

## Chapter 9

### Tripura

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#### 1. Background: Land and People

The total area of the state of Tripura is 10,491 square km and its population is 3.19 million, according to the Census Report of 2001. Before the merger of Tripura into Indian Union on 15<sup>th</sup> Oct, 1949, the area of the state was much bigger which included the present Tripura and the plains of Tripura (Tippera) (now a part of Bangladesh). The plains of Tripura comprised of Chakla Roshanabad area of the then Bengal. Chakla Roshanabad was a Zamindari and the king of Tripura was the Zamindar. At that time, there was a sunset law determining the ownership of the zamindari in case the zamindar failed to furnish the annual taxes and royalty within the time limit of sun-set of an appointed day. Tripura's king was given a special status by the British Govt. that even if the king could not meet the deadline he would not be evicted. The ownership of Chakla Roshanabad would vest in him till he enjoyed the confidence of the Government.

The indigenous people are tribals who have been poor and marginalized compared to the non-tribal people (predominantly Hindu Bengalis) of Tripura. The tribals reside mostly in the hills and practice jhum (slash and burn) cultivation which is a way of life. From jhum, the bare necessities of life are met. Jhum hardly produces any surplus. In the past, the king attempted to impose taxes in various forms, of course, without any success as the tribals could not be able to pay the taxes. The king once came out with an innovative tax known as House Tax, which was determined, by the number of houses a tribal family owned. The tribals were subjected to various forms of exploitation by the intermediaries of king which once burst into Reang Mutiny led by Ratan Mani Reang. Ratan Mani Reang, the rebel leader was murdered in his captivity in the royal palace in 1944.

Tripura was an independent princely state during the British Rule. It was 'independent' in the sense that it was obliged only to pay the annual taxes and royalty to the British and in turn the British supposedly did not interfere into the day-to-day administration of the state. However there were a couple of court

cases which even reached to the privy Council for the determination of legitimate heir among many other claimants to the throne of Tripura in more than one occasion. This is one of the instances when intervention was made and sought by the state itself.

The relationship between the king of Tripura and the British Raj deteriorated so much so that a Political Agent had to be appointed by the British monitor and review the King's administration. It was the first time that interference was openly done. The Political Agent's assignment was to prepare an annual administrative report to be sent to the higher authority for taking necessary steps against the king if he was found erring.

Akhaura, Coomilla and Brahmanbaria are the townships among many others which were under the jurisdiction of Chakla Roshanabad. Old records speak about the surplus of revenues produced by Chakla Roshanabad, which was siphoned to the capital of Agartala for construction of royal palace and meeting the expenditure for maintaining the luxurious life of monarchy. Out of the surplus, the king extended financial support to eminent people of Bengal such as the poet Rabindra Nath Tagore and Sir Jagadish Chandra Bose.

After independence, the whole picture changed suddenly. The plains of Tripura (Tippera) or Chakla Roshanabad went to the other side (East Pakistan) as the king lost his zamindari. Tripura suffered from severe disconnect from the mainland. Due to partition, the economy of Tripura was badly hurt. Chakla-Roshanabad, which produced surplus revenue, was taken away from Tripura. The Rail-line connecting the commercial places of Tripura passed through East Pakistan, Tripura was barred from the communication network.

Following partition, a Hindu influx came into Tripura from Chakla Roshanabad. The sudden pressure of a large migratory population coupled with the withdrawal of communication facilities was a big obstacle in the way of economic development.

However, the new central government forward to help rehabilitation of refugees from East Pakistan and establish road linkages within the state. Once Tripura was enjoying a surplus revenue with relatively developed rails and road links and with a stable population. However, the birth of East Pakistan in 1947 destabilized the whole picture turning surplus into deficit, communication links were disrupted

and a stable population became highly unstable and unmanageable.

The decadal rate of growth of population in Tripura (15.74) is much less than the decadal rate of growth of population of India (19.30), according to the 2001 Census Report. Earlier, it was as high as 78.71 in 1951-61, reflecting the phenomenon of influx of refugees and migrants from the other side of the border. Over the years, the trend of population growth stabilized and showed a gradual fall.

The current annual growth rate of 1.57% (Census of India, 2001) suggests that there is little or no influx of population from Bangladesh. In the south district of Tripura, the growth rate is even less than the growth rate of Kerala. A plausible explanation is – that female literacy in the south district is relatively higher than in other districts. Even the gap between the male and female literacy rates in the south district is minimal. It is, therefore, argued that the high women literacy in the state of Tripura is responsible for the lower growth of population as women's education is always found to be the best contraceptive.

Although there is a minimum rate of growth of population in Tripura, the composition of population with Bengali-Tribal divide underwent a drastic shift. Earlier before the 1945, the tribals in Tripura were a majority. However, later with the influx of Bengali refugees from East Pakistan, the picture entirely changed and tribals are now a minority. There is however a debate on the majority - minority issues of Bengali/Tribal composition of population in Tripura. Migration from Chakla Roshanabad, the territory belonging to the old Tripura to the new state of Tripura should not be treated as migration, some scholars argue. According to them, it was more of an internal displacement rather migration from foreign country. They also argue that tribals never enjoyed absolute majority - though they constituted 47% of the total population of Tripura in 1941- 51. Of course, in the later decades, the Bengali population outnumbered them. In 1981, the tribals were 29% and the others were 71% of the population. In 1991, due to the faster rate of growth of tribal population, they constituted 31% and the Bengalis 69% of the total population. Economic underdevelopment and lack of educational development in tribals are seen to be the reasons for the relatively higher growth of tribal population.

Though the question of tribals being reduced to minority from majority remains unresolved, it is, nevertheless an accepted fact that the tribals lost their land to

non-tribals. Tribals were alienated from their own land and became virtually landless.

As a consequence, these arose a rift between the two ethnic groups, which had so long been lived in harmony. The discontent started erupting in various forms. Tribal youth organized themselves under the banner of the Communist Party of India to defend their rights over their ancestral land. However in the 1960s because of serious ideological differences, the tribal youths left the Communist Party and formed their own party, Upjati Yuba Samiti (Tribal Youth Party).

A splinter group of tribal youths subsequently broke away from the party and formed 'Senkrak', a militant organization seeking to retaliate for the injustice meted out to tribals. 'Senkrak' is the first extremist group of Tribals started operating in Tripura. Later, there were many militant groups with demands ranging from the establishment of autonomous district to a sovereign state. The Government of India, conceding to the tribal demands consented to form the Tripura Tribal Autonomous District Council by amending the Constitution. Though the autonomous district council was constituted and started functioning, various extremist tribal groups relentlessly pursued the path of violence.

Unprecedented ethnic strife broke out in Tripura in June 1980, engulfing the entire state. Thousands of Bengalis and tribals were killed (predominantly the former) and villages were burnt. The whole of the state was under curfew for about one year. In 1988, India forged an accord with the Tripura National Volunteers (TNV) – the group under the leadership of Bijoy Hrangkhal, which had led the extremist movement. Following the accord, Mr. Hrangkhal and his followers surrendered and came back to democratic system.

Despite the TNV surrender, many other groups such as ATTF (All Tripura Tiger Force) and NLFT (National Liberation Force of Tripura) sprang up to carry out their "unfinished agenda" of "freeing Tripura from India's subjugation". It is ironical that the militancy in Tripura does not show signs of remission – despite accords and efforts by the state government. On one side, the drama of surrender and rehabilitation of tribal militants continues and on the other, newer extremist outfits are born.

Unfortunately, Bangladesh is interfering in the internal affairs of Tripura by backing the militancy. The extremists take refuge in Bangladesh after conducting

ambushes and operations in Tripura. Innocent people are kidnapped and kept in hideouts in Bangladesh. And it is difficult if not impossible to track the militants once they cross the international border.

In fact, Bangladesh is overshadowing Tripura in every sphere. There was unrest in the Chittagong Hill Tracts (CHT) of Bangladesh among the local residents of Chakma against Dhaka, led by militant Shanti Bahini. About 60,000 of Chakmas of Bangladesh origin fled from the CHT after a crackdown and took shelter in Tripura in 1986. As refugees, they stayed in relief camps set up by the latter for a decade, funded and fed by Delhi.

They finally left Tripura and returned to the CHT in 1996 after an agreement between Dhaka and the Shanti Bahini. During their stay in Tripura over ten years - new children were born and fresh marriages took place. Young children and youth attended schools and colleges in Tripura. It is now difficult to say if all of them actually left the state.

In 1996, a worried tribal man wrote to a newspaper expressing his concern about the rapid changes in the state's social fabric. The letter says that – as the father of an eligible daughter, he could not find suitable bachelors in his own community to give her in marriage. Tripura's tribal boys preferred to marry Chakma girls as they were prettier than the daughters of Tripura, he lamented.

There are three forms of displacement of people arising out of human-related pressures which is relevant here: this can take the shape of those displaced in another country and entering a state like Tripura; secondly, displacement within the states of the same nation and thirdly, displacement inside a state (say from one district to other district). Tripura has experienced all three.

Thus as a result of unrest in the CHT, the Chakmas were displaced and took refuge in Tripura crossing the international border. Due to the reign of terror unleashed by the militants in the state, a lot of internal displacement took place virtually unnoticed. People from the insurgency hit Dhalai district rushed to safer places in the West district nearer Agartala. This is one of the reasons for the skyrocketing prices of land in and around Agartala.

Another form of displacement, which was not much known earlier, is also happening in Tripura. About 34,000 of Reangs from the neighbouring state of Mizoram are currently languishing in camps here. The Reangs are hard working

tribals who were taken by the Mizos from Tripura for cultivation and other works. They have been there for centuries. Now in the presence of strong “sons of the soil” sentiments, and anti-outsider feelings, triggered by Reang-Mizo clashes several years ago many Reangs were forced to leave Mizoram.

The geophysical situation makes Tripura extremely vulnerable. One may apparently argue that the genesis of strife and unrest in Tripura lies in the ethnic identity crisis and religious divides. Superficially it may appear to be so. Bengali - tribal conflict in the state and Hindu - Muslim riots in Bangladesh are seen as the root cause of all troubles.

However, a closer look tells the different story. For example both Hindus and Muslims in Bangladesh are also Bengali speaking. When there is a riot between them, it is a Bengali versus Bengali riot. Again in the context of Tripura, Bengalis are Hindus and tribals are also mostly Hindus. Therefore, a Bengali - tribal ethnic strife is basically a Hindu versus Hindu strife. When there is a conflict between Mizos and Reangs - it is essentially a conflict of tribal versus tribal as both groups are tribals as well as Christians.

The simple truth is that it is not the ethnic identity or religious divide which is the villain. The problem start from acute economic deprivation and glaring inequality in the whole subcontinent which also dictates life over here.

## **2. Agartala - Shared by Two Countries**

Agartala is a small capital town with a population of 2.60 lakh, according to the Census of 2001. With the civic amenities presently available, the number, though it seems to be very small compared to any mega cities of India, is quite large for Agartala. The carrying capacity of Agartala with its meagre resources is severely limited. Any further addition to the existing population of Agartala is likely to make city life most stressful.

Agartala’s problems, as it seems, are not from within but from outside, which is unlike any other city. Agartala is the only state capital with the unique distinction of having its municipality boundary with a foreign country - Bangladesh.

Although Agartala's population is officially 2.60 lakh, yet for all practical purposes the number is no less than three lakhs, about 40,000 persons come from Bangladesh to the city every day to earn their livelihood.

The places of Bangladesh adjoining to Agartala are most underdeveloped where the basic minimum needs are missing. As a result, people from that side often cross the border to Agartala for medical treatment and other needs. The meagre resources earmarked for Agartala are shared by the people of neighbouring country, resulting in a local resource crunch.

Due to the partition of 1947, the connections of Agartala with the neighbouring towns of Bangladesh and other places were all snapped. The railroad from Sylhet to Chittagong via Akhaura, which served as the lifeline for Tripura, went to East Pakistan. Agartala, the capital town of the Hill Tipperah, became practically isolated. Subsequently although development has taken place in terms of roads and construction, yet the city could not cope up with the pressure of people rushing in from outside (Bangladesh) and from village inside the state as well.

In the context of globalization, the city of Agartala is also undergoing a rapid change. At present, the threats of urban poverty and vulnerability to the city do not appear to be significant.

The political economy of Agartala is also undergoing a rapid change. Its political economy is also fragile, surviving on informal traded and commerce with Bangladesh. The prospects of Agartala are directly related to the rise and fall of border trade. Agartala is small – that is its plus point. Its political economy is influenced by exogenous forces that is its minus point.

### **3. Population Dynamics**

A look into the trend of population growth provides an interesting insight. The growth, which took place during the last couple of decades, cannot be explained only by the natural rate of growth of population in Agartala. The size of the population of a place depends on the reproductive capacity of the people living there, which, in turn, is determined by the difference between in the birth rate and death rate.

**Table 1**  
**Birth and Death Rates for Tripura**

YEAR	BIRTH RATE	DEATH RATE
1992 – 93	17.70	6.0
1993 – 94	18.80	6.5
1994 – 95	16.90	6.5

Three types of factors are responsible for the unabated growth of population of Agartala. Firstly, the natural rate of growth which is quite high. Secondly, for last two decades, Tripura has been witnessing an unprecedented rise in extremist activities. Due to militancy, abductions murder and arsons are reported almost daily. As a result, people from the militancy infested areas of villages and hills are fleeing particularly to Agartala where life seems to be relatively safe. The number of evicted people is difficult to estimate - but they are quite substantial. Thirdly, there is an influx of population from Bangladesh. They come in the morning work for the whole day and return to Bangladesh in the evening after buying foodstuff with the day's income. They comprise floating population. Their presence in the city of Agartala should not be underemphasized. They use civic amenities such as health facilities and drinking water. There is another group, which migrates to Agartala permanently without official records. Though both are migrants, the first group is locally called "illegal alien" and the other are "refugees" based on religious identities .ie. Muslims comprise the first group and the second, larger group, is Hindu.

***Population Projection (Agartala)***

The decennial growth of population in the last decade 1981-91 works out to be 19.05%. The decennial growth rate for the coming decades may be high medium of low depending on the socio-economic conditions of the people. A forecast has been made by the study team of NATPAC-HUDMA by assuming three different growth rates - high (2.75%), medium (2%) and low (1.5%) resulting in three emerged scenarios. The projected population of Greater Agartala in 2011 is given below.



**Table 2**  
**Projected population of Agartala in 2011**

	High	Medium	Low
Greater Agartala	648924	513585	407944

Source: NATPAC study (1990)

The study also provides the distribution of the projected population age wise. The following table gives the scenario of age-wise distribution of population in 2011.

**Table 3**  
**Age-wise Distribution of Agartala Population**

Age Interval	Percentage of Population
0 – 14	40%
15 – 34	32%
35 – 59	7%
60 – above	21%

Source: NATPAC study (1990)

People of age less than 34 comprises of 72% of the total population. Agartala will have huge army of youths who is properly utilized, may be an asset instead of liability in the form of unemployment. Following the medium growth rate, the population in 2011 is expected to be 5.14 lakhs for the greater Agartala. It is further assumed that by the end of 2011, all the children will receive at least primary and secondary education - the number of students (male and female) eligible for schooling up to (+2) stage will be 1.37 lakhs. The projection says that of 1.37 lakh students – male and female students ratio will be in the proportion of 4:3. But for the higher education, the ratio will exhibit a change against the females. The corresponding proportion will be 8:3.

Another projected prediction is that the working force will be 1.80 lakhs in 2011. The following table provides the estimated occupational structure in greater Agartala in 2011.

**Table 4**  
**Occupational Structures in Greater Agartala in 2011**

Category To Total Workers	% of Workers	Number of Workers in (1000)
Primary Sector	2.0	3.60
Household Industry	4.0	7.19
Other than Household Industry	20.	35.95
Construction	6.0	10.78
Secondary Sector	30.0	53.92
Trade & Commerce	20.0	35.95
Transport, storage & Communication	10.0	17.97
Other Services	38.0	68.31
Tertiary Sector	68.0	122.23
Grand Total	100.0	179.75

Source : NATPAC - HUDMA study (1988)

Agartala is an under developed city. Obviously the Primary and secondary sectors are likely to absorb most of the categories of workers. Theoretically these two sectors should provide maximum employment. It is observed from the table that it is the tertiary sector which accommodates 68% of the workers. Traditional theory of development fails to explain the unusual occupational distribution within the sectors. Tertiary sector dominates all other sectors because Agartala is a basically trading center not a manufacturing center.

#### ***Migration from Bangladesh***

Communal riots following the 1992 demolition of the Babri Majsid in Ayodhya created fear among members of the minority Hindu community in Bangladesh felt threatened and left. In 1971, the population of Tripura was only 16 lakhs. Due to the liberation war in the former East Pakistan, a large number of people moved into Tripura. The population of Tripura more than doubled at the time. Many of the people stayed in Tripura for nearly one year as 'Sharanarathi' (refugee) in the refugee camps. After Bangladesh was liberated, most of them returned to their homes although a substantial number of people stayed back in Tripura and merged with the local residents. The population of Tripura in general and that of

Agartala in particular abruptly increased due to this war. The growth rates are quite high for the period of 1971 - 1981. It was unprecedented because of the state of influx and is clearly not a natural rate of growth (See Table 5).

**Table 5**  
**Migration and Natural Growth Rate (NGR)**

	1971 - 81		1981 - 91	
	Migration	NGR	Migration	NGR
Tripura	12.44	19.48	16.75	17.55
India	4.66	21.02	2.48	20.40

Source: various census reports

Table 5 above shows that in regard to natural rate of growth, Tripura and India are close to each other. Rather Tripura's figures are less than the all-India averages. The growth due to migration is very high, almost three times higher in 1971 - 81 and six times higher in 1981 - 91 in Tripura compared to India.

The urban poor live in poor health conditions, which is reflected in the high infant mortality. Infants are especially vulnerable. A report on the Socio-Economic Survey on Slum Dwellers in Agartala and its Suburbs (1994) confirms the vulnerability of infants in slums. The report says that Gastroenteritis, dysentery and diarrhoea are prevalent killer diseases, which take toll of lives in the slum and especially of infants below 6 years of age. These diseases are all water borne. The survey also says that 92.82% of the households in the slum areas are collecting their drinking water from sources, which are for community use. According to the report, published by the Tripura Housing Board there are 12 slum areas with 3,796 households and 30,460 people. They were mostly migrants from Bangladesh. The average size of the household is 6.3 persons and nearly 37 households have more than 7 persons, each which is higher than the standard normal family size. They are found to have been residing on the bank of the river Howrah and Katakhal in extremely unhygienic and unsanitary situations.

The population growth rate, the area, the density and the sex ratio of Agartala city are given in table 6.

**Table 6**  
**Population Growth Rate, Area, Density and Sex Ratio of Agartala**

Year	Area (Km)	Population Growth Rate	Density	Sex-Ratio
1971	7.2	82.70	14203	928
1981	15.8	31.84	8366	969
1991	15.8	19.04	9959	983

Source: Socio-Economic Survey on Slum Dwellers in Agartala and its Suburbs (1994).

It is interesting to note that the rate of growth of population is declining steadily. The density is falling and then increasing. This is due to inclusion of more areas under the municipality over year. The size of the city has been more than doubled in 1981. Whereas all India figure relating to sex ratio is gradually falling in every census the sex ratio is on the increase in the case of Agartala implying the sex discrimination here is not so pervasive. According to the 1991 Census, the all India sex ratio is 927 per 1,000 male and for Agartala, it is 983.

#### **4. Relationship with Bangladesh**

India and Bangladesh are the members of SAARC (South Asian Association for Regional Cooperation), which was established in 1985. The objectives of the SAARC are to protect and promote the trade prospects of the member countries within themselves as well as with the other trading countries of the world. India happens to be the biggest trade partners to Bangladesh in terms volumes of imports and exports. Interestingly, over years it has been observed that Bangladesh is having a continuous unfavourable balance of payment with India. The simple fact is that the imports from India to Bangladesh far exceed the export from Bangladesh to India. India is found to have enjoyed comparative advantages over Bangladesh on many accounts such as the price differential on the various traded products ranging from 16% to 225% in favour of India and lower tariff and non-tariff barrier from the side of India etc (Rao 1996).

As a result, there prevails a chronic symptom of comparative disadvantage on the part of Bangladesh leading to the wide gap in the balance of payment accounts of

Bangladesh. The gap in the balance of payment may be reduced by two ways. One, Bangladesh should import less from India which is not a feasible solution. Bangladesh being one of the less developed countries needs Indian technology for building its own economy and also to meet the deficit of goods and services by importing the same from India at relatively cheaper prices. Two, other option open before Bangladesh is to export more to the trading partners particularly to India in order to neutralise the surplus amount of imports. As a matter of fact, exports can hardly be enhanced if the obstacles in the form of tariff and non-tariff barriers are not partially or fully removed.

For this purpose, SAARC, through several rounds of negotiations, has arrived at a position where the South Asian Preferential Trading Arrangements (SAPTA) was evolved. In order to boost the prospects of export and reduce the gap of balance of payment for the weak trading partners, the preferential trading arrangement was initiated. The status of most favoured nation was accorded to Bangladesh. Under this provision, a lot of concessions for the tariff have been provided to Bangladesh.

Unfortunately, in spite of these calculated efforts initiated by India, the balance of payment position did not reflect any improvement in favour of Bangladesh. The table below gives the total picture of BOP (balance of payments) over the last decade.

**Table 7**  
**Balance of Payment for Bangladesh vis-à-vis India (in \$ Million)**

<b>Year</b>	<b>Imports</b>	<b>Exports</b>	<b>BOP</b>
1995 - 96	85.99	1050.63	-964.64
1996 - 97	62.28	869.69	-807.41
1997 - 98	50.87	787.41	-736.54
1998 - 99	62.39	996.37	-933.98
1999 - 00	78.25	636.92	-558.67
2001 - 01	73.99	874.41	-800.42
2002 - 02	59.32	945.52	-886.20

Source: Director General of Commercial Intelligence and Statistics, Ministry of Commerce, Govt. of India.

It is clear from Table 7 that there is persistently a negative balance of payment for Bangladesh for the period 1995 - 96 to 2001 - 2002. It was almost to the tune of \$ 1 billion in 1995 - 96 and then the BOP fell to \$558.67 million in 1999 - 2000. Finally there is a rising trend of unfavourable balance of payment, which is approaching to the volume of \$ 1 billion approximately again.

It is, therefore, argued that the balance of payment will change in favour of Bangladesh if the preferential trading arrangement is replaced by the free trade regime between India and Bangladesh. Presently India is pursuing free trading arrangement with its neighbouring countries of Nepal, Bhutan and Sri Lanka. It is yet to be extended in the case of Bangladesh. The introduction of FTA (Free Trading Arrangement) in place of PTA (Preferential Trading Arrangement) is still in the initial stage. Bhattacharya, in his seminal work attempted to study the four hypothetical scenarios with a tariff cut of 25% (Scenario – I), a tariff cut of 50% (Scenario – II), a tariff cut of 75% (scenario – III) and a tariff cut of 100% or free trade (Scenario – IV) with the help of gravity analysis methodology (Bhattacharya 2004). Bhattacharya concluded that, under the free trade regime (Scenario – IV) both India and Bangladesh stand to gain maximum. The results from the gravity analysis by Bhattacharya are summarized in Table 8 given below:

**Table 8**  
**Absolute and Percentage Increase in Indo-Bangladesh Trade under**  
**Four Hypothetical Scenarios (in \$ Millions)**

	2001-02	Scenario-I	Scenario-II	Scenario-III	Scenario-IV
India's Export to Bangladesh	945	1200.41 (27.3)	1455.83 (54.06)	1711.24 (81.08)	1966.66 (108.11)
Bangladesh Exports to India	59.32	76.46 (28.89)	93.59 (57.77)	110.73 (86.67)	127.86 (115.56)

Note: Figures in the brackets give the percentage increase in Exports of India and Bangladesh.

Table 8 shows that among the various scenarios, the Scenario - IV (free trade) appears to be the best as both Bangladesh and India tend to gain maximum from the free trade arrangement. Comparatively, the gain accrued to Bangladesh (115.56%) is higher than India (108.11%). The gain differential for Bangladesh (7.45%) is the maximum compared to all other three scenarios - the best option

for Bangladesh as well as India on the ground of efficiency.

In the context of trade between Bangladesh and India, Tripura occupies a unique position. Geographically Tripura is surrounded by Bangladesh almost from all sides except for a little portion of the northeastern part bordering Assam and Mizoram. Tripura has about 860 km of border with Bangladesh. The entire border is open and porous - though there are a few official check posts through which the formal trade between Bangladesh and India takes place. Alongside official trade, there is rampant unofficial trade. An estimate by the Research and Information System for the Non-Aligned and other Developing Countries, New Delhi shows "it can be seen that unofficial and official exports from India to Bangladesh are more or less equal" (Rao 1996). The volume of unofficial exports to Bangladesh may be approximately the order of \$ 1 billion as the official trade is about the same.

Thanks to its location, Tripura is a haven for unofficial trade with Bangladesh, Tripura has other advantages also. Dhaka, the capital of Bangladesh and Chittagong, the port city of Bangladesh are easily reachable by surface transport from Agartala, the capital of Tripura within three and five hours respectively. In fact, Tripura virtually acts as the port of entry and port of exit for informal trade to Bangladesh. The merchants of Bangladesh prefer Agartala as the port of entry to Bangladesh over many other official check posts.

Agartala is even preferred to Petrapole in West Bengal --- it takes six hours from Petrapole to reach Dhaka and minimum ten hours to reach Chittagong which is just double the time it takes if the cargo are routed through Tripura. Being located in the remotest part of India, Tripura also gets subsidy towards transportation costs. As a consequence, the prices of products at Agartala are ---all-India prices.

Again in the presence of tariff and non-tariff barriers, the formal trade entails a lot of cumbersome procedures to be completed by the merchants on the both sides, which they want to avoid to save time and money. They, therefore, tend to indulge in informal trade, which flourishes along the border of Tripura. It is reasonable to estimate that at least one third of \$ 1 billion unofficial trade of India with Bangladesh takes place through the porous border of Tripura.

Though there are no official records, all export and import items between India and Bangladesh are also traded through the unofficial channels.

Tripura itself, however, does not produce much of anything is worth exporting. Almost all the items passing to Bangladesh are made elsewhere in India. There are big merchants in Tripura who command the informal trade with Bangladesh quite efficiently. They have their own agents, sub-agents and middlemen to carry out the operations. Though it is unofficial and informal trade in nature, the economy of Tripura gets adequate impetus for its economic development. The black money earned from the informal trade is being ploughed back and invested primarily in house construction and transport business in the state. Since there are no other substantial production activities much of Tripura is directly or indirectly involved in the unofficial trade with Bangladesh. There are countless small shops dotting on the border and within the Tripura, which essentially act as conduits for unofficial trade. They have mushroomed across the border. During the daytime, the shops are found full of commodities. And in the night, the items are safely transhipped to the destinations in Bangladesh.

It will not be out of place to cite an interesting story to illustrate the magnitude of informal trade through Tripura. One medicine retail shop at Agartala was adjudged as the highest seller of medicine of particular brand not in Tripura alone but the whole of the country of India for its outstanding sales performance. By any measure, it could not happen because Tripura is a tiny state and there could not be such a huge demand for the particular medicine. It was the demand for the medicine in Bangladesh with a population of 130 million which made the retail medicine shop of Tripura so successful.

## **5. Conclusions**

The growth and development of Tripura's economy seem to depend directly or indirectly on the economy of Bangladesh. The fate of the economy of Tripura is linked with that of Bangladesh because of its peculiar geographic location. Tripura was made isolated from the mainland of India due to the emergence of East Pakistan (Now Bangladesh) in 1947. Prior to that, Tripura was well connected with the other states of India through Bengal. The birth of Bangladesh snapped all surface communications. However, the alternative route through Assam to reach Kolkata from Tripura is too expensive as well as time consuming.



Recently, the relationship between India and Bangladesh on the diplomatic and other levels showed some signs of improvements despite occasional bluster and Tirades. Both sides realize that by consolidating and expanding trade, they stand to benefit --. Besides being members of SAARC, Bangladesh and India are contemplating reinforcing the sub-regional trading blocs such as BBINGQ (Bangladesh, Bhutan, India and Nepal Growth Quadrangle) and BIMST-EC for promotion and protection of their mutual trading interests.

India already extended special status to Bangladesh so that it might have advantage in trade with India. Bangladesh also started reciprocating India's good gestures. When Bangladesh does reciprocate, India gains – but the gains specifically to Tripura are much higher by any measure.

The isolation of Tripura can easily be broken once a corridor through Bangladesh is made available for Tripura to reach Kolkata. A lot of people from Tripura often go to Kolkata, Chennai and Bangalore for treatment and for higher education. However, the airfare from Agartala to Kolkata is so prohibitive that the common people cannot afford to go out.

A journey by road from Agartala to Kolkata via Bangladesh costs only one fourth of airfare and it saves time also. The demand for allowing the people of Tripura to go to Kolkata by road via Bangladesh was a long standing demand. Two years back, Bangladesh opened its border and allowed travel between Agartala and Dhaka by road. Though it is a positive step, however it is not what it was expected really. More recently, Bangladesh agreed to give travelers from Tripura double entry visas enabling them to travel across Bangladesh to Kolkata and back. This is expected to improve passenger traffic after a dismal two years of the earlier service when the buses were plying almost empty, raising questions about the service's viability.

The reality is that the ordinary people from both countries can cross the porous border any time. They do not need any passport or other documents. It is hoped that not only the people of Tripura will have the opportunity to go to Kolkata and return to Agartala with less fare and lesser time but that in the near further, the cargo for Tripura may also shipped through this corridor. When this happens, it will act as a multiplier of development and help break the syndrome of closed economy of Tripura.

It is not only the sheer economics of Bangladesh, which influences the economic

well-being of Tripura, the politics of Bangladesh also leaves its dent on the economy of Tripura. In 1971, there was a liberation war waged against West Pakistan by the people of East Pakistan. The war lasted for one long year. India was also drawn into the liberation war. During the wartime hundreds and thousands of people from the erstwhile East Pakistan fled to the neighbouring states of Assam, West Bengal and Tripura etc of India. The refugees from Bangladesh were given food and shelter till they left the soil of India, However, providing accommodation to the huge numbers of refugees by Tripura was a stupendous task as the Tripura's own population was outnumbered by the influx of people from Bangladesh due to war. This unusual situation never happened in the cases of other states of Assam and West Bengal.

The number of refugees taking shelter in Assam or West Bengal did not in any case exceed 10% to 15% of its own population. In the case of Tripura, the number was unmanageable. Most of the ordinary refugees were given shelters in camps in forests as all other places such as community spaces were filled up by elite refugees. Though they were provided with dole and food ration, the refugees felled the trees and depleted the forest resources. As a result, Tripura incurred environmental degradation beyond repair.

During the liberation war there were Hindus as well as Muslims who fled India. However, at the time of return when the war was over, all did not go back home a fact, which later reflected, in the abnormal increase in the population. Some of them even purchased land in Tripura.

The unexpected demand from migrants and settlers forced the price of land up and led to much discontent among the local people. The issue was simple but turned out to be very sensitive. "Foreigners" were seen as depriving the indigenous people from purchasing land due to prohibitive prices order to resolve the land issue, the Government of Tripura issued an administrative order requiring legitimate buyers of land to produce citizenship certificate as a proof of their bonafides. The land price, fell suddenly to the reasonable level, thanks to this simple administrative order. It is thus seen that political developments in Bangladesh always have fallout on the economy of Tripura.

For last more than three decades, Tripura has been plunged into a reign of terror unleashed by the militants. Situation is so worse now that not a single day passes without any incidence of murder, kidnapping, and loot. The terrain is such that

after each ambush, the militants safely disappear --- the Indo-Bangladesh border.

India has expressed concern to Dhaka for illegally harbouring the militants in a charge ----- by the letter. The militants run a parallel administration in the hilly, remote areas of Tripura. Forest resources are smuggled out to Bangladesh and the money received in exchange of forest resources are spent to procure arms and ammunition from the international market through Bangladesh.

These incidents, though seeming to be isolated, are very interdependent. It becomes evident, if studied closely, that the presence of Bangladesh in the internal affairs of Tripura makes the situation worsen and uncontrollable. For example, the emergence of East Pakistan due to partition out Tripura off from the mainland. The Bangladesh liberation war shattered Tripura's economy and ecology as well.

The pressure of the Chakma refugees from the Chittagong Hill Tracts for more than a decade enormous tension and disturbed the social fabric of Tripura. It emerges from the above analysis that if Bangladesh is developed and is free from political instability, then Tripura's well-being is assured.

Now, the major question is how will Bangladesh become develop economically and become stable? Bangladesh will become one of developing countries of South Asia if it can turn the b.o.p in its favour. It is a gigantic task and India must extended supports in various ways such as grant, FTA (Free Trading Arrangement) status to Bangladesh status which has already been given to Nepal, Bhutan and Sri Lanka.

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