



Countering the Menace of Smuggling

This editorial is based on “[Dealing with the smuggling menace](#)” which was published in the Financial Express on 24/02/2023. It discusses the issue of Smuggling and ways to address it.

For Prelims: Free Trade Agreements, Atmanirbhar Bharat Initiative, Black Money, Grey Markey, Legal Metrology, Terrorism

For Mains: Challenges in countering the Threat of Smuggling, Security Challenges & their Management in Border Areas

Smuggling is a **multidimensional issue that has a detrimental impact on the economy and national security**. Smuggling at the border is violated, either through smuggling, misdeclaration, or leveraging [Free Trade Agreements](#).

The deadly combination of smuggling and massive amounts of misdeclaration that leverage existing free trade agreements and treaties poses a growing threat to [India's Atmanirbhar Bharat Initiative](#).

Attractive-looking thin cigarettes lack mandatory images as per the Cigarettes and Other Tobacco Products Act guidelines can be seen on the streets and local markets. These cigarettes are imported and do not carry the required information such as the manufacturer, importer or packer's name and address, quantity of the product, month and year of manufacture, retail sale price, and more, thereby violating the **Legal Metrology Act** and the [Legal Metrology \(Packaged Commodities\) Rules, 2011](#).

It is time for India to **crack down, both internally and at the borders**, to curb this menace. India should **take the lead and declare an Anti-Smuggling Day** and work with other countries to make this a global effort.

What can be the Impact of Smuggling?

▪ **Instigating Crime:**

- Smuggling is an illegal activity that involves the transportation and distribution of contraband goods, such as drugs, firearms, and counterfeit products.
- This illicit trade can **contribute to a rise in organized crime**, as it creates a profitable underground market for criminal groups to exploit.

▪ **Funding Terrorism:**

- Smuggling can **also be a source of funding for terrorist organizations**, as they may use the proceeds from smuggling operations to finance their activities.
- This can have a **destabilizing effect on national and international security**, as it allows these groups to continue their violent operations.

▪ **Generating and Circulating Black Money:**

- Smuggling often **involves the exchange of goods and services for cash**, which can be

used to generate and circulate **black money**.

- This can result in a **loss of tax revenue for governments, as well as contribute to the growth of the informal economy**, which can undermine the effectiveness of formal economic institutions.
- **Loss of Revenue:**
 - Smuggling often involves avoiding or evading taxes and tariffs, resulting in significant revenue losses for governments.
 - This can reduce the funding available for public services and infrastructure.
 - A report titled "Illicit Markets: A Threat to Our National Interests" that analyzes the impact of illegal trade in five industries in India reported that the **size of illicit markets in these industries is worth Rs 2.6 trillion**.
 - This **unlawful trade results in a total estimated legitimate employment loss** of 15.96 lakh and a tax loss to the Centre that has increased by 163% over ten years.

What are the Challenges in Countering Smuggling?

- **The Scale of Smuggling:**
 - Smuggling is a **multi-billion dollar industry**, and it involves a vast range of goods, including drugs, weapons, counterfeit goods, wildlife, and humans.
 - The sheer scale of smuggling makes it difficult for law enforcement agencies to keep up with the criminals involved.
- **The Sophistication of Smuggling Networks:**
 - Smugglers often operate in highly organized networks that span multiple countries, making it difficult for law enforcement agencies to track them down.
 - These networks are often **highly sophisticated and use advanced technology to evade detection**.
- **Corruption:**
 - Smugglers often **rely on corruption to facilitate their activities**. This corruption can occur at all levels, from customs officials to police officers to politicians.
 - **Corruption makes it difficult to enforce laws** and regulations and undermines efforts to combat smuggling.
- **The Lack of Resources:**
 - Countering smuggling requires significant resources, including personnel, equipment, and funding.
 - Many law enforcement agencies are **underfunded and understaffed, which makes it difficult for them to effectively combat smuggling**.
- **The Global Nature of the Problem:**
 - Smuggling is a **global problem that requires international cooperation and coordination** to address effectively.
 - Many countries have different laws and regulations related to smuggling, which can make it difficult to coordinate efforts.
- **Evolving Tactics:**
 - Smugglers are **constantly changing their tactics to evade detection**. They may use new technologies, change their routes, or use different methods to transport goods.
- **Public Support:**
 - The public **may not always support efforts to combat smuggling**, especially if it involves increased surveillance or other measures that infringe on their privacy.
 - This lack of public support can make it difficult for law enforcement agencies to take effective action.

What are the Related Steps taken?

- Analytics and **Artificial Intelligence** being deployed to track and trace consignments, patterns, and modules to prevent smuggling.
- **Hardware-based Interventions:**
 - Europe is **deploying a new set of high-tech anti-smuggling tools**, including a machine that fires part of an atom at containers that helps analyse their contents.
 - There are also **deployments such as the electronic sniffer dog** that sniffs particles

inside the container but would never get tired like a real dog. There are also unmanned surface vessels for marine monitoring, surveying, and chasing smugglers in deep seas.

What should be the Way Forward?

- **Better Cross-border Coordination:**
 - One of the most effective ways to **counter smuggling is by improving cross-border coordination** between different agencies and countries.
 - This can involve sharing intelligence, increasing communication, and implementing joint operations to identify and intercept smuggled goods.
- **Trade-data Reconciliations:**
 - Another way to **counter smuggling is by implementing trade-data reconciliations**, which involves comparing data from different sources to identify discrepancies and anomalies.
 - By identifying these discrepancies, **authorities can more easily identify potential smugglers and take action to stop them.**
- **In-country Crackdown on Grey Markets:**
 - Another effective strategy is **cracking down on grey markets, which are often a source of smuggled goods.**
 - This can **involve increasing enforcement efforts**, implementing stricter regulations, and educating consumers about the dangers of buying smuggled goods.
- **Increasing the Manpower in Departments like Legal Metrology:**
 - Another way to **counter smuggling is by increasing the manpower in departments like legal metrology**, which are responsible for ensuring compliance with regulations related to weights and measures.
 - By increasing the **number of inspectors, authorities can more effectively monitor the movement of goods** and identify potential smuggling operations.

Drishti Mains Question

Discuss what anti-smuggling measures can be taken in the light of the changing nature of smuggling tactics and the increasing involvement of organized crime groups.