

The Role of Border Bazaars in the Economic Security of the Peripheral Region with Emphasize on Gray Market

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Abstract

The present study aims to analyze the impact of border markets on employment as an effective component in the economic security of the Mebrar border region from the perspective of border residents and the gray market in border areas. Reducing the gray market, creating employment, the ability to control the entry and exit of people and goods, creating and expanding social corridors, and increasing the economic power of border residents are among the most important achievements of creating and developing border markets. The KMO test used to analyze data, the Bartlett test used for the structural validity of objects, and the t-test has used to evaluate the research hypothesis. The results indicate that border markets have failed to improve the employment and income situation as one of the dimensions of the economic security of Mebrar border residents, but they have reduced the amount of smuggling.

Keywords: Border bazaars, Economical Security, Employment, Income, Gray Market, Mebrar Border Region

Introduction

The development and prosperity of commercial activities in borders have positive effects in the expansion of border cities, in a way that big and small cities in the border areas are the main targets for these border effects. Not only are the economic development motors, but they are also the centers of social innovations, social development, and political changes (Tabi et al, 2017: 2). Today economists also recall exchange as the drive motor of development. Hence establishing and creating border bazaars, as a desirable way for fixing the rift in border regions and exiting from current frontiersmen economic crisis, has welcomed by development programmers. (Tayebnia and Manouchehri 2016: 148).

The border regions of Islamic Republic of Iran unfortunately are from those deprived parts of the country and because of the lack of facilities and proper investment, they lack welfare, although in terms of economic and social development they possess enormous potential (Minaei and Sadeghi 2014: 7). Economic growth and development in border regions, including

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exchange and commercial activities, can have impact on big and small cities which are targeted by this policy and function as economic development motors (Tabi et al, 2006: 26).

Close to 35 years has passed since the liberation of Mehran but still this city and its peripheral regions are facing many problems which unemployment and lack of investment and indiscriminate immigration to farther and closer cities are among these problems.

According to the impact of economic security on the increase of employment and the demand for labor force and its positive effect on reverse brain drain in different regions, this subject was not applied seriously in Mehran so far, and the attention to the increase of economic security level from the official's side can help increasing the impact of positive role of Mehran on its peripheral regions. On the other hand, the border bazaars of Mehran in Ilam province which has 210 kilometers of common border with Iraq, has been recently finding a good position which can have so many roles in the economic growth of the country and the province, and in case of achieving its great goals, with important economic and social functions, can have a positive role regarding employment, income and the decrease of smuggling in this region.

The border bazaar of Mehran in addition to enhancing relationship with western neighbors can expand commercial exchange based on its proper function and help to create stable economic security in its peripheral regions. According to the capacities on two sides of the border and the establishment of railway and roadway transportation, although the economic condition of the residents has been improved, still it appears that a great portion of this capacity has remained unused and the economic security is not yet provided for the residents of Mehran.

Since the economic issues including employment and income is the main priority for the residents of this region, and that any stable employment in the region increase social consent in the residents and on one hand according to the importation of smuggled commodities from the border inside the country, there is no stable job for them; the present research by emphasizing the effective role of economic security on components such as the enhancement of economic and social condition of the peripheral region, seeks to shed light on these question; Does the existence of border bazaars of Mehran has any effect on the economic security of peripheral border regions? In other words, this research has been innovative by considering both positive aspects of border bazaars meaning employment and income, and negative effectual aspects such as gray markets.

Theoretical Foundations

Security: Security is a multidimensional concept and for this reason there is so much discrepancy about it. The definitions which are inserted in encyclopedias regarding the general concept of security, oversee the material and mental security, and they emphasize on feeling secure or feeling relieved from fear (Abdozadeh and Fath Elahi, 2015: 43). Feeling secure is a subject that is concerned by mental health. The relationship between security and mental health is likewise that the existence of security causes comfort and peace of mind. An individual who has security, feels comfortable and plans for the predictable goals of his life, while a person who feels insecure has no power of planning and all his power will be spent on fighting the consequences of insecurity (Aghababaei, 2010: 55-56).



According to the hierarchy of Maslow's theory, a need to be secure stands posterior to humankind's basic biological needs and humans always, by using different methods, secure themselves against dangers and threats. The concept of security has two dimensions of concrete and abstract form which mostly referred to the social components (Vornanen et al, 2009: 404). Glancing at different countries of the world, one would understand this fact that these countries in general pay much attention to the category of security, because this matter is the perquisite for all kinds of development in different contexts, such as political, economic, cultural and scientific, and all the countries move themselves toward reaching an ideal. In association to the role of security in the economic development of each society it can be said that the security has a key importance without which in the economic setting, no new investment, whether internal or external, takes place in the country; or these investments will be few and society face economic disorder such as spread of brokerage economy, capital flight, decline in employment, increase in unemployment and all other kinds of difficulties. On the contrary, if a society benefits from economic security, one will witness capital attraction, economic prosperity, increase in employment, decrease in unemployment and growth in production (Mirzakhani 2013: 107-108). Measuring the security in all its dimensions in all points of country, specifically in border regions since they have a sensitive and geopolitical situation, can provide programmers and related managers with great tools, and according to the results of these kinds of researches, and precision in subjects and problems associated with the security of frontiersmen, can prevent the problems afflicted by it and provide the possibility of accessing a sustainable development in peripheral regions of the borders and border bazaars.

One of the features of constitution of border bazaars is security. Border bazaars according to their structure were able to fulfill the border's security needs to be extent, and this matter has a significant effect on the economic condition of the border regions. Because constituting border bazaars help frontiersmen in providing their basic needs with reasonable prices and besides, it is a way of exporting non-oil commodities which prepare employment for frontiersmen. The unemployment of workforce in borders is a leverage in the hands of the enemy with which it can conduct its goals against the nation in the hands of the forces of the same country (Fath Elahi 2012: 98).

In addition to the safety aspect, the economic aspect of the border bazaars was always a subject of interest. According to the experts, the economic activities of the border regions can help a great deal in expanding and growing the economy, enhancing the standards of people lives, decreasing the poverty, distributing the income properly, establishing alliances and accelerating more cooperations between border areas (Chandoevrit and Chalamwong, 2004: 145). The economic causes in the establishment of border bazaars between two countries can be searched in regional spill-over models and bilateral or multilateral exchanges; according to these models, commercial exchanges are done based on comparative and competitive advantages. In these exchanges, the country which has the comparative advantage in commodity exports, attempts to export it and instead it imports the commodity for which it has a lower advantage; thereupon by the optimal allocation of production factors, both countries enjoy the commercial benefits. Although there are criticisms regarding the above model; among which we can mention the consequences of the exchanges which

can cause damage and harm to countries with lower advantage; yet the advantages of possessing commerce for both the countries cannot be neglected. Undoubtedly trading is the motor of growth. The economic success of those countries which follow introspective and import substitution policies is not covered by anyone (Darvishi and Cholaki, 2013: 2). In total the economy of border regions can have a fundamental in prosperity and economic expansion of border areas, enhancing the standards of people lives, decreasing poverty, proper distribution of income and establishing alliances and more cooperation between border areas (Ghadri Hojjat et al, 2011: 123). It is based on these factors that today on two sides of the border we can see neighbor countries, in the format of border bazaars which is counted as one of the best-known methods in economic development of border villages and is able to vitally transform production, job creation, stabilizing the frontiersmen population, increase in income and finally sustainable development, to be guided towards mutual regional cooperations (Mahmoudi, 2006: 144).

According to Frank Mandel, economic security is: The amount of maintaining and upgrading of the lifestyle of the people of society through providing commodities and services, both from the duct of internal function and presence in international markets. Barry Buzan also spoke of economic security and attends to this matter in three levels of individual, groups, and classes. In the individual level, economic security is depended on the amount of human access to necessities of life (food, water, shelter, and education). In the higher levels, the idea of economic security is related to a wider range of political discussions regarding jobs, distribution of income and welfare. According to Buzan, economic security of an individual is not limited to biological conditions only; rather providing this security means maintaining a distinct standard of life standard, for example, we should consider employment or the right of having a minimum wage as necessary conditions of economic security. In this way we can infer that economic security is the same with vital economic conditions which consists of establishing an order between basic factors of providing the necessities of human livelihood, meaning primary sources, production, job and income distribution of the society members in a way that it will supply their necessary needs while they will not feel danger and loss of comfort by the possibility of absence of these necessities. In this direction the constitutional law of the Islamic Republic of Iran obliges the government to lay foundation for a true and fair economy according to the Islamic rules for the purpose of creating welfare and eliminating poverty and resolving any kind of deprivation in the contexts of feeding, housing, job, hygiene, generalization of insurance, providing self-sufficiency in sciences and professions and industry and agriculture (Akhwan Kazemi, 2021).

Job and income security (stability) means the rejection of any kind of out-of-control pressure by the people of society in the direction of employment and earning money for reaching a medium of welfare. This security is obtained through the following methods: the equality of rights and the elimination of discrimination, the expansion of productive employment, equal expansion of educational opportunities for the public, establishing a proportion between price increase and workers and employees and owners of a fixed income wage increase, a comprehensive social security, supporting the people who were hurt in involuntary accidents. In a healthy society, employment is the main source of income for a person and his family. In a healthy society, wages and salaries allocate more share from the gross national product to themselves day by day. The workers' income in measuring with growing needs and the amount of price increase, increase yearly in an assured way. Rising the level of life and providing



enough income should be the internal part of the system of wages and salaries and rewards until the concerns regarding the different periods do not tarnish the life (Mohammadzadeh Asl, 2011: 315).

Another factor in economic security is preventing gray markets. Of course, we can consider it as one of the dimensions of security in investment. Most people enter this unofficial economy because they cannot find a job in the official economy or they are not able to start a business or a new job in the official economy at all. Their employment is unstable, and their income is too low or non-continuous (Bigdali, 2005: 20). Eghtesadian (2004) while stating the deprivation of border regions as one of the affective factors on gray markets in Iran, writes: The residents of border regions are suffering from all kinds of welfare deprivations including hygienic, cultural etc. and specially with the vast unemployment which exists in these regions, he ascribes venturing smuggling as the only way of self-employment. In these regions the anti-deprivation policies of the government which are mostly executed intermittently, because of the lack of control on population, provoke poverty and unemployment day by day and this factor caused the young generation to turn into smuggling (Eghtesadian, 2004: 8-11).

In addition to the security and the political and economic aspects, the necessity of border bazaars is under scrutiny from other aspects too. We can put the reasons for forming border bazaars in a nutshell in the following items:

Social: Border bazaars dispel the void which exists in the border regions and prevent the evacuation of the borders which help increase the security ratio.

Economic: Despite the existing border bazaars and the border exchanges caused by them and the export of manufactured products via these markets, not only the problems regarding the livelihood of the frontiersmen would be resolved, but also a fund will be obtained to enter great economic fields.

Political: The political variables are among those effective and crucial factors in the life of markets. While business relations can have impact on political relations, some experimental research demonstrate that, an economic relation between two countries will prevent the outbreak of war and contention between them.

Cultural: Frontiersmen in most of the border regions have cultural, kinship, ethnic and social relationships with the people on the other side of the border. The existing of a common language and customs makes the residents of these regions closer to each other and causes the prosperity of commercial actions (Ashari 2012: 12).

These factors such as the economic factors which can increase, employment, income and reduce poverty and deprivation and also help utilizing the regions advantages, preventing gray markets and organizing border exchanges, and social and cultural factors which can be helpful in matters such as reducing immigration, preventing the evacuation of border regions and political and security factors which can show great effects in matters such as increasing the stability and security and increasing good neighborliness (Salehifard 2010: 155). In other words, all these factors are so interwoven that they must be analyzed simultaneously.

Governments for improving the border regions should follow different policies. One of these policies is the dynamization of the economy of border regions which is considered as the main indicator in establishing relationships between neighbor countries and also enhancing the livelihood of frontiersmen, in this way that by doing so the residents of border regions of

neighbor countries can benefit from sources and opportunities side by side and with each other, which will lead to friendship and understanding by the parties, economic security and prosperity and development, creating new job opportunities and forming a kind of relative advantage in the border regions (Ghadri Hojjat 2011: 123). If there is a dynamic economy and creating employment, there would be a stable income for the residents and less gray market would expect in these regions.

Literature Review

Nazaripour and Moazi analyzed "The role of border bazaars in the development and economic prosperity of border areas" in research, which the results demonstrate that factors such as the participation of border dwellers, governmental support for the exporters, establishing good commercial relationships with the other country, centralization of the management of border bazaars and organizing their structures, reviewing and correcting rules and policies regarding the border bazaars and organizing and educating tradesmen has no effect in the development of border bazaars and all hypotheses are rejected by the statistical population.

Ghadri Hojjat et al, (2011) concentrated on explaining the role of border bazaars in security and the sustainable development of the peripheral regions of South Khorasan province in their research. The results demonstrated that border bazaars activities lead to direct and indirect job creation (cargo and travelers transportation, loading operations and...) for frontiersmen, that the share of indirect job creation is much more than the direct one. Border bazaars activities also cause the frontiersmen's income to increase. The establishment of markets and creating jobs for the residents of the border were unable to reduce the huge immigration of villagers to the city. But in the meantime, it reduced the control of unofficial economy in this region to a great extent. The common border bazaar has no significant impact on providing the necessities of the residents of the border and exchanged commodities have transprovincial and transregional approach. Thereupon the border bazaars were unable to leave any positive effects.

Pashazadeh and Khodakarmi (2013) investigated the role of border bazaars in the economic security of Bileh Savar. The statistical population of the research constituted the city marketers. Also, for analyzing the questionnaire one sample t-test was employed. The results of this research demonstrated that the mentioned market was 95% successful in the economic security of Bileh Savar and that the market had positive effects such as reducing the investment risk, increasing employment and career diversity, increasing public welfare and reducing gray markets, but in the context of income, for marketers, as the establishment of the market was followed by a reduction of profit which represents the profit gained from gray markets much more than the present, caused the reduction of saving and the reduction of power in purchasing necessities for which the research represents practical solutions.

Mirabizadeh (2015) analyzed the economic-social role of border bazaars in the development of rural areas of Mehran city. The statistical population was village families of four villages of Mohsen Ab (Islamieh Town, Changoleh, Ban Rahman and Chalab) and for evaluating the hypotheses of the research the one-sample t-test and Wilcoxon test has been applied. The results demonstrated that the effects of border bazaars on the economic effects, based on exhibitors and villagers' opinions, were positive.



Ebrahimizadeh et al, (2015) evaluated the role of border bazaars in security and sustainable development of border cities. The statistical population of this research consisted of people living in Ghasr Shirin and the results demonstrated that the bazaars by creating jobs cause the residents increase of income and reduction of smuggling and crimes and finally increasing the security and the development of border regions.

Badri et al, (2017) shed light on the effect of border bazaars in promoting economic-social indexes of rural border regions of Bashmaq border region of Marivan city. The statistical population of the research was families living in three border villages Khav and Mirabad, Zarivar and Sarkal. For analyzing the data one-sample t-test, Chi-square test and Anova test in SPSS, were employed and for spatial analysis and creating the statistical data-based plans the high/low clustering processes, spatial autocorrelation process, hotspots analysis and [IDW]1 method in GIS has been used. The results show that the border bazaars in terms of economic indexes did not have a desirable function in the border rural areas. According to the spatial analysis of the research, border bazaars had more influence on villages distanced between 5-15 kilometers from the borders than villages farther or closer to the border, in terms of economic condition.

Ahmadi et al, (2019) discussed the effects of temporary border bazaars on economic and social security of the border rural areas of Marivan city. In this research, for the purpose of analyzing the data the paired t-test, Chi square and Pierson applied. The results demonstrated that the temporary border bazaars were unable to have positive effect on the economic and social security of the border rural areas, and that the villages closer to the border have more influence from the temporary border bazaars. According to the paired t-test, compared to before the villager's income decreased because of the disappearance of gray markets, after the establishment of the temporary border bazaars.

Ftse (2013) in research entitled as *Frontier Markets, Accessing the Next Frontier* states that border bazaars will lead to the increase of official trades, increase of supervision on exchange performances, development of infrastructures, accessing foreign capitals and business welfare.

Wilson (2014) analyzes the transition of border economy in United States and Mexico. He concluded that it is only through strong institutions in border regions that the border communities will be kept integrated and powerful, and it can be used for exchanges and economic activities. Wilson believed that legislation and planning for the border needs support and strong and persistent attempts.

Santoro (2014) evaluated the effective role of newly established border bazaars on economic security in different countries. Santoro results demonstrated that in most of the countries, border bazaars, and markets in addition to being able to have positive effects on economic indexes of border regions, they have prevented economic corruption.

Gu et al, (2016) shed light on the effect of border markets in tourism economy. The results show that border markets with attention to various trades between countries have caused the economic situation of the region to enhance and tourism to grow. On the other hand, border markets led to coming and going of tourists from other countries.

Generally, what is obtained from analyzing literature reviews from inside and outside is that border bazaars were not able to have general and significant effect on the economic condition and security in Iran border regions and they only had minor effects on the economic condition

of these places which these effects too failed to accomplish the desired goals. But in most of the developed cities, establishing border markets were able to desirably create economic security and prosperity in border areas.

In this research which had happened in Mehran border bazaar for the first time, besides the economic issues, the category of social impact of border markets also focused. Therefore, the present research by focusing on Mehran border bazaars, will analyze economic security of frontiersmen, in terms of economic effects on the residents of the city; because hitherto no research had happened to analyze and focus from the economic point of view, on residents of Mehran.

Research Conceptual Model

The conceptual model of the research represented below. In this model, border bazaars are considered as an autonomous variable and employment, frontiersmen income and gray markets also are considered as independent variable.

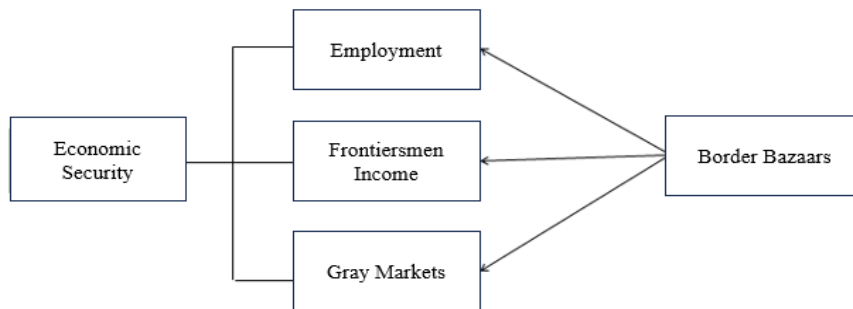


Figure1. Research Conceptual Model

Methodology

The present research, in terms of goals, has measured as practical research but in terms of method it considered as a descriptive-analytical method.

In compiling the literature of the subject and the theoretical discussions of the research, data collection was in the form of library and documentary analysis which done by studying associated texts, papers, books, and sources in government centers, specifically the studied area. For the part of field studying the researched-made questionnaire used for which the statistical population was all the residents of Mehran border city that consisted of more than thirty thousand people and in a way considered as an infinite population. According to the infinite statistical population, the number measured 385 people. Of course, more questionnaires distributed in which finally 385 of them analyzed. The method of sample taking chosen accidentally, in this way that people who were active in the border bazaars and were aware of the functionality of the bazaar, has taken as statistical sample. According to the questionnaire, its reliability and validity must have measured. The validity of the questions



approved through content validity method. For measuring reliability on the other hand, Cronbach alpha coefficient, one the most common ways in calculating the validity of questionnaire, calculating which, prior to distributing all the questionnaires, thirty items distributed as prequestionnaires. The calculated Cronbach's alpha coefficient also in the prequestionnaire stage was 0.993 which indicates the reliability of the questionnaire. Also, in the main stage of the research, the reliability of the whole research and each variable of the research is according to the following table.

Table 1: The results of reliability testing of the questionnaire (Cronbach's Alpha)

Questions	Number of Questions	Cronbach's Alpha
Employment	8	0.971
Frontiersmen Income	8	0.979
Gray Market	9	0.986
Whole Questionnaire	25	0.993

For analyzing data, the quantitative approach and t-test applied. The questions of the questionnaire represented in table 2:

Table 2: Indexes and Subindexes

Indexes	Subindexes	Questionnaire Source	Question Row
Employment	Creating different opportunities for frontiersmen employment	Researcher made taken from Ruknuddin Iftikhari et al, (2009)	1
	Finding job by Frontiersmen through border bazaars		2
	Stability of created jobs by the border bazaar		3
	Usefulness of the jobs for investors instead of natives		4
	Lack of interest in created jobs because of low payment		5
	Need for enough funds to have economic activity		6
	Lack of proper planning and tendency towards pseudo jobs		7
	Easiness of frontiersmen employment in the border bazaar		8
Income	Increase of frontiersmen income through establishing bazaar	Researcher made taken from Rknuddin Iftikhari et al, (2009)	9
	Increase of frontiersmen's public welfare through establishing bazaar		10
	More income for investors rather than frontiersmen		11
	The high risk of investment and its low safety		12
	Insufficiency of earning for frontiersmen from border bazaar		13
	Preparation of conditions and facilities for frontiersmen income earning		14
	Getting the desired results in the context of income for frontiersmen through bazaar		15
	The difference of Mehran frontiersmen income active in border bazaar from other frontiersmen income		16

Gray Market	The abundance of contraband in border regions since the establishment of border bazaar	Researcher made	17
	The existence of places for smuggling around the border bazaar		18
	Trying to reach contrabanded commodities because of its quality		19
	Intense surveillance on the bazaar to prevent gray markets		20
	Smuggling commodities by frontiersmen despite governmental surveillance		21
	Motivation for smuggling commodities because of lack of required goods		22
	Diversion of smuggling towards goods which do not exist in the border bazaar		23
	The existence of needed good in the border bazaar and lack of need for gray market		24
	Opening piggybacking routes in border bazaar in the process of smuggling goods by frontiersmen		25

Discussion and Findings

Demographic components: The results of descriptive analysis from the distributed questionnaire demonstrate that 73% of the respondents are men and 27% are women, and in terms of age formation 46% of them are between 26-36 years old and in terms of the level of literacy 30% are below diploma, 42% having diploma and 28% have university degrees (post graduate, BA and MA), in terms of employment 9% are unemployed and 91% employed (18% farmers and ranchers, 20% employees and 53% other jobs).

Inferential Analysis: For analyzing the role of border bazaars and the economic security of the border regions, three hypotheses are compiled as followed and one-sample t-test for testing the hypothesis is employed.

First Hypothesis: The role of border bazaars in frontiersmen employment was one of the dimensions of economic security. After calculating the average result of the eight questions in this regard and the significance correlation level on 95 percents and the obtained KMO was equal to 0.840 which according to the significance of Bartlett's test, the structural validity of the objects will be confirmed for testing the concept of employment. The obtained results from the t-test indicate that, since the average of the data is more than 3 ($\mu \geq 3$), and the level of significance is also on 0.000, the hypothesis of the research regarding the positive role of border bazaars in frontiersmen employment of the studied region is rejected.

Table 1: The results of the t-test in analyzing the first hypothesis.

Number	Average	Level of Significance	Standard Deviation	The Results
385	3.24	0.000	1.146	Rejected

Second Hypothesis: Expressed the positive effect of border bazaars in the frontiersmen income as one of the dimensions of economic security. For evaluating the second hypothesis through using 8 questions (the role of Mehran international bazaar on income rate of the



frontiersmen) analyzed. The results of the t-test represented in the table below. The obtained KMO equals 0.890 which according to the meaningfulness of Bartlett's test, the validity of the structure of the objects for measuring the concept of income confirmed. Since the average of data is more than 3 ($\mu \geq 3$), and the level of significance also is 0.000, the hypothesis regarding the effective role of border bazaars in frontiersmen income of the studied regions rejected.

Table 2: The results of the t-test in analyzing the second hypothesis.

Number	Average	Level of Significance	Standard Deviation	The results
385	3.13	0.024	1.179	Rejected

Third Hypothesis: Was in regard with the role of border bazaars in reducing the gray markets as one of the effective dimensions in the economic security of the border regions. For evaluating the third hypothesis 9 questions for analyzing the role of Mehran border bazaar in reducing smuggling goods in the region. The obtained KMO equaled 0.929 which according to the meaningfulness of Bartlett's test, the structural validity of the objects for testing the concept of smuggling in Mehran region will be confirmed. The results obtained from t-test demonstrate that, since the average of data is lower than 3 ($\mu \leq 3$) and the level of significance also is in the level of 0.000, the zero hypothesis and the research hypothesis regarding the role of border bazaars in preventing gray markets in the studied region is confirmed.

Table 3: The results of the t-test in analyzing the third hypothesis.

Number	Average	Level of Significance	Standard Deviation	The Results
385	2.82	0.010	1.282	Confirmed

Conclusion

The present study has been taken place for determining the role of border bazaars in the economic security of border regions in Mehran border city based on the components of economic security including employment, income, and the reduction of smuggling. For reaching the desired goals and collecting data with compiling a questionnaire in the format of 25 questions according to the existing information and for reducing error in choosing the objects through documentary analysis, referring to the research domain, field analysis, tight relationships with thinkers among 385 people of residents of Mehran the questionnaire was distributed. By using descriptive and inferential statistics, the collected data analyzed, and the research hypotheses were evaluated which finally led to the following practical and executive results. The findings of the first hypothesis represent that these bazaars could not create good jobs for the residents of Mehran and that the created jobs lack the proper stability. The jobs created in the bazaar are beneficial for wealthy people who are living outside of border regions, but the frontiersmen could not benefit enough from these jobs. Also, it must be said that the jobs created in the border bazaar need high wealth which most people in the studied society do not have. As a result, the hypothesis regarding the role of Mehran border bazaars in creating jobs for Mehran frontiersmen rejected from the respondents' point of view. The result of this hypothesis aligned with the results of Nazaripour and Moazi (2011) and Badri et al, (2017) research and was contradicted with Pashazadeh and Khodakarmi (2013) research. The reason for the diversity of results may be due to the priorities and approaches in the

different border bazaars. The cultural and social and climatic characteristics of each region and basic fields in that region can be effective role the success of the included bazaar.

The findings of the second hypothesis regarding the frontiersmen income indicate the inability of the bazaar in bringing proper income to the studied society. Majority of the respondents believe that the border bazaar has been turned into a place for earning money for the wealthy and non-native people and the frontiersmen did not benefit enough from them. Also investing in border bazaar, because of the existence of security problems and difficulties are having high risks and earning income in these regions do not have enough security. As a result, this hypothesis regarding the role of Mehran border bazaar in earning income for Mehran frontiersmen rejected from the point of view of the respondents. The result of this hypothesis aligned with Pashazadeh and Khodakarmi (2013) research. The primary income and the existing money among the residents have a basic role in more increasement of income. If the income of people is good and the residents have enough money for saving, the investment by the residents in the border regions and bazaars can be hoped for, otherwise lack of financial resources and lack of investment by them will not lead to any result and continuous and stable income cannot be expected. Thereupon in such situations the stable income would be dedicated to non-native investors and the residents of the regions would benefit the lowest from these bazaars.

The findings of the third hypothesis regarding the role of Mehran border bazaar in reducing gray market demonstrate that because of severe surveillance from the regulatory bodies such as the police force, customs and... on importing and exporting commodities, lack of entrance passages for smuggling around Mehran border bazaar, the insecurity of the area in terms of mines existing from the war, the long distance between the cities and villages of the two sides of the border, strict rules and intense surveillance of the border by the border forces of Iraq, it will be concluded that overall Mehran border bazaar is confirmed as an effective factor preventing the gray market in the region and this hypothesis is confirmed by the respondents. The result of this hypothesis aligned with Pashazadeh and Khodakarmi (2013) and Ebrahimzadeh and Bigdeli (2015) research.

In general, according to the findings of the research we can say that traditionally the relationship between economy and security was regarded in this way that the former is the dependent and the sub for the latter. Security is associated with policy implementation, and the successful execution of security policy has one economic dimension. In no case is the complete separation of political power from economic power possible, for always one of the two exists in the other. Undoubtedly the existence of sever economic deprivation and the high rate of unemployment in the border regions have significant effect on the increase of unauthorized passing of people, smuggling and other disturbing factors in the security of the borders. Based on research, security and economy have high correlative coefficients and direct and double-edged relations with each other in border regions. In other words, economic and security development has reciprocal effects on each other in a way that any attempt in the process of realization of economic development, will have direct effects on the process of realization of security and vice versa (Andalib 2002). One of the effective organizations in providing economic security is the police force. The police force by controlling the borders prevents smuggling goods and money. In this way it prevents recession and bankruptcy of internal industries and the reduction of the national value. It also fights against money laundering and the activities of illegitimate companies, hoarding and expensive selling to



provide a safe platform for economic activities. This force, by fighting and discovering the stolen properties, acts in protecting the citizen's ownings.

According to the results obtained from the research, it will be suggested that for the purpose of investment from the residents of the region, the required support should be done in form of facilities etc. The handicrafts should be supported next to the border bazaars. Enough facilities for frontiersmen through distributing the earnings of Mehran border bazaar, should take place for creating quick-return workshops, for earning income for frontiersmen. Also, it would suggest that the commercial and service to the frontiersmen specialized booths in the bazaar established for reducing smuggling groups' activities in the region. The investors and the activists in the private-parochial sector should support this by using export encouragement. Establishing permanent interaction and diplomatic negotiations with centered around the development of the ability of Mehran border bazaar with Iraq authorities and the elimination of security views from border trades and merchants traffics and tradesmen in the region is another effective solution in this context.

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