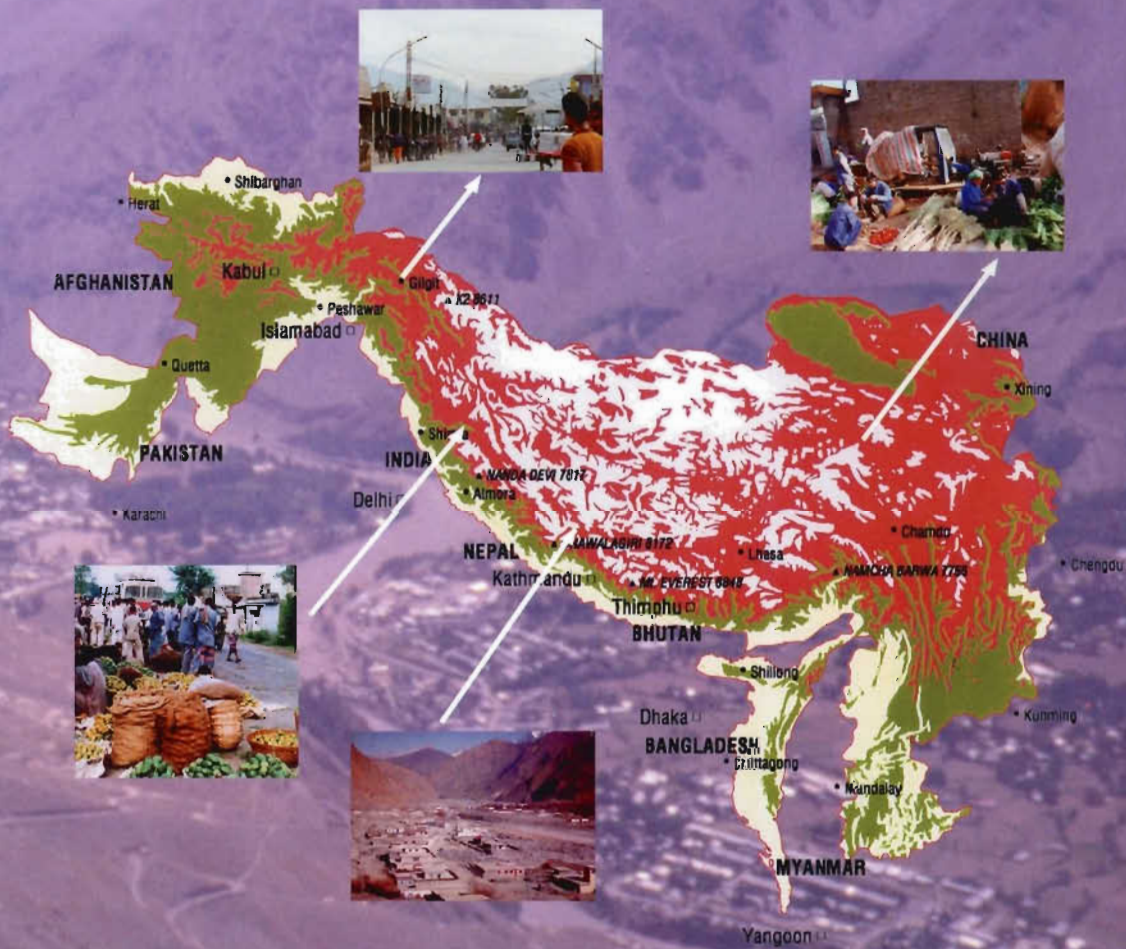










Market Towns in the Hindu Kush-Himalayas

Trends and Issues



About ICIMOD

The International Centre for Integrated Mountain Development (ICIMOD) is an international organisation devoted to development of the Hindu Kush-Himalayan region covering all or parts of eight sovereign states, Afghanistan , Bangladesh , Bhutan , China , India , Myanmar , Nepal , and Pakistan . The Centre is located in Kathmandu, Nepal. The primary objective of the Centre is to promote the development of an economically and environmentally sound mountain ecosystem and to improve the living standards of mountain populations.

The Hindu Kush-Himalayan region is predominantly rural but things are changing slowly and at a steady pace. Large national or regional capital cities are growing at rates twice or more than those of rural areas. While these cities provide non-farm employment opportunities and to some extent relieve the pressure of population on fragile land resources, the growth of large urban agglomerations is creating problems of its own.

Market Towns in the Hindu Kush-Himalayas: Trends and Issues

As the mountains are being painfully tested as central and municipal governments find themselves unable to cope with the scale of the problem with the financial resources at their disposal. The search for an alternative mode of urbanisation in the mountains has acquired an urgency that has been rarely witnessed in the past.

In contrast to the large urban agglomerations, and at the other end of the urban-rural spectrum, are the vast rural hinterlands where the main problem is that of providing basic social and economic services. Many of these areas are inaccessible, or were when essentially accessible, roads. The opportunities for the realisation of the policy-based development strategies are limited. The lack of incentives for agricultural diversification was a major constraint. The new market centres and small towns that have sprung up have often been the result of local entrepreneurs and the quality of the policy and programme level. In many such areas, the growth of a part of the strategy for social and economic development is the only source of such growth.

Editor

Pitamber Sharma

International Centre for Integrated Mountain Development
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June 2001



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Top left: Gilgit bazaar, - G. Rana
Top right: A country bazaar in the mountains of China - File photo
Bottom left: A mountain bazaar, India - File photo
Bottom right: Jomsom, Mustang district, Nepal - P. Sharma

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The Hindu Kush-Himalayan region is predominantly rural but things are changing slowly and at a steady pace. Large national or regional capital cities are growing at rates twice or more than those of rural areas. While these cities provide non-farm employment opportunities and to some extent relieve the pressure of population on fragile land resources, the growth of large urban agglomerations is creating problems of its own. Managing large urban agglomerations in mountain environments is turning into a nightmare. Infrastructures are being overloaded. In large towns that have grown along mountain slopes landslides and landslips are frequent. Air and water pollution have emerged as major problems. The unsustainability of the continued growth of large cities in the mountains is being painfully realised as central and municipal governments find themselves unable to cope with the scale of the problem with the financial resources at their disposal. The search for an alternative mode of urbanisation in the mountains has acquired an urgency that has been rarely witnessed in the past.

In contrast to the large urban agglomerations, and at the other end of the urban-rural spectrum, are the vast rural hinterlands where the main problem is that of providing basic social and economic services. Many of these areas are inaccessible, or even when seasonally accessible, remote. The opportunities for the realisation of the niche-based comparative advantages remain constrained due to the lack of incentives for agricultural diversification and marketing outlets. The few market centres and small towns that these regions might have suffer from the lack of basic infrastructure and an apathy at the policy and programme level. In many such areas outmigration is part of the strategy for survival and remittances remain the only source of cash income. In more ways than one, the world of the large city and that of the rural backwater appear literally to be two complete worlds apart. There is a dichotomy in the spatial incidences of economic growth in the mountains of the HKH. Any attempt at integrated mountain development has to address this dichotomy and search for linkages.

Small towns and market centres are spatial manifestations of these linkages between the large city and the vast rural hinterland. In the context of the HKH they can play a multiplicity of roles: as the location for central services; as facilitators of agricultural diversification; as centres for agro-processing and small manufacturing activities; as points for arresting migration; and as centres for human resources development. Market and small towns also can be the major tool for implementing the decentralisation policies that are being increasingly advocated in the region. The environmental pollution and social disintegration often associated with large urban areas can be minimised through a policy of promoting market and small towns. However, in spite of these potential roles, market and small towns do not feature well in the development agenda of most of the HKH countries. Policy and programme attention to market and small towns has largely been lacking. The present volume is an attempt to redress this lacuna.

ICIMOD's interest in small towns and urbanisation in the HKH dates back to its early years when a Workshop on Towns in the Mountains was held in 1985. Some of the issues raised in that Workshop were taken up in 1994 under a programme on Action-oriented Assessment of Market Towns in Selected Districts of China, India, Nepal and Pakistan. The purpose of the programme was to identify and assess potential market centres and small towns in each of the districts under study and by way of illustration develop indicative action plans for their promotion. A workshop was organised to discuss the findings of the studies and an Occasional Paper was brought out

elucidating the application of the methodology and its programme implications in a comparative context.

It has been a matter of satisfaction for ICIMOD that as a result of the programme a Market Town Development Fund was created by the Government of Nepal basically to support activities related to the promotion of potential market and small towns. In India, under the aegis of the UP Academy of Administration, profiles of market towns have been developed for all the eight districts of Uttarakhand in the UP hills. The market town studies have been found useful in designing development policies and in prioritising development activities.

A Regional Consultation Meeting on Market and Small Towns in the HKH was organised in December 1998 as a follow up to the earlier initiative and as an attempt at taking stock of the state of market and small towns in the region. The Consultation also provided an open forum for discussions on the key, conceptual policy and programme issues so that priority areas for research, policy advocacy, and programme intervention could be identified.

The present volume brings together some of the papers that were presented in the Consultation meeting and were subsequently revised. Dr. Pitamber Sharma has been largely responsible for initiating and coordinating the programme at ICIMOD and in making the editorial effort necessary in bringing out this volume. We hope that these papers will not only add to the literature on market and small towns in the Hindu Kush-Himalayas but also contribute to a better appreciation of the role of market centres and small towns in the urbanisation agenda of the HKH.

Binayak Bhadra
Director of Programmes
ICIMOD

This publication is a collection of papers on the state of market towns and their trends and issues in some countries of the Hindu Kush-Himalayan (HKH) region. Chapter One highlights the role that market centres and small towns (MCST) can play in the urbanisation agenda of the Hindu-Kush Himalayan region. It argues that the strategies for mountain development need to take cognisance of the processes through which MCSTs can contribute to the development of sustainable livelihoods for mountain people and the diversification of mountain economies. Two case studies of rapidly urbanising areas in the region are presented to draw lessons for the perusal of alternative modes of urbanisation. Finally, some conceptual and operational issues related to sustainable urbanisation and the promotion of MCSTs in the HKH region are presented.

Chapter Two reviews and assesses the state of small towns and market centres in Nepal in terms of their evolution, distribution, and factors affecting their growth. Government policies and programmes influencing the development of MCSTs are assessed and gaps existing in the research-policy-programme-action continuum have been identified. The paper argues for the creation of a better statistical base for MCSTs and programmatic follow up on market town studies that have been completed.

Chapter Three analyses the pattern of urban settlements in the Indian Himalayas in an attempt to identify the role played by small urban centres. The occupational structure of such settlements is investigated to gain insights into backward and forward linkages. Policies and programmes related to small towns and urban centres are reviewed, research gaps have been identified, and policy options with respect to the development of small towns have been identified.

Chapter Four explores the status and trend of urbanisation in the Himalayan region of northeast India and analyses the role of small towns and market centres in the process of social and economic change as well as regional development. The tribal system of landownership provides a completely different dimension to the problem of urbanisation and MCST development in the region and calls for innovative approaches to deal with the issues.

Chapter Five investigates the state of MCSTs in the North-West Frontier Province (NWFP), Federally Administered Tribal Areas (FATA) and Northern Areas of Pakistan with particular reference to function, size and growth of such towns. Policies and programmes related to MCSTs are reviewed, gaps in existing policies and programmes have been identified and priority areas of research, policies and programmes have been identified.

Chapter Six reflects on the complex interface of market development and ethnicity in the Chittagong Hill Tracts of Bangladesh and enquires into the historical roots of the present day situation. Market development in CHT has enhanced the economic power of the Bengali migrants and contributed to the underdevelopment of the tribal population. The paper calls for the sharing of benefits of market development with the tribals.

Chapter Seven dwells on the commonality of problems and perceptions regarding MCSTs in different contexts in the HKH and attempts to summarise the emerging themes and issues. The conclusion emerging from the reviews of MCSTs is that there has not been enough advocacy of the role of such settlements in the articulation of the space economy of the mountains. MCSTs can play a critical role in the development of a viable and desirable system of settlements that address both the question of equity and that of efficiency.

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