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Illicit Trade on the India-Bangladesh Border

Submitted by: Mr. Vivek Kalhan Reshi Raina (MPP Cohort: 2023-25)

Under the Guidance of: Amb. D B Venkatesh Varma (Visiting Faculty at Kautilya School of Public Policy)

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Illicit trade on the India-Bangladesh border

Abstract

The India-Bangladesh border is a very difficult border to patrol. The terrain alongside the border is very challenging and includes rivers like the Ganges, Brahmaputra and their smaller tributaries. It also includes the Sunderbans delta and forests around the delta - all adding to the complexity of the border that has not been properly demarcated or wired. Some areas around the international border are very porous, thereby susceptible to illegal cross-border trafficking, smuggling, illicit trade and other forms of infiltration. The lack of economic development around these border areas has made illicit trade a quick and easy way to make money for the local population. This paper focuses on the various aspects of such illicit trade, its history, why it actually happens and ways to address these concerns.

Introduction

India and Bangladesh share a 4096 km long international border with the Indian states of Assam, West Bengal, Meghalaya, Tripura and Mizoram falling on the border line (Ministry of Home Affairs, n.d.).

State	Total Length(in km)
West Bengal	2216.70
Assam	263
Meghalaya	443
Tripura	856
Mizoram	318
Total	4096.7

Table showing the state-wise length of border shared by Indian states with Bangladesh

(Source: South Asia Terrorism Portal)

The border lines drawn by the British in 1947 divided the then Bengal Province and its people that were historically connected by beliefs, ideas and customs, into India and East Pakistan at

that time. In many places, the border fencing was non-contiguous and remains so now. The land on both sides of the border is cultivable and is littered with farms within 40 yards of the border, on both sides (Paula et al, 1999).



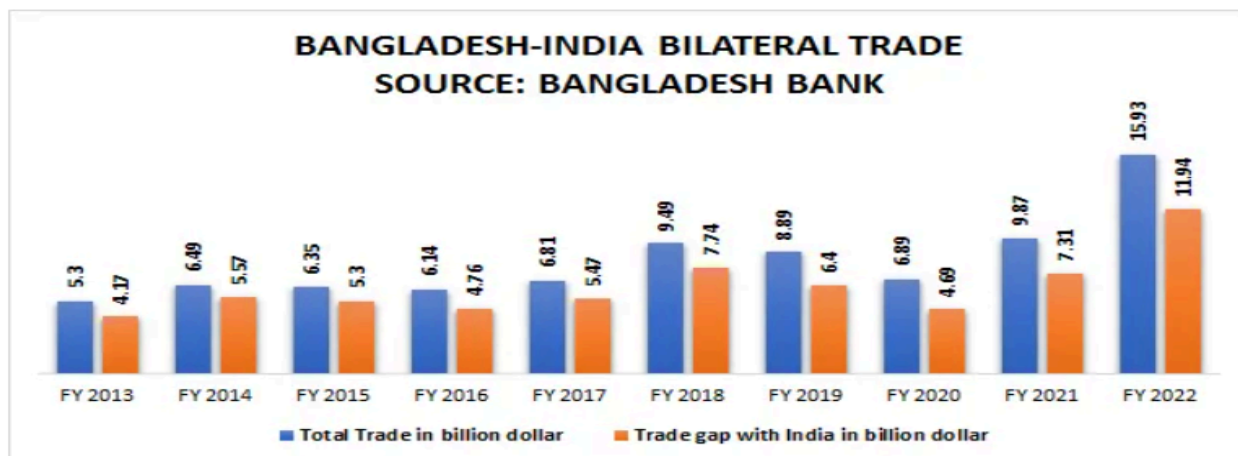
Barbed wires and fences piercing the cultivations at the India-Bangladesh border (Source: Getty Images)

Border pillars remain the only identification of the international boundary. Many river islands, clearly visible during the dry season, disappear when the monsoon season arrives. Add to it the fact that there are a total of 53 rivers in the region, making things along the border all the more complicated (Paula et al, 1999). People have continued to move and migrate along these unfenced lines to this day.

Significance of the topic

In FY 2022-23, the total bilateral trade between India and Bangladesh was reported to be around US\$15.9 billion, with US\$ 11.9 billion said to be the trade deficit in India's favor (Ministry of External Affairs, 2024). These statistics show that Bangladesh is India's largest trade partner in South Asia (India is also Bangladesh's largest export destination in Asia, with approximately 2 billion dollars' worth of Bangladesh exports to India in FY 2022-23) and India is Bangladesh's

second largest partner after China (Ministry of External Affairs, 2024). The statistics shed light only on legal trade. With a huge amount of illicit trade at the border, the bilateral trade has not yet reached its full potential. The border is highly porous, which makes it prone to human trafficking, smuggling counterfeit currency, smuggling contraband goods and illegal immigration (United Nations Office on Drugs and Crime, 2017). The factors mentioned previously make the issue a significant one, from the perspective of security and sovereignty.



Source: Foreign Affairs Insights and Review

How did the trade first begin?

The first India-Bangladesh trade agreement also known as “Trade Agreement between the Government of India and the Government of the People of Bangladesh”, was signed in March 1972 (Rather & Gupta, 2014). It provided for trade along the border for people living within the radius of 16 kilometers of the border between West Bengal, Meghalaya, Mizoram, Tripura and Assam on the Indian side and Bangladesh on the other. Through the trade treaty, trade permits could be issued to people on both sides of the border.



Former Indian PM Indira Gandhi signing an agreement with the then Bangladesh PM Sheikh Mujibur Rahman on May 16, 1972 (Source: Hindustan Times)

As such, people holding these permits were allowed to carry personal consumption goods in designated quantities, and even money up to 100 rupees only, once a day in either direction or any two previously specified days of the week. Much of the population that lived along the border came into a position whereby they could take advantage of such provisions as mentioned in the treaty. Thus, goods that were meant to be traded only in the 16-kilometer belt of the border slowly found way beyond their limits (Rather & Gupta, 2014).

What is the nature of the trade?

Cattle smuggling (to meet the demand for meat in Bangladesh, especially during the festive season), drug trade and human trafficking are considered to be the topmost contributors to the illicit trade and crime happening along the India-Bangladesh border.

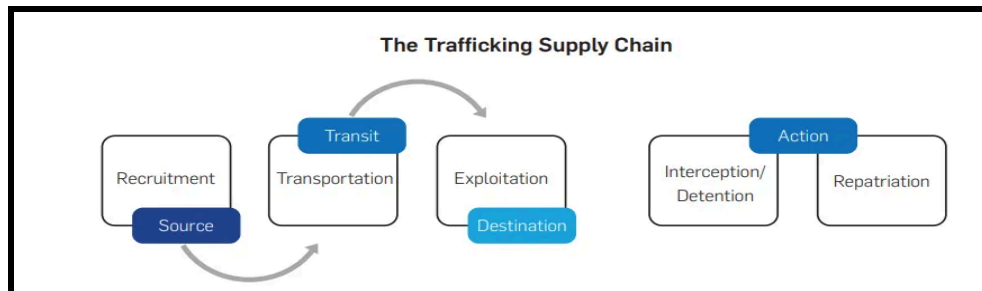


Illustration depicting the human trafficking supply chain (Banerjee, 2022) (Source: Observer Research Foundation)



Cattle smuggling supply chain (Source: Times of India)

Of the three, cattle smuggling is considered to be an attractive option for making money. As per figures, a cow bought for low sum in India can bring in as much as two and a half times that amount in Bangladesh (Mahato, 2023).



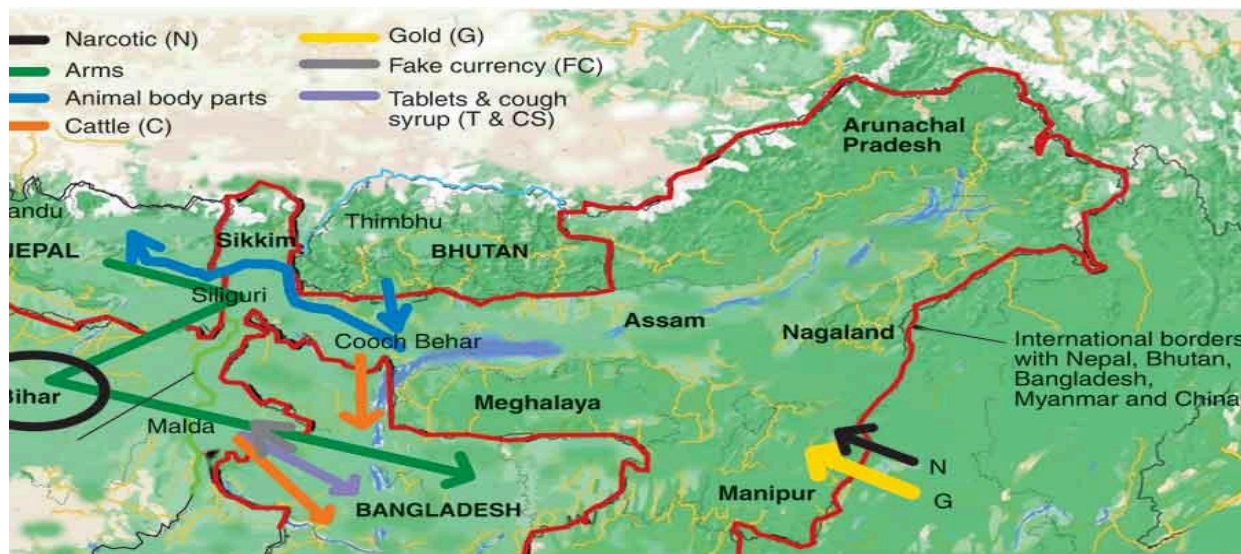
Picture depicting how bovines are smuggled through borders Source: (Hindustan Times)

Animal smuggling also happens from the other side of the border, with several examples of recent incidents showing endangered animals being smuggled from Bangladesh to India.

When it comes to drug trade, pharmaceutical smuggling has seen a spike in recent times along the border – around 2,00,000 bottles of Phensedyl and other cough syrups/suppressants enter Bangladesh from India illegally every day (Sharma, 2014). These figures are from the year 2014, so there is every possibility that this amount must be higher in the present day and age. This form of drug trade also has a huge profit bracket for the smugglers. By purchasing these cough syrups cheaply in India and supplying them in Bangladesh where due to a ban on liquor, these substitutes act as intoxicating drugs for the youth in particular. There is also a huge entry of drugs like cannabis from Bangladesh into the Indian states of Tripura and Mizoram.

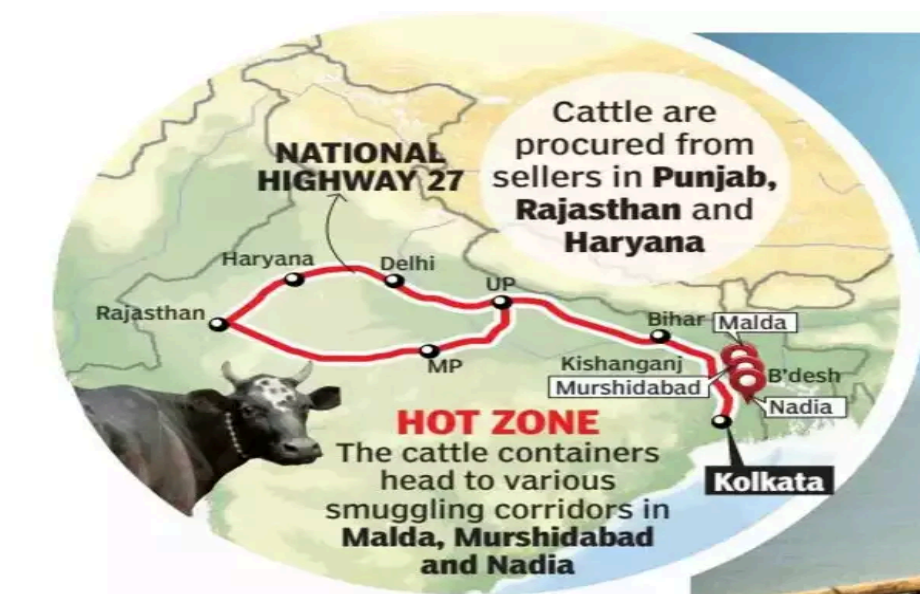
Counterfeit currency that gets pumped from across the border is another area of grave concern. Some estimates claim 160 billion Indian rupees worth of counterfeit currency with origins in Bangladesh to be already in circulation in India (Sharma, 2014). Various reports put this figure to be a little less like the one conducted by Indian Statistical Institute which puts it at around 4 billion Indian rupees (Bhattacharyya, 2022). But this does not diminish the gravity of the

situation with respect to fake currency in India originating from Bangladesh. Some of the ways which the smugglers put to use to conceal the counterfeit currency included hiding bundles of currency notes inside their shoe soles or knee caps.



Nature of illegal/illicit trade across India's international borders in the eastern and north-eastern region (Source: The Telegraph India Online)

A recent surge in smuggling of items like sugar and onions through Meghalaya's border with Bangladesh has also been noted (Mawphor, 2024). Smugglers accumulate sugar and onion at a very low rate on the Indian side of the border, and then sell it at almost three times the cost price on the Bangladeshi end of the border (Laitphlang, 2024). Meghalaya also happens to be a beef consuming state, with beef being a staple food among its indigenous communities. To meet the demand for meat, cattle are brought illegally from other states of the country like Bihar, West Bengal and in some cases Punjab and Haryana as well. In some cases, the cattle are smuggled over the border all the way to Bangladesh too.



Cattle from as far as Rajasthan and Haryana end up being smuggled through the India-Bangladesh border (Source: Times of India)

Critical sections of the border

It is pertinent to discuss about the critical sections of the border with Bangladesh, having delved into the volume of illegal trade in the previous sections. The border and its surrounding areas are a mixture of terrain that can be classified as the following: flat or plain around most of West Bengal, Assam and Tripura, riverine in the southern most parts of West Bengal and some parts of Assam (due to the Ganges River system and Brahmaputra River system in these parts of the states) and lastly, hilly terrain in the state of Meghalaya, with almost no obstacles in the way towards Bangladesh. Most of the surrounding areas around these regions are heavily populated and land is cultivated to the absolute last inch of the border (Jamwal, 2004).

Why does illicit trade happen?

There are a number of reasons that have caused and encouraged illicit trade across the India-Bangladesh border:

People that live along the border, are economically and otherwise marginalized due to no fault of their own, but by virtue of the geography they are part of. Engaging in cross-border smuggling of

goods that are in demand, such as meat (beef), drugs and other contraband items can become an attractive source of income for such individuals. Therefore, people living in these areas resort to illicit trade to meet their economic requirements (Sarkar, 2017).

Those engaged in official and legal trade often face institutional hurdles, on both sides of the border. The bureaucratic approach of public agents, in addition to seeking bribes, combined with logistic barriers like transportation bottlenecks, are all factors that prompt traders on both sides to forego the legal route (Brown et al., 2023).

Another factor that plays a major part in encouraging illicit trade is the immediate realization of money via the illegal route (Sikder & Khan, 2007). Money is paid upfront and there is no paperwork involved. The transportation costs are much lower, as there is no policy or a cap that forces traders to supply a specific quantity of the product.

It is pertinent to mention here that due to long standing cultural ties of people living in the region on both sides of the border, “informal” cross-border trade happens in certain goods (Sikder & Khan, 2007). This happens to be a long-standing practice in the region, and even though this is not legal, it is one of the factors that encourages illicit trade on the India-Bangladesh border. Essentially, people don't feel they are doing something which is not lawfully correct.

Law enforcement agencies as well as the border controlling forces that are supposed to curb illicit trade are complicit at times with the smugglers in aiding illegal cross-border trade. These forces are up against organized networks of smugglers, who also double down as human traffickers in many cases. Due to such multi-dimensional threats at the border, police patrolling forces as well armed forces manning the borders in these areas also become prone to corruption in their ranks, making it easy for illegal cross-border trade to happen (The Economic Times, 2015).

How does it happen?

Illicit trade happens through various methods and channels across the India-Bangladesh border:

Local carriers: Smugglers oftentimes employ locals living on the border (many are known to make personal trips that are allowed on both sides of the border making it very difficult to

differentiate for the monitoring authorities involved to flag such trips as potentially illegal), including women and children as human carriers of contraband items, by virtue of them being familiar with obscure paths on the border areas.

In the recent past, a spike has been also noted in obtaining counterfeit documents by people living on the Bangladeshi side of the border like Aadhaar card, fake passports and trade permits. Most cases involve illegal migration of people from Bangladesh to India. But in many cases, those that are involved in human trafficking and contraband smuggling, also utilize these measures to smuggle goods into both countries.

There has been a noted level of corruption in the Public Distribution System in India. Along the border, this turns into a challenging task because the Public Distribution System Centers are the places where the chain of illegal trade actually starts. Extra supply of goods is first obtained at the PDS center, which is then shifted across the border through human carriers or in some cases a previously established network.

Illicit trade also happens through previously established “informal” trade routes. These are time tested and well-established routes, used meticulously to shift goods across the border, many a time with the help and support of locals and middlemen on both sides of the border.

What has been done to address this issue so far?

A lot has been done in the context of curbing illegal trade across the India-Bangladesh border. Some of the measures undertaken are listed as follows:

Border fencing: India has completed 3180.653 kms of physical fencing (an increase from 3123.287 km in 2021) on its side of the border, while the remaining is planned to be covered by physical and non-physical barriers (Tripathi, 2023).

S.no.	State	Total length of International border (km)	International border covered with fence (km)	Balance length (km)
1.	West Bengal	2216.70	1638.047	578.653
2.	Assam	263	210.017	52.983
3.	Meghalaya	443	325.773	117.227
4.	Mizoram	318	155.077	162.923
5.	Tripura	856	794.373	61.627
Total		4096.7	3123.287	973.413

Table shows state-wise data of the completed length of fences along the India-Bangladesh border (Data from 2021, Source: Ministry of Home Affairs)

Much of the barrier infrastructure to be in place is already in construction, while in some areas commencement of work has been delayed due to land acquisition issues, as per Government reports. It is important to mention here that areas that are supposed to be covered by non-physical barriers are those where fencing/manning is virtually impossible (areas surrounding rivers, dense forests, etc.). In these areas, technological solutions involving modern technologies like night vision cameras, sensors, radars, etc. integrated in a “command and control architecture” are to be used soon.

Border Roads and infrastructure: Roads have been constructed on the Indian side of the border for better communication, operational mobility and to serve the needs of the people living in these regions. Out of the sanctioned length of 4200 kms of border roads, 3750 kms has been constructed so far (an increase from 3560.76 km in 2015).

State	Sanctioned length of roads (in km)	Completed (in km)	Balance (in km)
West Bengal	1770.00	1689.00	81
Assam	288.75	259.06	29.69
Meghalaya	533.03	386.67	146.36
Tripura	1185.01	926.06	258.96
Mizoram	602.28	299.97	302.31
Total	4379.07	3560.76	818.31

Table shows state-wise data of the completed length of border roads along the India-Bangladesh border (Data from 2015, Source: Ministry of Home Affairs)

In addition to this, installation of floodlights around the border areas has also been initiated by the government (Ministry of Home Affairs, 2023). Out of 3077 kms of sanctioned border floodlights, 2681 kms of the work has been completed.

Laws and Policy Measures including deployment of border security personnel: Both the countries have shown willingness to curb illegal trade and smuggling across the international border. India enacted the Prevention of Smuggling Activities Act during the era of Prime Minister Indira Gandhi in order to prosecute individuals involved in smuggling and related offenses, whereas Bangladesh has a dedicated paramilitary force called the Border Guard Bangladesh which is responsible for its border security. The paramilitary force acts as a border crime investigation and anti-smuggling force during peacetime. On the Indian side, there is the Border Security Force (BSF) that conducts regular patrolling of border areas vulnerable to smuggling. The BSF also maintains its outposts and works to spot smuggling activities along the border.

What more can be done?

There are a few measures that can be undertaken in addition to the work that has already been carried out. They are listed as below:

Legalizing cattle trade with Bangladesh: This could prove to be a very effective measure in controlling and regulating a huge cache of illegal trade that happens on the India-Bangladesh border. At present, India is already among the top beef exporters in the world. Legalizing it with Bangladesh will go a long way in bringing down meat prices across the border and also in adding value to the existing legal trade route.

Addressing the corruption faced by the government: Corruption in government structures as well as bureaucracy can directly aid illicit cross-border trade. It is important to implement robust anti-corruption measures and ensure proper accountability and transparency to strengthen the rule of law in these areas.

Looking into the issues faced by security forces at the border: Border security personnel put their lives at risk for little incentives in return. It is crucial to not only raise their wages but also train and equip them to control anti-smuggling activities in a better way. This should be accompanied by the introduction of non-deadly strategies like pump action guns, stun grenades, chili grenades and pellet or rubber bullet guns.

Setting up of a joint task force: A Task force composed of the Border Security Force (BSF), local police departments and customs agents can also aid in better execution of anti-smuggling operations. Each agency can have a defined role in the task force and work in tandem with each other to reduce jurisdictional and hierarchical issues that may otherwise hamper their smooth functioning.

Use of technology to assist the border security agencies: Unmanned aerial vehicles (UAVs), advanced sensor technologies and Artificial Intelligence (AI)-powered surveillance systems can improve the existing capability and capacity of the security forces defending the borders. These advanced technologies can help in monitoring and providing real-time data which is crucial in analyzing smuggling networks and their operations.

These points can be part of a larger “coordinated border management plan” in partnership with Bangladesh to ensure illicit trade comes down along the border.

Conclusion

The India-Bangladesh border presents some grave challenges due to the complex nature of its terrain and the historical ties between the communities on both sides of the border. Illicit trade, including cattle smuggling, human trafficking and drug trafficking, thrives at the said border due to economic disparities, inefficient bureaucracy and corruption. While measures have been taken by the Government of India to fence the border properly and increase the border security forces to combat illicit trade, more comprehensive solutions are needed. These could include legalizing cattle trade with Bangladesh, addressing corruption in bureaucratic and security structures along the India-Bangladesh border, establishing joint task forces to work together on tackling issues like smuggling and human trafficking, and lastly, leveraging advanced technologies to aid border security agencies in their fight against illicit trade. A coordinated border management plan between India and Bangladesh is very important to effectively combat illicit trade at the border, while continuing to maintain positive economic and cultural ties between the two nations.

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