

28 Feb 2023

[95-2] - Internal Security.

2. India needs to chart an effective course of action in tackling various aspects of Illicit trade. Comment

Smuggling / Illicit trade is a multidimensional issue having detrimental impact on economy's national security.
At border it mainly happens through smuggling, leveraging Free trade Agreement. India must take lead to crack it both domestically & at border.

Impacts of Illicit trade

1. Instigation of organized crime → due to huge profits gained.
2. Funding of terrorists → through funding to terrorist organization
3. Black money circulation

Report → Illicit trade: A threat to our economy

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Illicit trade - ₹ 2.6 trillion market → posing tax evasion

{ 49% of overall tax loss from - tobacco & alcoholic products } → Losses to Government (+)
→ Increasing Informal Economy

Efforts taken

Federation of Indian Chambers of Commerce → Committee on Anti-Smuggling & Counterfeiting, threat to economy.

Launched Anti smuggling day → in 2022

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Run national wide program → Youth movements

↓
programme
(Shunning Fake products)

↓
competition
↓
Act competition
Theme: Against
smuggling

Chat ②. Artificial Intelligence based Interactions.
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electronic sniffer dogs

Challenges

1. Multi billion dollar industry - huge scale.
} difficult to track
2. Sophisticated smuggling network - with
} advanced tech.
3. Lack of man power & resources with
} Law enforcement
4. Global nature of problem - required
} agencies
5. Lack of public support } International
} cooperation
} corruption

Way forward

Crackdown on both internally & at borders
Strict regulation & Education awareness; Increasing
manpower; Increasing coordination between
different agencies & at most public support is need of
hour