border but also within the divided state of Jammu & Kashmir.

It brings about an Inter-communal harmony; traders on POK being Muslims and most Indian traders being Non-Muslims.

This Cross-LOC trade has bridged gap between Delhi and Islamabad and thus an approach to peace building is shaping in Kashmir.

It is a tool for peace. It brings the people of the two nations closer and thus acts as a channel for peace between Pakistan and India.

Cross LOC Tourism has attracted a lot of visitors. The religious institutions have always been a powerful attraction for people living across LOC.

Every visitor can become an ambassador for ushering peace and harmony in the region. The divided families admit that their visits have helped remove many wrong impressions and misperceptions.

It will promote cultural, economic and religious interactions by eroding negative sentiments.

If religious, exploration and heritage tourism are developed, it will develop economic activities and develop infrastructure. And thus will provide ample employment opportunities.

Obstacles

The main aim of Cross LOC Trade could not be fully realized due to a number of difficulties.

There are several infrastructural and operational problems. Due to lack of infrastructure, Cross LOCTrade has to suffer a lot. Only 1.5 metric tons/ truck load can cross the LOC due to infrastructural constraints on both sides.

This is too expensive due to high fuel, freight handling insurance and other costs involved.

The list of items being very restrictive doesn't fully exploit the main purpose of Cross LOC Trade.

Absence of banking system and the prevalence of Barter system is another big hindrance. Issue of transfer of money has paralyzed the Cross LOC Trade.

There is a strict restriction on the travel of traders across LOC. This has deprived the trade off its

potential to make any impact on the economy on both sides of the LOC.

Moreover, lack of communication links is an impediment in the smooth functioning of Cross LOCTrade. No phone calls are allowed. Besides no telephonic links, there are no fax or postal or courier services.

Traders cannot transport their goods to last destinations. Trucks are unloaded at check-points near the LOC and then reloaded onto local trucks which not only increases the cost but also have an effect on the perishable items.

Certain items were banned by Agricultural Ministry and this resulted in heavy losses to those state traders who had invested in these items.

Aggravated by lack of infrastructure, communication and banking facilities; traders often resort to boycotts to force down the authorities to address their problems. It often results in huge financial losses.

Bans are imposed on profitable items like peanuts, garlic etc.

Cross LOC Trade is the biggest CBM between India and Pakistan. But regional disparities are evident. Where 50 trucks/day ply from Salamabad (Uri) to Chakoti (POK), only 25 trucks /day ferry from Chakkan da Bagh in Poonch to Tetrinote in POK. Though, now it is a 4-days-in-a-week affair.

Suggestions

The list of items for trade should be expanded.

Traders should be facilitated with access to each other. Connectivity should be enhanced to facilitate mobility of people and conduct of trade.

Infrastructural facilities should be improved including roads, power supply and telecommunication services. Moreover to make trade feasible, full truck load of 12 to 15 MT should be allowed. This will trim down per unit cost for the traders.

Stress should be laid on the use of Currency. Barter system should be replaced with banking services. J&K Bank and POK bank branches should be opened on both sides.

More trade routes should be opened:

1. Mirpur- Nowsherra
2. Chhumb- Pallanwalla
3. Kotli- Rajouri
4. Sialkot-Suchetgarh
5. Kargil- Skardu
6. Turtuk- Khapulu
7. Gurez- Astore- Gilgit
8. Tithwal- Chilhan

Cross LOC trade should be an economic Confidence Building Measure (CBM) not a political CBM.

Cross LOC Trade should be expanded on both sides of LOC to include visits for tourism and religious pilgrimages.

The expectations of the state businessmen were to trade their carpets and apples and handicrafts, all the way to Gulf countries via Karachi, still remain a dream. Moreover, to avail the benefit of no customs duty levied on goods, traders from other states are trading through this route, which is not benefiting our state's economy.

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