

**GLOBAL  
INITIATIVE**  
AGAINST TRANSNATIONAL  
ORGANIZED CRIME

# CROSSING THE LINE

Geopolitics and criminality  
at the India–Myanmar border

PREM MAHADEVAN

NOVEMBER 2020





# CROSSING THE LINE

*Geopolitics and criminality  
at the India–Myanmar border*

Prem Mahadevan

November 2020

## ACKNOWLEDGEMENTS

The author would like to thank Mark Shaw and Tuesday Reitano for invaluable feedback provided during the course of this research project. Thanks also to Mark Ronan and his team for a speedy and efficient editorial process. The author expresses gratitude to the Government of Norway for funding the research.

## ABOUT THE AUTHOR

Before joining the Global Initiative Against Transnational Organized Crime, Prem Mahadevan was a senior researcher with the Center for Security Studies at the Swiss Federal Institute of Technology. He specialized in research on organized crime, intelligence and irregular warfare. He has co-authored policy studies for the Swiss foreign ministry and written a book on counter-terrorist operations for the Indian Army. His academic publications include two books on intelligence and terrorism.

© 2020 Global Initiative Against Transnational Organized Crime.  
All rights reserved.

No part of this publication may be reproduced or transmitted  
in any form or by any means without permission in writing from  
the Global Initiative.

Cover: View of the remote Zokhawthar–Rihkhawdar border crossing, a hotspot  
for the illicit smuggling of goods between India and Myanmar. © *Eric Winny via  
Wikimedia Commons*

Design: Elné Potgieter  
Cartography: Rudi de Lange

Please direct inquiries to:  
The Global Initiative Against Transnational Organized Crime  
Avenue de France 23  
Geneva, CH-1202  
Switzerland

[www.globalinitiative.net](http://www.globalinitiative.net)



# CONTENTS

<b>Executive summary</b> .....	<b>1</b>
Scope of the report.....	3
<b>The Northeast: a complex history and troubled political geography</b> .....	<b>5</b>
<b>Looking East: anaemic formal trade, thriving informal trade</b> .....	<b>11</b>
<b>Smuggling hotspots and flows</b> .....	<b>17</b>
Illicit flows into India .....	18
Illicit flows out of India .....	22
<b>Moreh: a portrait of a border town</b> .....	<b>25</b>
Competition from Namphalong Market.....	28
Drugs, police corruption and human trafficking.....	30
Illicit trade shifts to Mizoram.....	31
<b>Focus on Myanmar: a regional conundrum</b> .....	<b>33</b>
Notes .....	36



# EXECUTIVE SUMMARY



**T**he remote and isolated north-eastern region of India is a classic example of a forgotten frontier (Figure 1). Lying adjacent to Myanmar, it is an insurgency-ridden area with a vibrant smuggling economy that connects South Asia with South East Asia. It is also a zone of military and geopolitical contestation between New Delhi and Beijing. Consisting of seven provinces, the region is only connected to the Indian heartland through an extremely narrow strip of territory: the so-called Siliguri Corridor, a 22 kilometre-wide slice of Indian land between Nepal and Bangladesh.<sup>1</sup>

The 'Northeast' (as it is known in India) is one of the focuses of the current military tension between India and China along the length of their shared boundary from the Pakistan trijunction in the north to the Myanmar trijunction in the east. If a major war breaks out, China will almost certainly seek to attack and occupy Arunachal Pradesh (Figure 1), the northernmost province in the region which has been controlled by India since the 1880s (when it fell within the domain of the British Raj).<sup>2</sup>

China sees India's possession of Arunachal Pradesh as 'illegal' due to it having been a colonial inheritance.<sup>3</sup> Beijing refers to the province as 'South Tibet' and argues that as present-day Tibet itself is a part of China, any territories that were once a part of Tibet are also part of China. This argument hinges on whether Tibet can be considered a historically Chinese territory or one that was previously independent but subsequently occupied by China. The present boundary between India and China in the Arunachal Pradesh region, known as the McMahon Line, was delineated by the British in 1914 when Tibet was a de facto independent state due to the collapse of central rule in China in the preceding two years. For this reason, the line is roundly rejected by Beijing.

Far to the north, in the territory of the former kingdom of Jammu and Kashmir, the situation is reversed. Here, it is India that claims territory that China physically controls.<sup>4</sup> India argues that Chinese troops occupied a large portion of the former kingdom by stealth in the 1950s, when New Delhi was fixated on combating Pakistani irredentism elsewhere. It was in this area, facing Tibet, that in June 2020, Indian and

◀ Myanmar soldiers on patrol. The Northeast is rife with tension between India and China, with each country seeking to counter the other's influence in a larger geopolitical rivalry.

© STR/AFP via Getty Images



Chinese troops clashed for the first time in 45 years. Twenty Indian soldiers died, along with an unknown number of Chinese. While the boundary dispute in the north is more about physical control and less about historical legitimacy, it is no less sensitive than the dispute in Arunachal Pradesh. Losing ground in the north could crucially weaken the Indian military posture vis-à-vis Pakistan, which has long courted China as a counterweight to India.

For New Delhi, the Northeast also presents internal problems, being host to multiple insurgencies. Some of these are believed to receive covert support from Chinese intelligence.<sup>5</sup> Although such support is nowhere near the scale that Pakistan provides to jihadist organizations operating in Kashmir, it is still a low-burning source of worry for Indian security planners.

But the Northeast also represents a vital economic opportunity for India, because, along with India's peninsular coastline, it offers a route for the country

to reach other markets and become a pan-Asian economic power. Cut off from West and Central Asian markets by Pakistan and unable to improve relations with China as long as the boundary dispute festers, New Delhi is looking east towards the Association of South East Asian Nations (ASEAN) as a trading partner. Myanmar is a land bridge between India's Northeast and ASEAN, and its balancing role between Indian and Chinese strategic ambitions makes it a partner that both wish to court.

With these geopolitical dynamics in play, it is perhaps unsurprising that allegations of covert intrigues are still levelled. New Delhi suspects that Beijing is secretly arming the Arakan Army, a rebel group in Myanmar that, among other activities, is targeting Indian infrastructure projects in the country.<sup>6</sup> For its part, Delhi has been discreetly providing military equipment to the Myanmar government for several years in a bid to counter Chinese influence.<sup>7</sup>



**FIGURE 1** Disputed frontiers in South Asia.

NOTE: The territories of the former kingdom of Jammu and Kashmir, which are currently under Pakistani and Chinese control, are claimed by India. The province of Arunachal Pradesh is the northernmost and easternmost province in the Northeast, bordering China directly. China claims about 90% of this province.



Although India announced its 'Look East' policy in 1992 in an attempt to search for new markets that would lie outside the stranglehold of hostile neighbouring states, New Delhi has been unable to match grandiose rhetoric with action on the ground in the subsequent decades. Consumed with trying to contain jihadist militancy emanating from the Afghanistan-Pakistan region, India's foreign-policy establishment has been unable to contest China's growing economic influence in Myanmar. But with the election of Prime Minister Narendra Modi in 2014, the 'Look East' policy was rebranded 'Act East', signalling that New Delhi was looking to take a more proactive approach to engaging with ASEAN.

Even so, there remains a serious obstacle to realizing this vision. A dichotomy exists between boosting cross-border trade with Myanmar and not destabilizing the informal economy on which parts of the Northeast have come to depend. Organized crime is entrenched as a source of livelihood in a region that has long been economically underdeveloped, with a tiny industrial base and expanses of hilly and densely forested terrain. Various mutations of criminality, from systemic corruption to armed extortion, contrive to freeze the developmental status quo. Yet without regulatory

control, increases in cross-border trade between India and Myanmar might only strengthen local politico-criminal interests rather than benefit the Northeast as a whole, or the rest of India. How to minimize criminal involvement within international supply chains will remain a perennial problem in the region.

The illicit flows between India and Myanmar that run across the Northeast eventually extend up to China's Yunnan province. Thus, they cannot be completely separated from the larger rivalry between New Delhi and Beijing, a rivalry which is partly over ideology (democracy versus authoritarianism) as well as territory (the boundary dispute). The reason these flows matter is that they serve to both sustain and weaken India's hold over its north-eastern provinces. As long as smuggling generates income for local populations, they remain quiescent and generally aloof from the various insurgent groups which fight New Delhi (and each other). But smuggling activity also creates vested interests among the local political and business classes to resist incorporation into the formal economy, fearing that this would strengthen the power of the central government in Delhi and diminish their own.

## Scope of the report

Focusing on the border town of Moreh, which lies immediately adjacent to Myanmar, this report highlights some of the policy challenges facing New Delhi. Moreh is the gateway for 99% of all land-based trade between India and Myanmar that is officially transacted. It is also a hub for bidirectional smuggling of consumer goods as well as more sensitive contraband. The latter includes – travelling from Myanmar to India – heroin from the 'Golden Triangle' (an opium-cultivation area at the trijunction of Myanmar, Laos and Thailand), amphetamine-type stimulants, teak, gold and firearms. Moving in the opposite direction – from India to South East Asia and China – are precursor chemicals for drug production, wildlife trafficking (rhino horns, tiger bones and pangolin scales) and exotic flora. Lately, there has been a trend of human cargo being transported from South Asia to brothels and sweat shops in West Asia and South East Asia. Moreh is thus a convergence point for multiple illicit supply chains. Local humour says that the town's name is actually an abbreviation for 'Millions of Rupees Enter Here'.

The paper aims to ask: does smuggling along the Myanmar border occur despite Indian government policy or in the absence of it? It concludes that the answer is both. Certain types of 'serious' smuggling, which have the potential to destabilize the wider Northeast, occur in the face of determined security efforts by the Indian state apparatus. On the other hand, the region depends on an informal economy for work opportunities that cannot be generated through state policy.<sup>8</sup> Thus, those categories of contraband which do not pose a political threat to Indian state authority are tolerated. Rather than clear-cut cases of 'impunity' or 'corruption,' officialdom sometimes tacitly ignores illicit flows as the alternative might be worse – to drive the region into deeper poverty and create grounds for rebellion.

Furthermore, official stasis at both provincial and central levels prevails to some degree. For practical purposes, India lost two decades from 1992 to 2014 by focusing

*Does smuggling along the Myanmar border occur despite Indian government policy or in the absence of it?*

on relations with its western neighbour Pakistan.<sup>9</sup> Compelled by international pressure to engage diplomatically with Pakistan – especially after the 1993 bombings in Mumbai, the 1998 nuclear tests and the 2001–2002 military standoff – the Indian policy establishment simply had little respite to begin looking east. Disappointed businessmen in Moreh noted at one time that New Delhi seemed keener to strengthen ties with Islamabad than with Naypyidaw (the capital of Myanmar), despite Pakistan being much more unfriendly than Myanmar.<sup>10</sup>

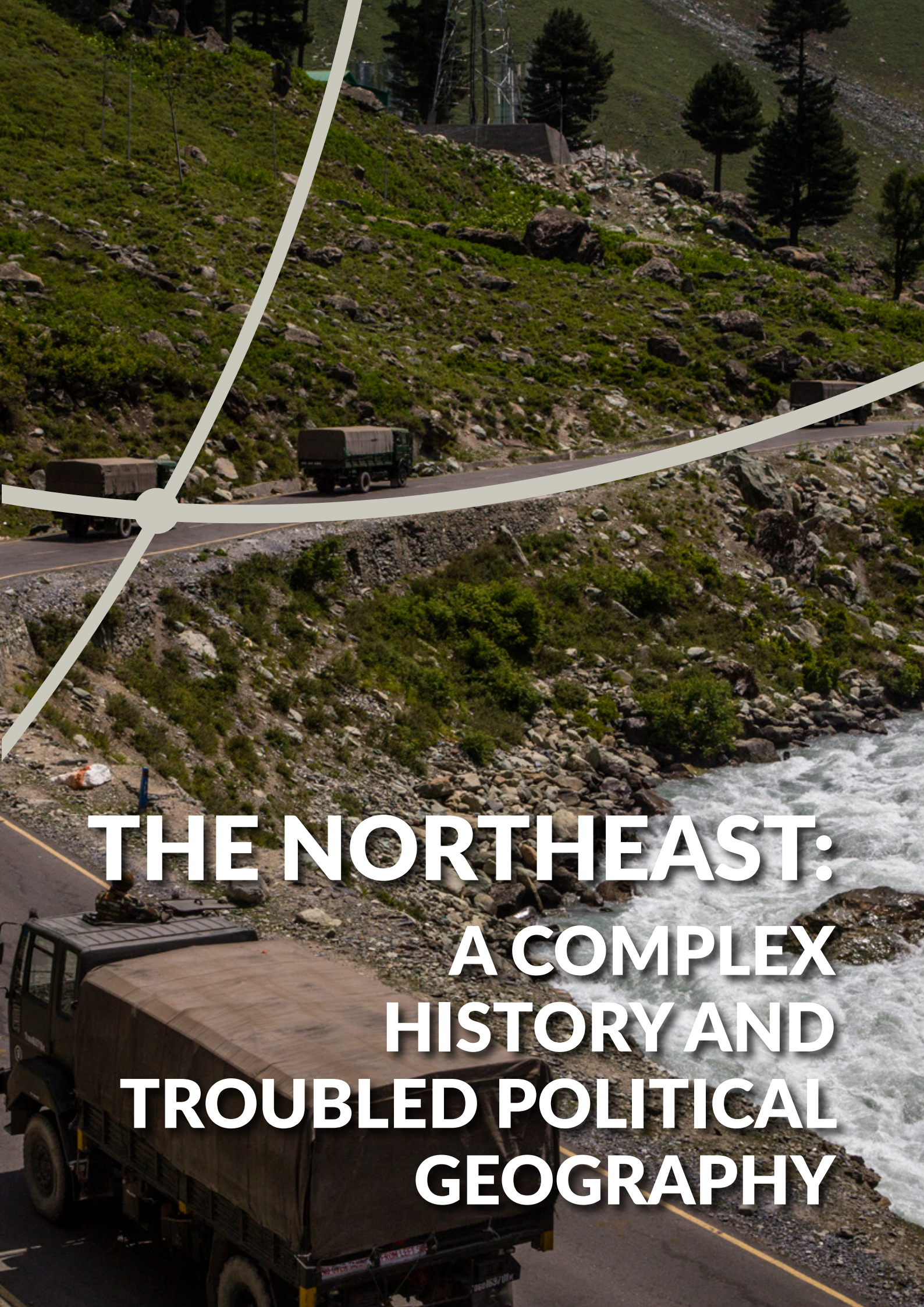
The shift marked by Prime Minister Modi's 'Act East' policy changed that dynamic. Since 2015, Modi has de-emphasized engagement with Pakistan and concentrated instead on cooperation with Myanmar. Insurgent groups which had previously found safe haven (though not active support) on Myanmar soil while operating against Indian interests were militarily targeted and their political activities curbed by India. A bilateral effort is presently underway to stabilize the Northeast as a possible prelude to significant infrastructure investments that will promote cross-border trade.

The degree to which Indo-Myanmar trade ties can take off will depend in large measure on whether New Delhi can remain engaged eastward. Whether it will be able to improve governance and promote trade without simultaneously enriching armed rebel organizations that rely on extortion as their prime source of income will be crucial. Moreh is a symbol of aspiration for a rising India, but it has also been the focus of much hype in the past without commensurate progress.

Broader geopolitics will also play a part in the region's security situation. The recent boundary clashes between India and China will almost certainly lead to an increase in Indian security efforts across the Northeast to weaken the various insurgent groups and safeguard lines of communication to the disputed frontier. However, this would also intensify the demand for firearms as the insurgents seek to exploit New Delhi–Beijing hostility to their own advantage. Chinese-manufactured weapons are believed to be crucial in sustaining the Northeast's insurgencies, regardless of whether or not these are supplied directly by Chinese intelligence agencies or through supposedly 'non-state' proxies.<sup>11</sup> There are already linkages between rebel organizations in India and in Myanmar, a factor which explains the increased security cooperation between New Delhi and Naypyidaw.<sup>12</sup> With the coronavirus pandemic having devastated the formal economy in India's Northeast, which was always anaemic, a rise in smuggling has been reported as organized crime and insurgent groups find new recruits to act as couriers and foot soldiers.<sup>13</sup>

The paper opens with a historical introduction to India's Northeast, a region so remote as to be obscure to many people living elsewhere within the country. It will then list some of the commodities that are traded across the India–Myanmar border. Illicit flows across the Indo-Bangladeshi and Indo-Bhutanese borders will not be examined, as although these too pertain to the Northeast, their effects are primarily felt in different provinces compared to Myanmar-oriented trade. The third part of the paper will examine the specific case of Moreh and illustrate how smuggling has become integrated with an informal economy that is almost too entrenched to root out. Finally, the paper will conclude by examining current trends and explain why, despite the best efforts of New Delhi, expectations of trade along the Myanmar border need to be kept moderate for the foreseeable future.





# **THE NORTHEAST: A COMPLEX HISTORY AND TROUBLED POLITICAL GEOGRAPHY**





**T**he north-eastern provinces of India bear some cultural similarities with each other but are ethnically distinct from the populations of both northern and southern India, which are in themselves quite diverse. 'Northeasteners' (as they are called) tend to have discernibly Mongoloid features that look more akin to inhabitants of Myanmar and Thailand, in contrast to the generally dark-skinned population of the Indian peninsula or the Indo-Aryan features widely found in the northern Gangetic plains. Moving in a west to east direction, the seven north-eastern provinces (also known as the 'Seven Sisters') are Assam, Meghalaya, Tripura, Mizoram, Manipur, Nagaland and Arunachal Pradesh. An eighth province, called Sikkim, is included in popular conceptions of the region because it lies east of the Siliguri Corridor, even though it is not geographically contiguous to the other seven provinces.



**FIGURE 2** The north-eastern Indian state of Manipur borders with Myanmar.

*Manipur and Assam are both host to a number of insurgent groups.*

The Siliguri Corridor is a long and slender funnel between the Indian heartland and the Northeast, bracketed by Bangladesh and Nepal, and in close proximity to Bhutan and China (Tibet). Known as the 'Chicken's Neck,' it is a perennial worry for Indian security planners. The nightmare scenario in New Delhi is one in which China, which has a strong military presence in Tibet, moves troops south and slices through the corridor, blocking access to the entire Northeast. If that were to happen, India could potentially face a catastrophic loss of territory and population.

Worries about the military defensibility of the Northeast have shaped Indian strategic policy since the 1950s. The province of Nagaland has been home to an insurgency that stretches back to 1956, and which continues in a low-key manner to this day. Mizoram was the site of a vicious insurgency that, in a rare achievement for policymakers, was amicably resolved through a political settlement after two decades of fighting. Manipur and Assam are both host to a number of insurgent groups, some of which aspire for their province's secession from the Indian state, while others want non-locals who have settled in these provinces to be expelled and jobs guaranteed for native inhabitants.

Arunachal Pradesh, the largest province by land area and by far the most sparsely populated, is claimed in near-totality by China. As stated earlier, Beijing argues that any territory that was once part of Tibet should revert to Chinese administration, regardless of what treaties Tibet might have signed with external powers during the period of its de facto independence (1912–1951). The McMahon Line, which was delineated in 1914 between the British and Tibetans, is thus denounced by Beijing. To recognize the Line would be to recognize that Tibet in 1914 had the right to conduct an independent foreign policy, which would in turn call into question the legitimacy of China's 1950–1951 military occupation (some would use the stronger word 'invasion') of Tibet.

Interestingly, a similar logic has been applied by Afghanistan in its own bilateral boundary dispute with Pakistan. Like Beijing, Kabul claims that colonial-era borders that were drawn when one side was in an extremely disadvantageous position are illegitimate in the post-colonial age. Thus, the Durand Line which separates modern-day Pakistan from Afghanistan remains a point of contestation in South Asia, much like the McMahon Line. Despite long-standing hostility, both New Delhi and Islamabad respectively avoid commenting on legal aspects of the Durand Line and McMahon Line disputes, each aware that undermining the other could backfire in terms of their own standing vis-à-vis Beijing and Kabul.

Even so, the stronger military position of Pakistan as opposed to Afghanistan, combined with covert support to Islamist guerrillas since the 1970s, has yielded leverage of a kind which India does not enjoy over China. Pakistan is currently fencing off the Durand Line with a view to unilaterally turning the de facto colonial frontier into a de jure permanent border, despite heated Afghan protests. India in contrast, is focused on maintaining a deterrent military presence in Arunachal Pradesh even as talks with China over the boundary issue drag on. Both boundary disputes (the McMahon Line and the Durand Line) remain outside of the United Nations agenda for discussion. This is because Pakistan does not want its territorial disagreement with Afghanistan to receive international attention, while neither India nor China are interested in seeking mediation from third parties.





Bagdogra Airport is located in the Siliguri Corridor, a 22-kilometre-wide strip of land that connects the Northeast with the Indian heartland. © Diptendu Dutta/AFP via Getty Images

This historical narrative might appear irrelevant to a discussion of criminality in the Northeast, but it is crucial to understanding the developmental trajectory of the region. India was deeply traumatized by the defeat of its army in a short, sharp border war with China in 1962. Within a matter of days, Chinese forces had advanced deep into Arunachal Pradesh, before withdrawing unilaterally and declaring that they would continue to observe the McMahon Line as a de facto boundary. Until that time, New Delhi believed that the only military threat it faced in the Northeast was from East Pakistan (modern-day Bangladesh). Covert operatives based in East Pakistan had been supporting Naga insurgents ever since the start of the Nagaland rebellion, but this was not considered a grave issue at first.<sup>14</sup> The situation changed dramatically after 1962. Perhaps encouraged by the Indian Army's weak performance against its Chinese counterpart, in 1965 the Pakistani military government attempted to seize Kashmir through an undeclared covert offensive using

infiltration tactics. Although the attempt failed, it led to a drastic worsening of relations between India and Pakistan.

The following year, a separatist insurgency broke out in Mizoram, which Indian intelligence directly attributed to Pakistani operatives.<sup>15</sup> New Delhi retaliated by supporting Bengali separatists in East Pakistan. During the late 1960s, both Indian and Pakistani intelligence agencies were training guerrilla fighters to carry out cross-border raids on each other's territory. Meanwhile, the Chinese and Pakistanis were collaborating in training Naga and Manipuri insurgents. Their aim was to keep the Indian Army focused on internal security duties and diminish its war-readiness. Reflecting the mood of the times, Chinese operatives also ran a separate proxy war against the Myanmar Army by supporting communist guerrillas in Myanmar.<sup>16</sup>

The Indian Northeast and northern Myanmar thus became the locus of a bewildering mix of covert

*Driven by fear  
of a sudden  
Chinese invasion,  
policymakers have  
worried about the  
region's vulnerability  
for decades.*

operations in a miniaturized Cold War. As part of this silent struggle, arms trafficking became integral to the security dynamic of the Indo-Myanmar border. The war abruptly turned hot in 1971, when Bengali insurgents (with massive Indian military support) gained independence for East Pakistan. The new nation of Bangladesh was no longer a sanctuary for anti-Indian insurgents, most of whom were expelled from the country. Recognizing that the tide had turned against them, Mizo leaders began to cautiously engage with New Delhi. Talks with Delhi's emissaries (primarily senior intelligence officials) dragged on intermittently, but eventually in 1986, the Mizo insurgents agreed to give up their separatist agenda and contest elections within the Indian mainstream as a legitimate political party. Since then, Mizoram has been widely considered the most peaceful province in the Northeast.

A similar dynamic has unfolded, albeit with less impressive results, in Nagaland as insurgent ideologues came to terms with the reality that no state patron could likely replace East Pakistan. The separatist rebellion splintered into various armed factions. Negotiations continue to this day with some factions, amid ceasefires. The more militant splinter groups, estimated to number between 15 and 20, have bases in the Sagaing region of Myanmar, which lies adjacent to Nagaland and Manipur.<sup>17</sup> To weaken these groups, Delhi is actively courting the Myanmar Army, which has limited control of the border area but has begun to strengthen its presence there.

Driven by fear of a sudden Chinese invasion, policymakers have worried about the region's vulnerability for decades. The regional road network is extremely thin and devoted in the first instance to maintaining supply lines to remote border outposts. The railway system is the same, except that its coverage is even more sparse. Being unable to unilaterally fence off the McMahon Line in the way that Pakistan is currently fencing the Durand Line, India has to contend with the constant reality of territorial incursions by Chinese foot patrols. Newspapers sporadically carry reports of faceoffs between Chinese and Indian troops, with each side claiming the other is the aggressor. In such a situation, New Delhi has hitherto been loath to strengthen the transport network in the Northeast for fear that if tensions escalate, the Chinese could repeat the blitzkrieg-type offensive of 1962, using India's own infrastructure against it.<sup>18</sup>

Although little background information about the various insurgent organizations in the Northeast is carried in the Indian press, from time to time intelligence officials give off-the-record briefings about possible Chinese support to these groups. Weapons recovered from insurgent hideouts bear markings that suggest Chinese manufacture, and in some cases, investigators have traced arms shipments to Chinese exporters.<sup>19</sup> All this serves to keep New Delhi off-balance and make it all the more eager to escape Beijing's geopolitical chokehold. The situation is further complicated by Islamabad's alignment with Beijing, with the China-Pakistan military combination currently seen as a potential garotte which could severely constrain India's rise. Fully conscious that Pakistani commentators view the 1962 Sino-Indian War as a missed opportunity to press Pakistan's own claims on Kashmir, India anticipates that any future conflict with China will feature Pakistani intervention. Thus, economic development of the Northeast takes a back seat to military readiness for a two-front conventional war extending along the Himalayas, from Kashmir in the north to Arunachal Pradesh in the east.





INDO MYANMAR FRIENDSHIP

**LOOKING EAST:  
ANAEMIC FORMAL  
TRADE, THRIVING  
INFORMAL TRADE**





India's outreach to ASEAN in the early 1990s, via the 1992 'Look East' policy, was not prompted by any forward-thinking strategic vision; rather, it was a reaction to the break-up of the Soviet Union.<sup>20</sup> Moscow had been New Delhi's patron in the international system during the Cold War. Although officially non-aligned, India had tilted in favour of the Soviet Union even as the US and the UK tilted in favour of Pakistan. The loss of a major financial and technological benefactor just as the Indian economy was opening up to foreign trade made New Delhi realise that it needed to build trade relations with new partners. As previously mentioned, China was not considered trustworthy on account of the boundary dispute and the US was at the time indifferent to India for having favoured the Soviet Union during the Cold War.

In this situation, New Delhi sought to escape regional encirclement by China and Pakistan through an eastward push through Myanmar. This was initially difficult to execute because in 1988 India had sided with pro-democracy protestors led by Aung San Suu Kyi against the Myanmar military government. Allowing ideological principles to get in the way of geopolitical considerations meant that Delhi had to spend years rebuilding trust with Myanmar. Meanwhile, Chinese businesses gained influence in parts of Myanmar's economy. Unlike India, China did not criticize the military junta. Beijing's previous support of communist insurgents in the 1960s was also conveniently forgotten by Myanmar.

Despite its own isolation, Myanmar sensed Indian diplomatic weakness in the 1990s and took full advantage, insisting on trade terms that privileged its own exports to India.<sup>21</sup> In 1994, the two countries signed a trade agreement that allowed for the opening of land customs stations at Moreh (in India's Manipur province) and Tamu (which lay across the border in Myanmar's Sagaing region). The trading station at Moreh became active the following year. Another station at Zokhawthar in Mizoram province did not come into operation until 2004, while two others (in Nagaland and Arunachal Pradesh, respectively) have yet to become functional.

◀ The Friendship Gate at the India-Myanmar border. In the 1990s, India and Myanmar established formal cross-border trade ties that facilitated the spread of an already thriving smuggling industry.

© Biju Boro/AFP via Getty Images

## Arunachal Pradesh – geopolitics over trade

Although the customs station in Arunachal Pradesh has yet to become active, an informal trading system exists at the border town of Nampong. Opposite lies the Myanmar village of Pangsau. Nampong is located on the old Ledo Road (later renamed the Stilwell Road) which connected British-ruled India with Nationalist China during the Second World War.<sup>22</sup> The road extended from Ledo in India through Myanmar and ended in the Chinese city of Kunming, running a total distance of 1 726 kilometres (of which just 61 kilometres were in India). It was a supply route for the Chinese Nationalists as they fought the Japanese occupation of their country.

In recent years, there have been proposals to revitalize the road as a trading corridor between India and China, notwithstanding the dispute over the McMahon Line, which lies on the India–China side of Arunachal Pradesh but not the India–Myanmar side. By trading with India through the Stilwell Road, most of which lies in Myanmar, China can technically preserve its irredentist claims to the bulk of Arunachal Pradesh's territory while simultaneously profiting from enhanced connectivity with India. Policymakers in New Delhi are however wary of letting China have the best of both worlds. They worry that if Chinese goods were allowed easy access to Arunachal Pradesh, Beijing might begin to stoke up an insurgency through a combination of financial enticement and clandestine arms trafficking.

Such concerns cannot be ignored, as events in Ukraine during 2013–2014 have shown. 'Hybrid warfare,' a pattern of military operations particularly suited for irredentism, involves synchronizing multiple tools of statecraft including diplomatic, economic and propaganda activities over a lengthy period of time to support an abrupt and time-bound paramilitary

intervention. Once again, the 'Ghost of 1962' is relevant in Indian military thinking. During the brief war between China and India, Chinese troops from Yunnan had executed a strategic flanking manoeuvre by passing through Myanmar territory to attack Indian posts in eastern Arunachal Pradesh (fairly close to the area where Namphong is located).<sup>23</sup> In doing so, they bypassed the McMahon Line and caught the Indian high command off-guard. Preparatory reconnaissance for this manoeuvre had been long in the making, and had actually been detected by Indian counterintelligence, whose warnings were ignored by decision-makers. The resulting military shock continues to cloud Indian threat perceptions to this day.

Delhi is also worried that Chinese companies, if allowed into Arunachal Pradesh, may dump cheap-priced counterfeit goods and strangle local entrepreneurship, as has been the case in Tamu. For this reason, trade at Nampong–Pangsau remains limited: every Friday, villagers from Pangsau travel to Nampong to buy essential commodities (passport and visa requirements are waived), while on the 10th, 20th and 30th of each month, Indian traders go over the border to Pangsau to hawk their wares, taking advantage of higher selling prices in Myanmar. There is also a daily commute of around 100 residents who cross the border to visit family and friends. The area has in the past been favoured for infiltration by Naga insurgents, who were hosted by Kachin rebels in Myanmar, as well as drug traffickers. However, in recent years there have been no public reports of drug flows through Nampong. Overall, Arunachal Pradesh is considered one of the more quiescent provinces in the Northeast, a status partly caused by its sheer remoteness and the preservation of its ethnic composition from outside influence.

**Building used by soldiers from the Myanmar army at the Pangsau Pass, on the border between Myanmar and India, where trade is highly regulated.** © Findlay Kember/AFP via Getty Images



*In Manipur alone,  
an estimated  
50 000 people earn  
their daily income  
through smuggling.*

There were two types of trade allowed at the land customs stations: barter trade, where goods were exchanged for other goods, and normal trade, where goods were exchanged for cash. Barter trade was in turn sub-divided into two categories: transactions with a value of under US\$1 000, and transactions with a value between US\$1 000 and US\$20 000.<sup>25</sup> The two differed in the number of bureaucratic formalities that had to be processed for goods to be allowed in. Only residents living within 40 kilometres of the border could engage in both kinds of barter trade. As per a 1950 agreement between India and Myanmar, such residents could also travel across the border for a distance of up to 16 kilometres inside the other country. (Originally, this freedom extended to 40 kilometres but was subsequently reduced.) Cross-border travel was restricted to daylight hours, but with special permission, commuters could stay for up to 72 hours in the neighbouring country. This freedom of movement helped build up an informal economy that dwarfed the formal cross-border trade. But this was also only an expansion of a long-standing situation. Although India and Myanmar only officially began trading across the land border from the 1990s, in reality Moreh has long been the centre of a thriving smuggling industry.

India's new trade relationship with Myanmar was far from a game-changer, at least in official calculations. For much of the 1990s and the first decade of the 2000s, cross-border trade with India was the smallest (in terms of volume) that Myanmar transacted with all its neighbours except Laos. China, Thailand and Bangladesh were all ahead of India, with China alone accounting for 65% of the total (India accounted for just 1%).<sup>26</sup> Owing to the poor road network in the Indian Northeast, the Moreh–Tamu connection made up between 1% and 2% of bilateral trade. Most trade happened by sea, hundreds of kilometres from the landlocked Northeast.<sup>27</sup> During the 2010s, as Myanmar began opening its economy to foreign investors (besides the Chinese who already had a dominant position), air freight became a new medium of trade.

Following a modest start in 1995, the volume of cross-border trade actually diminished during the 2000s. This was partly because informal trade, which occurred off the books and whose value could only be guessed at, thrived as border crossings became more frequent. Officially, Moreh handled 99% of the overland trade with Myanmar, with imports into India being greater than exports to Myanmar. Unofficially, the balance of trade may have been equalized or even inclined in India's favour. In Manipur alone, which has a population of less than 2.8 million (tiny in comparison to other Indian provinces), an estimated 50 000 people earn their daily income through smuggling.<sup>28</sup> Around 90% of the goods they smuggled came through Moreh and were transported to the provincial capital Imphal through a highway known as the Indo–Myanmar Road. The road begins as Asian Highway 1 in Mandalay, the commercial capital of Myanmar, and heads north towards the Indian border, passing through Tamu (Figure 3). Unlike Yangon, which is far to the south, or even the national capital, Naypyidaw, Mandalay is located in the very heart of Myanmar. It is therefore a convenient waypoint for east–west trade routes running from both China's Yunnan province and ASEAN states to India.



There are aspirations that the Indo-Myanmar Road could one day be integrated into national highway systems that would extend across Asia from Istanbul to Tokyo. While possible, such ideas seem far-fetched when viewed from the present-day perspective. The Imphal–Moreh stretch passes through rugged, hilly terrain. Of the approximately 30 insurgent groups that operate in the province of Manipur, 17 are believed to run extortion rackets along this one road alone. For their part, Indian security forces man a number of checkpoints along the way to interdict smuggling attempts. One such checkpoint screens 300 vehicles and 2 000 passengers every day.<sup>29</sup> Until such time as the Indian Northeast is industrialized and able to offer jobs to local youth, this militarized environment is likely to act as a disincentive to commercial trucking. Even so, domestic and international tourism has surged in recent years. As late as 2015, Manipur received only between 500 and 600 tourists annually, but tourist numbers climbed to 12 000 following the opening of the Moreh–Tamu route as a legitimate crossing point for people who do not live in the border districts of the two countries.<sup>30</sup>

Generating jobs through industrialization remains difficult. On the Indian side, there are lingering geostrategic as well as political concerns about allowing ‘outside’ investors to enter a demographically and geographically isolated region. In Manipur, local entrepreneurs are sceptical that enhanced road connectivity with ASEAN states would benefit their province, seeing such a step as intended mainly to enrich big businesses in the Indian heartland. There also remains a degree of local ambivalence about how far the province should be integrated into global supply chains, when key decisions in operating these will be made by policymakers sitting in distant New Delhi and South East Asia. The fact that the main market in Tamu is flooded with foreign goods hawked by non-Myanmar sellers (see ‘Case study: Chinese knock-offs in Tamu’) is a reminder that increased economic activity, if based on trade alone, brings increased dependency on outsiders – local industry rarely gets a chance to compete against experienced manufacturers and entrenched suppliers.

## Chinese knock-offs in Tamu

A proportion of the trading community in Tamu is of Chinese origin, a fact that has shaped trade through the town. Along with other similar market towns in Myanmar, Tamu has become a dumping ground for Chinese knock-offs of branded products. International trade organizations could criticize China if these products were sold directly to Chinese customers, so offloading them in foreign markets, through the medium of cross-border trade, is an effective way of generating profits while avoiding reputational risk.<sup>31</sup>

The supply chain extends as follows: Ruili (terminal point in Yunnan) to Muse (which sits immediately across the border in Myanmar's Shan state, which, in turn, is one of the most prolific drug-producing regions in the world). From Muse, Chinese-manufactured goods are trucked to Lashio, and then to Hsipaw, a small town on the highway to Mandalay. During these stages of the journey, it is likely that locally produced synthetic drugs and heroin are mixed with legitimate consignments of consumer products destined for the India–Myanmar border.

From Mandalay, the goods are first sent to Kalewa and then Kalay, two towns in the Sagaing region. From here, they proceed north to Tamu, where they are purchased by Indian buyers and taken across the border to Moreh. The same route is followed in reverse for contraband that leaves India via Moreh and is destined for Chinese markets.

A vendor in Tamu, a market town in Myanmar that has become a dumping ground for Chinese knock-offs.

© David Talukdar/NurPhoto via Getty Images







# SMUGGLING HOTSPOTS AND FLOWS





## Illicit flows into India

The Indian side of the Northeast's border is guarded by a force known as the Assam Rifles. Officerled by Indian Army personnel, its units are structured along military lines but carry out policing duties. There are 46 battalions in total, of which 31 are dedicated to counterinsurgency missions against various guerrilla factions operating in the Northeast.<sup>32</sup> That leaves just 15 battalions to cover a 1 643 kilometre border that snakes across hilly and forested terrain in four provinces. These are Arunachal Pradesh (520 kilometres), Nagaland (215 kilometres), Manipur (398 kilometres) and Mizoram (510 kilometres).<sup>33</sup>

The 15 battalions operate out of company-sized bases located some distance from the actual border or 'zero line,' meaning that there is almost no way for them to stop smugglers crossing over from Myanmar. Interceptions of weapons, drugs and other contraband by the Assam Rifles either occur at checkpoints in the interior or on the basis of intelligence provided by informants. The Indo-Myanmar border is fundamentally different from the Indo-Pakistan or even the Indo-Bangladesh border, both of which are protected by security fences equipped with alarm systems. Although there are ongoing efforts to fence parts of the border with Myanmar to reduce smuggling, these are being resisted by local communities. Tellingly, some of the loudest resistance has historically come from Moreh.

◀ An Indian army soldier displays firearms recovered from a Manipuri insurgent group, near the Indo-Myanmar border. © STR/AFP via Getty Images

## Moreh and Behiang: entry points for drugs

Given the porosity of the border between Manipur and Tamu district in Myanmar (there are an estimated 80 unofficial crossing points between the two), Moreh's primary role is less that of a smuggling entry point than a transportation hub. The limited road density in Manipur means that few towns and rural settlements are as well suited to logistically supporting a smuggling-based economy as Moreh.

The town has three distinctive qualities. Firstly, it sits on the border and extends right up to the zero line. Secondly, it is twinned with an adjoining settlement in Myanmar, which can provide warehousing facilities for contraband being smuggled into and out of India. And thirdly, it is connected by road to Imphal, which acts as a staging point for the movement of smuggled goods elsewhere into India.

Another hub with all three characteristics is a village called Behiang, which is located in the border district of Churachandpur in Manipur across the border from a Myanmar village called Khenman. Both villages (Behiang and Khenman) lie on the Tedim Road, which connects the city of Imphal to Tedim town in Myanmar. Tedim, which is located in Chin state, in turn is connected by a mountain road to Kalay, which is the biggest town in Myanmar's Sagaing region. Kalay is an important waypoint for goods being transported overland from China and Thailand to India (and vice versa) through Myanmar. Goods coming from Thailand depart from Bangkok to Chiang Mai, and then north to Chiang Rai, before crossing the border to reach Mandalay and then travelling on to Tamu.

Since at least the early 2000s, Behiang and Moreh have been mentioned as entry points for drugs into India. Following the commencement of official trade at Moreh–Tamu, the number of heroin-processing facilities in Myanmar doubled from 21 to 42.<sup>34</sup> While there was sporadic reporting in the Indian press about smuggling of various kinds of contraband via Moreh, Behiang (being a much smaller settlement) escaped public scrutiny. The village had a population of approximately a thousand people, compared to Moreh's (widely ranging) estimates of 17 000–40 000. Until 2019, it did not even have a police station (one was opened in June that year as a



'Yaba', a methamphetamine pill, is a highly demanded drug in the South Asian market, especially in Bangladesh. © Thierry Falise/LightRocket via Getty Images

result of the Manipur government seeking to upgrade security along the Tedim Road in the hope of making it another trading corridor to Myanmar).

Both Behiang and Moreh are waypoints for the inward movement of drugs to Imphal, from where consignments are sent north to Kohima, capital of the neighbouring province of Nagaland. From Kohima, the drugs are sent to Dimapur, where there is a major railhead leading to Assam province, from where drugs can be distributed elsewhere in India.



**FIGURE 3** Smuggling routes between India and Myanmar, and contraband hotspots.





Betel nuts, a form of mildly addictive stimulants popular in India, are smuggled into the country through Myanmar from Thailand and Indonesia, where they are sourced for a fraction of the price paid in India. © David Talukdar/AFP via Getty Images

### Timber, betel nuts, arms and gold

Kamjong town, located in the north of Manipur, is another smuggling hub. The surrounding area is subject to large-scale illegal logging, with timber being sent to saw mills in Nagaland (and for onward movement via Dimapur). Kamjong also acts as a waypoint for timber smuggled from Myanmar via dirt roads during the night. One estimate suggests that 10 such roads exist along the Manipur–Myanmar border, but this is speculative. There is no sizeable human settlement in Myanmar immediately opposite Kamjong, unlike the cases of Moreh–Tamu and Behiang–Khenman, and so drug and timber smugglers need to use unmarked roads for moving their products. The two types of contraband seem to be linked: there are reports that smugglers hollow out tree trunks and hide drugs within.<sup>35</sup> Within Myanmar, logging takes place in the vicinity of Mawlaik town, which is located on Asian Highway 1 and is just north of Kalay.<sup>36</sup> On the Manipur side, five obscure border villages have been mentioned in connection with timber smuggling. These are Makan, Namlee, Phaikok, Skipe and Wanglee.<sup>37</sup> All are in Kamjong district, of which the eponymous town is the administrative headquarters.

Along with synthetic drugs and heroin, betel nuts are also smuggled into Manipur from Myanmar. The routes used seem to be virtually identical, suggesting a pattern of poly-criminality by well-established networks. Anyone who knows India would be aware that millions of working-class Indians habitually chew *paan masala* and *gutka*, two mildly addictive substances. Betel nuts are an ingredient in both. Due to the low

quality of nuts produced domestically, high-grade nuts are smuggled through Myanmar from Thailand and Indonesia, where they can be purchased for a fraction of the price they are sold for in India. It is thought that the Indian market for *paan masala* is worth 250 billion Indian rupees (INR), or US\$3.3 billion, and is growing at 10% annually, which is also the same percentage value as the Northeast's share of the illicit betel nut trade (US\$330 million). Smuggling surged in 2017, after India raised customs duty on betel nut imports from 4% to 40%.<sup>38</sup>

Dimapur town in Nagaland is a major hub for various kinds of contraband because of its railway connections (which are still rare in the Northeast). Arms and gold smuggled from Myanmar pass through this point en route to the rest of India. There is very little information in the public domain about arms-smuggling networks, as this topic has a direct bearing on the security situation in the Northeast. With gold, the situation is rather different. Moreh has featured prominently in reports on gold smuggling. One report notes that gold is cheaper by INR 3 000 (US\$40), per 10 grams in Myanmar.<sup>39</sup> Given that the Myanmar kyat is a weaker currency than the Indian rupee (1 rupee equals about 18 kyat), it is cheap and easy for Moreh-based kingpins to have gold surreptitiously couriered across the zero line near the town. From here it is dispatched to Imphal in the many private vehicles, trucks and minibuses that ply the 110 kilometre-long highway to the provincial capital. Owing to this well-entrenched system, Manipur alone has accounted for 45% of all gold seizures made in the Indian Northeast.<sup>40</sup>



Crystal meth tablets from Myanmar are distributed to user markets in India, where the price is marked up heavily.

© Ye Aung Thu/AFP via Getty Images

## Illicit flows out of India

As well as contraband smuggled into India from Myanmar, there is also a strong flow of illicit products travelling in the opposite direction, towards Myanmar, China and South East Asia more generally.

### Synthetic-drug precursors

Myanmar's drug-trafficking organizations rely on products produced by India's large pharmaceutical industry, along with that of China and Thailand, to convert opium into heroin as well as produce synthetic drugs.<sup>41</sup> These include ephedrine and pseudoephedrine, precursor chemicals needed for the production of methamphetamines. Pseudoephedrine – a common ingredient in medicines used to treat colds – first enters Assam and then continues on to Manipur, before going to Myanmar.<sup>42</sup> The value of pseudoephedrine increases ten-fold once it crosses the border and reaches Mandalay, from where it is sent to drug laboratories dotted across Myanmar.

One pseudoephedrine tablet can reportedly be used to manufacture one pill of the methamphetamine known as 'yaba'. Demand for this synthetic drug is particularly high in Bangladesh. Consignments destined for that country are either transported directly by Rohingyas from Myanmar into the Chittagong Hill Tracts of Bangladesh, or sent via India. If the latter route

is taken, the drug enters India through either Manipur or Mizoram, the two provinces which are nearest to Bangladesh while also facing Myanmar. Then the drug is either sent to Tripura province, which wedges deep into eastern Bangladesh, or Assam, which borders the northern part of the country.<sup>43</sup>

Yaba pills yield a healthy profit once smuggled over borders, with a pill costing the equivalent of INR 20 (US\$0.26) in Myanmar commanding a price of INR 500 (US\$6.80) in the South Asian market and INR 800 (US\$10.50) in large cities such as Delhi.<sup>44</sup> The substantial profits flowing from this business are believed to have been invested by Myanmar traffickers in real estate around Kalay.

### Cannabis and opium

There is also movement of cannabis and opium grown in Manipur into Myanmar. The hilly districts of Ukhrul and Chandel have been mentioned in this regard, and both face the Myanmar border.<sup>45</sup> Opium is grown by farmers despite a government ban, due to the high prices that Myanmar-based traffickers are prepared to pay.

Back from Myanmar comes processed heroin, locally known as 'Number 4'. After being smuggled across the border into India, the heroin is sent to Assam, especially the so-called Manipuri Basti neighbourhood





The illicit trade in wildlife products is one of the biggest flows of illegal goods out of India. Above, a stall selling pangolin scales and other exotic animal parts in Mong La, Myanmar. © Taylor Weidman/Getty Images

of Guwahati, the biggest city in the Northeast region.<sup>46</sup> In 2003, a former deputy speaker of the Manipur provincial assembly was arrested from this neighbourhood while he was visiting Guwahati. Police found a kilogram of heroin, worth INR 10 million (US\$136 900), in his possession. Assam is also a consumer of cannabis grown in Manipur.

### Illegal wildlife and flora trade

After narcotics and precursor chemicals, the biggest flow of illegal goods out of India towards Myanmar is thought to be wildlife products, especially pangolin scales. The figures are alarming: between 2009 and 2017, nearly 6 000 pangolins are thought to have been poached across India to feed burgeoning demand for pangolin meat and scales in China and South East Asia.<sup>47</sup> An appalling video filmed by activists in 2018 in the province of Assam shows how the defenceless animals are dragged out of their burrows, clubbed to the point of paralysis and then boiled alive so that their scales can be removed. (The scales are prized because according to some dubious theories in traditional eastern medicine, they have miraculous healing qualities.)

Manipur accounts for the largest number of pangolin seizures in India by law-enforcement agencies (36%), followed distantly by Tamil Nadu province in the peninsular south (10%).<sup>48</sup> Despite these two provinces being far apart, they are linked by the presence of an economically influential Tamil community in Manipur, concentrated in Moreh.

*Between 2009 and 2017, nearly 6 000 pangolins are thought to have been poached across India.*



**Tokay geckos are trafficked from India's Northeast to China, where they are prized for their supposed curative effects.** © Reinhard Dirscherl/Ullstein Bild via Getty

Between 2009 and 2013, the Northeast region accounted for the bulk of pangolin seizures across India. But from 2014 onwards, more seizures started being reported in the south of the country. In part, this might have been due to increased vigilance by Manipur authorities, as well as poachers needing to expand into new areas to keep up with the high demand from China. Poachers were reportedly paid up to INR 70 000 (US\$960) to capture the animals, which were either killed on site or sent alive to the Northeast, from where they were smuggled to Myanmar via Manipur.<sup>49</sup>

Another trafficked animal is the tokay gecko, a lizard worth between INR 30 000 and INR 40 000 (US\$410–US\$545) at the point of capture in India's Northeast, but whose value increases the closer it is taken to China.<sup>50</sup> This is because, as with pangolins,

various 'miracle cures' are supposedly associated with the creature, including a cure for cancer. The same claim has been made in regard to rhino horns, which are poached from the Kaziranga wildlife park in Assam. It has been reported that residents of Manipur (including insurgents moonlighting as poachers-for-profit) began killing rhinos in Kaziranga before diversifying into the illegal trade in pangolins and tokay geckos.<sup>51</sup> The district of Churachandpur in Manipur, where Behiang village is located, is believed to be the most active location for wildlife trafficking in the Northeast.<sup>52</sup> Another location frequently mentioned is the town of Dimapur in Nagaland, due to its importance as a transportation hub. Finally, there is Moreh itself, which is a favoured exit point to Myanmar.

There have been very occasional reports in the Indian press about flora crime in the Northeast. Exotic timber such as red sandalwood from Karnataka province in the far south (adjacent to Tamil Nadu) is smuggled through Moreh.<sup>53</sup> In 2014, a kilogram was priced in the range of INR 2 500 to INR 3 000 (US\$33–US\$40) in the domestic market, although this value would be expected to rise as the timber entered the supply chains of furniture businesses across South East Asia. Wild plants, including orchids and root species native to Manipur, are smuggled to Myanmar from Ukhrul district in the north of the province. The village of Tusom, which lies near the interprovincial border of Manipur and Nagaland and also near the international border of Manipur and Myanmar, has been mentioned as a hotspot for flora crime. Between the months of May and July, local villagers gather the plants on behalf of Chinese companies based just across the border in Myanmar. Despite knowing that picking exotic plants is illegal, they do so due to the lack of any enforcement capability on the part of local authorities. Meanwhile, officers of the Assam Rifles claim that interdicting flora smuggling is not included within their mandate. The plants are used in preparations of folk medicine, allegedly including ginseng.<sup>54</sup> There have also been reports of a medicinal plant known as *paris polyphylla* being smuggled to Myanmar from Arunachal Pradesh.<sup>55</sup>



A photograph of a person wearing a red jacket and a black helmet, riding a black motorcycle across a large steel truss bridge. The motorcycle is heavily loaded with several large white sacks, some of which have the word 'NORTON' printed on them. The bridge's intricate steel lattice structure is prominent, with shadows cast onto the road surface. In the background, a river and some trees are visible under a clear sky. A stylized white geometric graphic, resembling a compass rose or a star, is overlaid on the left side of the image.

# **MOREH: A PORTRAIT OF A BORDER TOWN**





To understand the various dynamics at play in the illicit trade through Moreh, it is necessary to understand how the broader geopolitics of Manipur have shaped its demography. Manipur is a turbulent province, riven by a three-way divide. The lowland Meitei population, which makes up the majority of the inhabitants of the Imphal Valley, is pitted against a highland Naga population in the north (in districts adjoining Nagaland). To the south are the strongholds of another highland tribe called the Kukis. The latter are the dominant demographic in Moreh town. Beginning in 1988, Naga insurgents started infiltrating Moreh with a view to taking control of the informal economy.<sup>56</sup> After four years of simmering tensions, in 1992 Nagas and Kukis clashed violently, leaving 1 000 Kukis dead and calcifying the hostility between the two sides.<sup>57</sup> Even so, the Kukis were able to use their home-turf advantage and slowly regained control over the town.

Three years later, another set of ethnic clashes had more momentous effects. This time, the Kukis battled with Tamil migrants who controlled cross-border trade with Myanmar. The Tamils were (and to a large extent still are) the 'spinal cord' of the informal economy in Moreh. They had arrived in Manipur as refugees from Myanmar, after being expelled in the 1960s by the then Burmese military government. While being descendants of Indian workers who had long been resident in Myanmar, they nevertheless found India an alien land and longed to return 'home' to Myanmar. However, the military government prohibited them from crossing the border, so they settled in Moreh.

Knowledge of Myanmar culture and language helped the Tamils set up businesses that specialized in cross-border trade, even though this remained unofficial until 1995. They were assisted by topography: Moreh lies on a gentle slope that leads into Myanmar's Kabow Valley, where Tamu is located. The town is relatively isolated from the rest of Manipur due to steep hills that crest roughly two-thirds of the way down the Indo-Myanmar Road if one is travelling from Imphal. The pattern of river and rainfall drainage thus connects Moreh more with Tamu than with other towns in Manipur. Such seclusion has meant that, at least in the perception of some locals, the Tamil migrants came to exercise disproportionate influence over business and politics, running a parallel government to some extent. The Tamils themselves see the matter differently, arguing that it was their entrepreneurial efforts that put Moreh on the map as a trading post to South East Asia.<sup>58</sup>

◀ Moreh, a border town in Manipur province, is a favoured exit point to Myanmar.

© Biju Boro/AFP via Getty Images



Indeed, the Tamils have a long history of such entrepreneurship. As a large and relatively prosperous coastal province at the tip of the southern peninsula, Tamil Nadu has long served as India's window to the eastern half of the Indian Ocean. Even before colonialism took effect, Tamil seafarers had spread Indian culture and commerce to regions that are now part of ASEAN. During the British Raj, large numbers of Tamils relocated to Myanmar and Malaysia, working as cheap labour and petty traders. Later, while the Vietnam War raged, Tamil money-changers based in South Vietnam, Hong Kong and the United States proved highly successful at jointly circumventing foreign-exchange controls imposed by Saigon. Together with corrupt US servicemen, they moved the illicit proceeds from drugs and arms trafficking as well as those from smuggling gold and gemstones. Extended geographic dispersal coupled with an innate clannishness made them sophisticated operators in South East Asia's informal economy.

These same qualities also have helped the Moreh Tamils, who keep up contacts with business and social networks in Tamil Nadu province. They are well placed to bridge the trade and infrastructural divide between India and ASEAN states at an informal level. They dominate Moreh's textile and furniture businesses, the latter of which rely on teak imports from Myanmar, as well as other sectors dealing with foreign products. The local chamber of commerce is headed by a Tamil businessman who allegedly buys off various insurgent factions that operate in the area (there are thought to be five insurgent groups active around Moreh) and also reaches 'understandings' with local government officials.<sup>59</sup> This individual is thought to deal in various categories of contraband, including drugs, and was once arrested for supposedly arranging the murder of a business rival. However, at the time of writing he remains a free man and an esteemed member of the town's business community,<sup>60</sup> despite the fact he spends little time in Moreh and is believed to run most of his operations remotely from large Indian cities such as Delhi and Chennai (the capital of Tamil Nadu province).

Since the 1960s, the Tamil community had built up from a core of five families to more than 700 families.<sup>61</sup> However, the 1995 clashes between the Kukis and Tamils led to a reduction in Moreh's Tamil population due to outmigration. Following the violence, many families sent their children away to Tamil Nadu and other parts of India to pursue higher education courses as well as to look for work. This dispersal effect likely expanded the reach of the community's informal trading networks within India just as official trade with Myanmar commenced with the opening of the Moreh land customs station in 1995.

## Competition from Namphalong Market

Initial hopes that Indo-Myanmar trade would lead to greater prosperity for Moreh were belied within two years.<sup>62</sup> According to a local story, which seems more myth than fact, a group of visiting businessmen from Myanmar were assaulted by street thugs. In response, the Myanmar government set up a market right on the border to steal trade opportunities away from Moreh.<sup>63</sup> Although the narrative sounds fanciful, it depicts the bitterness that some members of the business community in Moreh feel about the establishment of Namphalong Market, just across the zero line in Myanmar.

When cross-border trade officially commenced in 1995, Moreh held an advantage over Tamu because the Indian town was located right on the border, while Tamu was about five kilometres inside Myanmar. This meant that traders from Myanmar would have to cross over to Moreh to buy and sell wares, and Indian businessmen from Imphal and other parts of India would also travel to Moreh to make deals. The town was expected to become a commercial hub. Instead, what happened was that the Myanmar government opened a parallel market at Namphalong, just 300 metres across the zero line. The market, which started operating in 1997, sold Chinese goods trucked from Yunnan. Owing to better transport connectivity on the Myanmar side of the border, Namphalong was able to offer a broad variety of consumer goods at lower prices than were available in Moreh.

A situation thus came about that was the opposite of what currently prevails at the Nampong–Pangsau trading point in Arunachal Pradesh. Pangsau is relatively isolated within Myanmar, with the nearest town being 60 kilometres away. It is therefore cheaper for villagers to cross over to India to buy necessary commodities. Furthermore, the absence of extortion rackets on highways in Arunachal Pradesh allows local prices in Nampong to remain low. In Moreh on the other hand, the town is geographically isolated from the rest of Manipur, while the sole roadway to Imphal is a favourite hunting ground for extortion groups, which impose ‘taxes’ of INR 50 000 (US\$680) for every journey by a cargo truck.<sup>64</sup> Between 20 and 30 such trucks travel to Imphal every day, besides roughly a thousand other vehicles. The sheer volume of traffic has made the Imphal–Moreh Road a golden goose for some corrupt officials, who are thought to partner with insurgent factions in extorting money from traders. Meanwhile, across the border in Myanmar, there are no known extortion markets driving up local prices in Tamu or Namphalong Market. Thus, it makes sense for Indians to take advantage of the bi-lateral free-movement regime and simply cross over to Namphalong to buy whatever they wish.<sup>65</sup>

Most purchases made in Namphalong are transported by road towards Imphal, where they are sold at inflated local prices in that city. The Moreh Market section of Imphal’s Paona Bazaar is reportedly a hotspot for selling Chinese-manufactured products smuggled from Myanmar. Although these goods are taxable if officially imported from Myanmar, their passage through Moreh seems to be largely overlooked by local customs officials. Perhaps this is due to the much more serious types of





**Informal trade has become the main source of profits in Moreh, which is now a transit point for drug smuggling and human trafficking.** © Biju Boro/AFP via Getty Images

contraband that the latter have to watch out for, such as drugs and firearms. Furthermore, it must not be forgotten that smuggling of consumer goods provides a source of livelihood for young men in a region with little manufacturing industry. For decades, government officials in Imphal have turned a blind eye to smuggling from Moreh, aware that if law-enforcement agencies were to crack down too hard on illicit flows, the result might be a recruitment bonanza for insurgent groups.

The opening of Namphalong Market dealt a heavy blow to the incipient plans of Moreh's Tamil businessmen to make the town a major trading centre (in which they would be the biggest gainers).<sup>66</sup> Instead, Meitei (i.e., lowland Manipuri) traders from Imphal were the unexpected beneficiaries, as they were able to deal directly with sellers in Myanmar. Moreh was reduced to a glorified parking lot for daytrippers from Imphal who would drive down to visit Namphalong Market, make their purchases and return home without spending much time or cash in Moreh. Official trade at the border thus never took off to the extent that had been hoped for during the early 1990s. Once the Indian government abolished the barter system in December 2015, under which goods could be traded in kind up to a value of US\$20 000, informal trade became overwhelmingly the main source of profits.<sup>67</sup>

Official trade at Moreh is conducted through what is called 'Gate Number 1'. This is where people with visas for Myanmar, who intend to travel beyond 16 kilometres into the country, must go to pass through immigration checks. Vehicles laden with betel nuts and pulses from Myanmar occasionally cross the border but, overall, little happens here.<sup>68</sup> It is at Gate Number 2 where the bulk of smuggling takes place. Here, tourists from India visiting Namphalong Market are able to cross over with a minimum of paperwork, being reminded only to return to India that same day. Local vendors from Myanmar, the majority of whom are women, enter India with so-called 'headloads,' i.e., baskets filled with farm produce. They come across each morning to what is called Morning Bazaar Road. This is a street in Moreh that is barely a few metres from the zero line, in the middle of a Tamil-dominated neighbourhood. The importance of the smuggling economy may be gauged by the fact that well-off localities in Moreh, in terms of average household income, share two qualities: they are clustered in the vicinity of Gate Number 2, and are generally populated by outsiders engaged in trade, particularly Tamils, Punjabis and Marwaris (a business community from Rajasthan province in the western part of India). In contrast, poorer neighbourhoods are dominated by Meiteis, Kukis and low-wage migrant labourers.

*Moreh has emerged as an important transit point for human trafficking.*

## **Drugs, police corruption and human trafficking**

There are thought to be 1 000 drug users and 1 000 sex workers in Moreh, although these figures cannot be taken as authoritative, considering that even the size of the town's population is disputed.<sup>69</sup> In theory, owing to the militarily and politically sensitive nature of the Northeast region, migrant labourers and traders from other parts of India should face bureaucratic hurdles in relocating there. In practice, there seems to be a variable capacity and/or will on the part of provincial governments to interfere with population movement. Thus, the number of Moreh inhabitants has fluctuated over the years. What seems constant is the high prevalence of drug consumption and HIV infection. Relative to its tiny population, Manipur has the most adults living with HIV in India, followed by Mizoram to its south and Nagaland to its north. This is largely due to the easy availability of injectable heroin sourced from the Golden Triangle. A daily dose in Moreh costs INR 20 (US\$0.26), while prices in Imphal are five times higher. The border town is reported to have 400 HIV sufferers.<sup>70</sup>

The Imphal–Moreh Road is key to the illicit drug economy in Manipur province. A review of local media reports about smugglers arrested along this route reveals two interesting patterns. Firstly, that the district of Thoubal which lies south of Imphal is a hotspot for storing drugs. A town called Lilong, which is located in the north of the district and is almost adjacent to Imphal city, has often been mentioned as the place of origin of arrested drug smugglers. On at least two occasions (in 2012 and 2019) heroin laboratories were also uncovered here.<sup>71</sup> The town has a majority Muslim population, which in itself might mean little, but could be relevant considering that Meitei Muslims also inhabit some of the poorer neighbourhoods in Moreh, and might be working as low-level, 'dispensable' couriers for smuggling networks headed by larger players. Violence between Hindus and Muslims is rare in Manipur, but painful scars remain of a wave of rioting in 1993 that left more than 140 Muslims dead. The Muslim community in the province has long been stigmatized for engaging in 'criminal' activity, a label which might prompt some of its members to turn to crime owing to a lack of better economic opportunities.

The second trend which is noticeable from media reports is that, notwithstanding serious investigatory efforts by the Manipur police, individuals from various security forces continue to be arrested for involvement in drug smuggling. In one case from 2013, 11 police personnel, all of whom had served in Moreh, were arrested in Thoubal while trying to smuggle 30 000 pseudoephedrine tablets to the border town.<sup>72</sup> In another incident from the same year, an officer of the Assam Rifles was arrested for being involved with a network that smuggled pseudoephedrine to Moreh.<sup>73</sup> More recently, in 2019 four police personnel posted in Moreh were arrested for smuggling ketamine from Myanmar.<sup>74</sup> They were allegedly working on behalf of a drug trafficker based in Lilong. Also indicative of the corrupting influence of drug money was the 2018 arrest of a veteran counternarcotics investigator on charges of facilitating smuggling, an event that was noted as a first in Manipur.<sup>75</sup>



Of late, Moreh has emerged as an important transit point for human trafficking. Previously, women and minor girls from Manipur were trafficked to other provinces of India as well as South East Asia to work in the sex trade.<sup>76</sup> The province was a source of trafficking victims rather than a transit area. However, in 2019 reports surfaced that men and women from Nepal were being sent to South East Asia and West Asia via Moreh.<sup>77</sup> The choice of location might have partly come down to history: in both Namphalong and Tamu, there exist sizeable Nepali trading communities descended from Gurkha soldiers who fought in the British Indian Army during the Second World War.<sup>78</sup> These communities can arrange transit accommodation and onward transport of trafficking victims along the Asian Highway. On the Indian side, Manipur seems to have become a hotspot because Delhi airport, previously a much-used jumping-off point for Nepalis being

trafficked to West Asia, has tightened vigilance. The new route is for the victims to be flown from the Nepali capital Kathmandu to Bagdogra, a small Indian town in the Siliguri Corridor.<sup>79</sup> From here, trafficking victims are taken by train to Dimapur in Nagaland, and then by bus to Imphal. From Imphal they are again bussed to Moreh. While in Manipur, their handlers obtain Myanmar e-visas for the victims, exploiting the simplified visa application procedures that are available to Nepali passport-holders. From Myanmar, many of the victims travel to the Persian Gulf. Since the Nepali government has banned certain categories of female travellers from flying directly to Gulf countries, in order to prevent them being trafficked, trafficking networks first take women eastward into Myanmar via India and then back westward towards countries such as Oman, Kuwait and Iraq.<sup>80</sup>

## Illicit trade shifts to Mizoram

In 2016, an academic study predicted that cross-border trade in Moreh would dwindle as local businessmen would likely relocate to Mizoram, the southernmost province in the Northeast and the most peaceful.<sup>81</sup> This prediction has partly been vindicated. While Mizoram has hardly any role in official Indo-Myanmar trade, anecdotal accounts suggest that in the past five years the province has become a strong competitor to Manipur as an entrepot for contraband.

This is because trafficking organizations are looking to reduce the overheads they incur when paying off insurgent factions in Manipur. Although Mizoram is even more remote than Manipur, the cost of transporting goods from Mizoram to Assam is about half that incurred while transporting from Manipur, even though the distance is twice as long. The Indian government is focused on improving security along the Imphal–Moreh Road and is expanding the railway network in Manipur (with a view towards reducing economic dependence on roadways), but change is unfolding extremely slowly in that province. (In general,

the Indian administrative apparatus operates at an astonishingly slow pace when it comes to implementing infrastructure upgrades in the Northeast: in 2019, the so-called ‘Integrated Check Point’ was inaugurated at Moreh a full 12 years after the decision to create it had been made.)

Like Manipur, Mizoram’s border with Myanmar is porous. There are at least 15 unmarked crossing points along the 510 kilometre border with Myanmar and only one land customs station at the village of Zokhawthar, which lies in Champhai district, south-east of the capital city, Aizawl. The district headquarters, also called Champhai, is located 192 kilometres from Aizawl and 28 kilometres inland from Zokhawthar, which itself is on the zero line. Opposite from Zokhawthar and separated only by a bridge over a narrow river lies the Myanmar village of Khawmawi. The latter serves as a staging point for the smuggling of betel nuts into India. Once a consignment reaches Mizoram, corrupt officials at Champhai town designate it as indigenous produce by local farmers and clear it for further movement into the Indian market.<sup>82</sup>

*As in Manipur, yaba pills enter Mizoram from Myanmar and continue on to Bangladesh.*

Mizoram has a refugee population of approximately 100 000 Chins from Myanmar, of whom 30 000 live in Aizawl. The Chins have been suspected of involvement in arms and drug trafficking. Often, drug arrests also turn up arms caches. The weapons are not used locally but sold to insurgent groups up north in Nagaland and Manipur. It is important to note that the counterpart land customs station of Zokhawthar in Myanmar is not Khawmawi, but Tedim, which is located much further inland.<sup>83</sup> This is the same town that gives its name to the Tedim Road, which runs north across Chin state and into India's Manipur province via the Behiang-Khenman border crossing. Tedim is a waypoint for firearms smuggled from the city of Chiang Mai in Thailand, which has an illicit arms market.

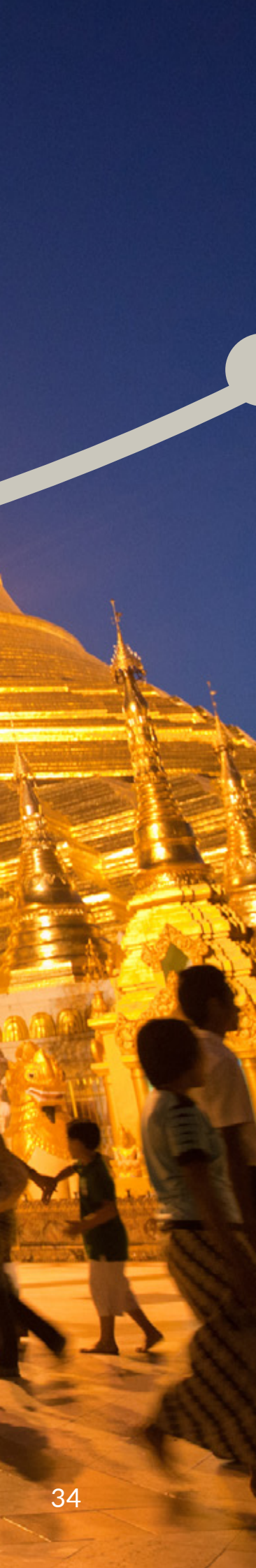
As in Manipur, yaba pills enter Mizoram from Myanmar and continue on to Bangladesh. Meanwhile, pseudoephedrine is transported from Mizoram to Myanmar. Ever since the first yaba seizures were reported in 2013, the number of interceptions of this drug has only increased. Over a 15-day period in 2020, authorities in Mizoram seized approximately one billion rupees' worth of drugs, including methamphetamines and heroin. Women are also trafficked to work in Singapore, Malaysia and as far as Macau. Traffickers advertise jobs for housemaids, preferring to recruit women in their twenties who are divorced. The women are sent to Myanmar first on valid Indian passports, from where their onward travel is arranged. Logistics are handled by so-called recruitment agencies that are unregistered and which demand a portion of a victim's annual salary. It is unclear if trafficking is mainly for labour purposes or also includes forced prostitution. Chin women are known to have been victims of sex trafficking and Mizos have been sold into the Mumbai sex trade. However, it is not known if international sex-trafficking networks target Mizo women, even though this is likely. One of the more interesting types of smuggling operations along the Indo-Myanmar border in Mizoram is in cooking-gas cylinders. Indian households can purchase these cylinders at a rate of INR 450, while the same product can be sold in Myanmar for INR 4 000. Finally, subsidized fertilizer made available to Indian farmers by the government is taken across the border for use in synthetic-drug factories.





# **FOCUS ON MYANMAR: A REGIONAL CONUNDRUM**





**T**his paper began by asking if the prevalence of smuggling along the Indo-Myanmar border is due to Indian government policy or the absence of it. Having reviewed the situation from a political and strategic perspective, the answer seems to be: both. Smuggling occurs because of a lack of legitimate job opportunities in a region which is already very poorly developed in terms of public infrastructure. The reasons for this underdevelopment range from the region's geographic remoteness from the Indian heartland, security concerns over the boundary dispute with China and a history of proxy warfare and insurgencies dating back to the 1950s and 1960s. When looking at the Northeast, it is difficult to separate military considerations about national security from civilian imperatives about socio-economic development. The result has been a situation where New Delhi has focused on 'managing' the various insurgencies by extending a measure of tolerance for local corruption and extortion, while keeping the region isolated from external economic forces that it cannot control (basically, China). Efforts to develop an alternative trading relationship with ASEAN states through Myanmar have been weak until recently, because neither New Delhi nor Naypyidaw prioritized the bilateral relationship.

It is instructive to look at the trajectory of Indian domestic politics from 1992–1995, when the 'Look East' policy was announced and began to be implemented, to 2015–2020, when it morphed into the 'Act East' policy. 'Look East' was intended to provide India with access to new markets in South East Asia. Instead, as the country went through a period of unstable coalition governments from 1996–1999, the policy lost momentum even as Myanmar was opening up to Chinese investors. From 1999 to 2014, India had three stable governments elected for full five-year terms (one of them was, from 2009–2014, a re-election). Yet the overwhelming focus of Indian foreign policy during this 15-year period was on developments on India's western borders, not in the east. Managing the increasingly unstable relationship with

◀ The Shwedagon Paya temple in Yangon. The relationship with Myanmar is key for India's strategic interests in the region, but it also challenges India's border integrity and heightens the growth of criminal markets. © Dnn/Getty Images



Pakistan and preparing for a regional spillover of jihadist militancy was a higher priority than building ties with Myanmar. Likewise, Nepal and Bangladesh – countries where anti-Indian terrorist cells were known to find safe haven – received more attention than Myanmar. The various Naga and Meitei insurgent groups based in Myanmar were too weak to challenge the Indian state in the Northeast, avoided mass casualty attacks on civilians and, unlike jihadist networks in Kashmir, lacked a state sponsor. Consequently, they were not seen as a priority by the Indian security establishment and nor was diplomatic engagement with Myanmar.

It was the election of Narendra Modi as Indian prime minister in 2014, subsequently re-elected in 2019, that changed the Northeast's security dynamic to some extent. Modi has de-emphasized the importance of Pakistan in Indian foreign policy and adopted a stance of simply ignoring that country, focusing instead on projecting India as a major power internationally. As part of this drive, economic engagement with ASEAN states has regained importance. There are initiatives underway at both the security and developmental levels to engage with Myanmar. Manipur province is crucial in this regard because it forms a logical transit point for the overland movement of goods between India and South East Asia.

In March 2017, Manipur elected a provincial government consisting of the Bharatiya Janata Party, the same party that formed the central government in Delhi since 2014. This has allowed a compatibility of agendas between New Delhi and Imphal, and the provincial government has begun taking steps to strengthen security and improve transport connectivity. Meanwhile, Myanmar has proven cooperative in

efforts to restrict the activities of anti-Indian groups based in its territory. Some of the senior generals in the Myanmar Army began their careers fighting communist insurgents armed and trained by China. They are reflexively suspicious of Beijing and willing to consider India as a potential counterweight to Chinese investments, provided New Delhi shows the capacity to put its own affairs in order. This is where the question of cross-border smuggling comes in.

On the one hand, increased connectivity between India and Myanmar would allow both more legitimate trading opportunities and more pathways for criminality, which may hinder local development. Insurgent groups in India, in provinces such as Manipur, would be able to increase their cash flows through extortion, while the dumping of cheap foreign-manufactured goods could stifle whatever incipient efforts are made towards industrializing the Northeast.

On the other hand, continuing with the status quo risks relegating India to a second-tier economic player in Asia, unable to leverage its large domestic market and diplomatic heft to expand trade ties with ASEAN. Having limited scope for economic expansion within South Asia itself, the country's political and business elites have little choice but to 'Act East'. The continuing rivalry with China and Pakistan (even if not openly acknowledged) requires that India build its economic muscle to support a large military capacity for fighting on two fronts. Thus, for better or worse, India will have to find policy instruments that preserve the integrity of its borders while at the same time allowing greater connections with foreign countries. Given its glacial progress so far, whether it succeeds in this endeavour will be decided over several years.

## NOTES

- 1 Syed Fazal-e-Haider, Twisting India's Chicken's Neck, Interpreter, Lowy Institute, 15 July 2020, <https://www.lowyinstitute.org/the-interpreter/twisting-india-s-chicken-s-neck>.
- 2 Mohan Guruswamy, China and Arunachal Pradesh: Time to understand the history, *The Citizen*, 27 July 2020, <https://www.thecitizen.in/index.php/en/NewsDetail/index/4/19107/China-and-Arunachal-Pradesh-Time-to-Understand-the-History>.
- 3 Sutirtho Patranobis, China launches tirade against 'illegal Indian occupation' of Arunachal Pradesh, *Hindustan Times*, 1 December 2013, <https://www.hindustantimes.com/world/china-launches-tirade-against-illegal-indian-occupation-of-arunachal-pradesh/story-UNbl2sx7CIKPbN6nVbhQuO.html>.
- 4 Ananth Krishnan, China spruces up highway through Aksai Chin, *The Hindu*, 11 July 2012, <https://www.thehindu.com/news/international/china-spruces-up-highway-through-aksai-chin/article3628525.ece>.
- 5 Avinash Paliwal, Is China behind a recent insurgent attack in India's Northeast?, *The Diplomat*, 1 September 2020, <https://thediplomat.com/2020/09/is-china-behind-a-recent-insurgent-attack-in-indias-northeast/>.
- 6 Dipanjan Roy Chaudhury, China's arms smuggling racket along Bangladesh-Myanmar border unearthed, *Economic Times*, 16 September 2020, <https://economictimes.indiatimes.com/news/international/world-news/chinas-arms-smuggling-racket-along-bangladesh-myanmar-border-unearthed/articleshow/78138743.cms>.
- 7 Sanjeev Miglani, India presses on with Myanmar defense supplies in show of support, Reuters, 21 September 2017, <https://uk.reuters.com/article/us-myanmar-rohingya-india/india-presses-on-with-myanmar-defense-supplies-in-show-of-support-idUSKCN1BW1UU>.
- 8 Sumanta Sen, Smuggling thrives unhindered in the tiny township of Moreh on Manipur-Burma border, *India Today*, 15 April 1982, <https://www.indiatoday.in/magazine/crime/story/19820415-smuggling-thrives-unhindered-in-the-tiny-township-of-moreh-on-manipur-burma-border-771701-2013-10-16>.
- 9 Satarupa Bhattacharjya and Frank Jack Daniel, India's Wild East unprepared for new Myanmar, Reuters, 22 February 2012, <https://www.reuters.com/article/india-myanmar/indias-wild-east-unprepared-for-new-myanmar-idINDEE81L01G20120222>.
- 10 Akshat Kaushal, Moreh: The gateway to Southeast Asia, *Business Standard*, 20 August 2013, [https://www.business-standard.com/article/economy-policy/moreh-the-gateway-to-southeast-asia-111123000086\\_1.html](https://www.business-standard.com/article/economy-policy/moreh-the-gateway-to-southeast-asia-111123000086_1.html).
- 11 Wasbir Hussain, Chinese weapons hold the key to insurgency in Northeast?, *The Sentinel*, 14 February 2015, <https://www.sentinelassam.com/top-headlines/chinese-weapons-hold-the-key-to-insurgency-in-northeast/?infinetscroll=1>.
- 12 Anirban Bhaumik, India asks Thailand, Myanmar to share details of probe on seized illegal arms originating from China, *Deccan Herald*, 20 July 2020, <https://www.deccanherald.com/national/india-asks-thailand-myanmar-to-share-details-of-probe-on-seized-illegal-arms-originating-from-china-863603.html>.
- 13 Economic distress due to COVID-19 causes smuggling spike in Northeast: FICCI, *The Sentinel*, 9 September 2020, <https://www.sentinelassam.com/north-east-india-news/nagaland-news/economic-distress-due-to-covid-19-causes-smuggling-spike-in-northeast-ficci-500280>.
- 14 ISI's Links with Northeast Insurgent groups, Government of India briefing note uploaded to the South Asia Terrorism Portal, [https://www.satp.org/satporgt/p/countries/india/document/papers/Pakistan\\_report/Anex\\_G.htm](https://www.satp.org/satporgt/p/countries/india/document/papers/Pakistan_report/Anex_G.htm).
- 15 Interview with Maloy Krishna Dhar, a former joint director of the Indian domestic security service, the Intelligence Bureau, on 22 July 2006.
- 16 Frederic A. Moritz, Burma suspicious of Chinese support for communist guerrillas, *Christian Science Monitor*, 26 February 1981, <https://www.csmonitor.com/1981/0226/022651.html>.
- 17 Pushpita Das, India-Myanmar Border Problems: Fencing not the only solution, Manohar Parrikar Institute for Defence Studies and Analyses, 15 November 2013, [https://idsa.in/idsacomments/IndiaMyanmarBorderProblems\\_pdas\\_151113](https://idsa.in/idsacomments/IndiaMyanmarBorderProblems_pdas_151113).
- 18 DK Singh, 56 years later, China can still choke Indian troops the way it did in 1962, *The Print*, 14 August 2018, <https://theprint.in/defence/56-years-later-china-can-still-choke-indian-troops-the-way-it-did-in-1962/98044/>.
- 19 North East militants smuggle Chinese arms into India through Myanmar, Daily News & Analysis, 21 February 2010, <https://www.dnaindia.com/india/report-north-east-militants-smuggle-chinese-arms-into-india-through-myanmar-1350646> and Pankaj Sarma, India to seek extradition of Thai arms smuggler, *Deccan Herald*, 3 September 2013, <https://www.telegraphindia.com/states/north-east/india-to-seek-extradition-of-thai-arms-smuggler/cid/261998#.UiW75SfAHPU.twitter>.

- 20 KV Kesavan, India's 'Act East' policy and regional cooperation, Raisina Debates, Observer Research Foundation, 14 February 2020, <https://www.orfonline.org/expert-speak/indias-act-east-policy-and-regional-cooperation-61375/>.
- 21 Myanmar toll on Indian exports hits border trade, Rediff.com, 22 July 2000, <https://www.rediff.com/money/2000/jul/22burma.htm>.
- 22 Mirza Zulfikar Rahman, The abandoned route through India, Myanmar and China: why the Stilwell Road should be restored, *The Conversation*, 11 October 2016, <https://theconversation.com/the-abandoned-route-through-india-myanmar-and-china-why-the-stilwell-road-should-be-restored-65497>.
- 23 B. Raman, Why I remain wary of China, Rediff.com, 14 November 2006, <https://www.rediff.com/news/2006/nov/14raman.htm>.
- 24 Study team visits border trade point at Moreh, *Arunachal Times*, 17 October 2017, <https://arunachaltimes.in/index.php/2019/10/17/study-team-visits-border-trade-point-at-moreh/>.
- 25 Soma Ghosal and Snehashish Mitra, Trade, Capital and Conflict: A Case Study of the Frontier Towns of Moreh-Tamu and Champhai, *Polices and Practices*, 87, p. 4, [https://rosalux.in/files/RosaLux/downloads/New%20Uploads%20Publications/MCRG/MCRG%202017/2017MCRG\\_logistical%20spaces-8.pdf](https://rosalux.in/files/RosaLux/downloads/New%20Uploads%20Publications/MCRG/MCRG%202017/2017MCRG_logistical%20spaces-8.pdf).
- 26 Marchang Reimeingam, Moreh-Namphalong Borders Trade, Institute for Social and Economic Change, Bangalore, Working Paper 346, 2015, p. 14, <http://www.isec.ac.in/WP%20346%20-%20Marchang%20Reimeingam%20-%20Final.pdf>.
- 27 Edmund Downie, Manipur and India's 'Act East' Policy, *The Diplomat*, 25 February 2015, <https://thediplomat.com/2015/02/manipur-and-indias-act-east-policy/> and Nirupama Subramanian, The Road to East: Connecting India, Myanmar and Thailand; gateway to ASEAN, *Indian Express*, 5 September 2018, <https://indianexpress.com/article/india/india-myanmar-friendship-highway-thailand-asean-5335551/>.
- 28 Cross border smuggling- lures and liabilities, *Imphal Times*, 27 March 2018, <https://www.facebook.com/ImphalTimes/posts/963967820425989>.
- 29 Harsha Kakar, The Army versus others, *The Statesman*, 28 January 2020, <https://www.thestatesman.com/opinion/army-versus-others-1502850343.html>.
- 30 Manipur to legalize cannabis for medical, industrial purposes, *NE Now*, 22 September 2019, <https://nenow.in/north-east-news/manipur-to-legalize-cannabis-for-medical-industrial-purposes.html>.
- 31 Subir Bhaumik, Boom time for counterfeit trade, BBC, 13 March 2002, <http://news.bbc.co.uk/2/hi/business/1871331.stm>.
- 32 Christopher Finnigan, Security challenges along the India-Myanmar border, LSE Blog, 20 March 2019, <https://blogs.lse.ac.uk/southasia/2019/03/20/security-challenges-along-the-india-myanmar-border/>.
- 33 To exchange information in the fight against insurgency, arms and drugs smuggling India-Myanmar sign MoU, cross border co-operation gets a major fillip, *E-Pao*, 2 June 2014, <http://e-pao.net/GP.asp?src=1..030614.jun14>.
- 34 A. B. Mahapatra, India may close border with Myanmar to keep drugs out, Rediff.com, 13 May 1997, <http://www.rediff.com/news/may/13maha.htm>.
- 35 Rishu Kalantri, Assam jungle plunder: 43 logs seized from Brahmaputra in Tinsukia, *East Mojo*, 15 November 2019, <https://www.eastmojo.com/assam/2019/11/15/assam-jungle-plunder-43-logs-seized-from-brahmaputra-in-tinsukia>.
- 36 Kaung Khant Lin, Sagaing Region sees some night timber smuggling cases, *Eleven Myanmar*, 6 May 2019, <https://elevenmyanmar.com/news/sagaing-region-sees-some-night-timber-smuggling-cases>.
- 37 Vangamla Salle K S, Manipur: Betel nuts, timber worth Rs 4.94 crore seized in Kamjong, *East Mojo*, 31 January 2020, <https://www.eastmojo.com/manipur/2020/01/31/manipur-betel-nuts-timber-worth-rs-494-crore-seized-in-kamjong>.
- 38 Prabir De, Act East – North East: Border of Hope to Gateway to Southeast Asia, *Economic Times*, 12 November 2019, <https://economictimes.indiatimes.com/blogs/et-commentary/act-east-north-east-border-of-hope-to-gateway-to-southeast-asia/>.
- 39 Gold smuggling through Myanmar on the rise, *People's Chronicle*, no date, <http://www.thepeopleschronicle.in/daily/english/1601>.
- 40 How India's porous border with Myanmar has become a Gold smuggling den: report, *Sify.com*, 23 October 2018, <https://www.sify.com/finance/how-indias-porous-border-with-myanmar-has-become-a-gold-smuggling-den-report-news-finance-skwtKzcgfijh.html>.
- 41 Shivananda H, Nexus of Drug Trafficking and Militancy Exposed at New Delhi, *IDS Comment*, 13 April 2011, [https://idsa.in/idsacomments/NexusofDrugTraffickingandMilitancyExposedatNewDelhi\\_shivanandah\\_130411](https://idsa.in/idsacomments/NexusofDrugTraffickingandMilitancyExposedatNewDelhi_shivanandah_130411).
- 42 Vivan Eyben, Will a Stable Government in Myanmar End the Drug Problem in South and Southeast Asia?, *NewsClick*, 16 April 2018, <https://www.newsclick.in/will-stable-government-myanmar-end-drug-problem-south-and-southeast-asia>.
- 43 Anirban Roy, Tripura is the "new nucleus" for ecstasy drugs smuggling, *NE Now*, 14 May 2019, <https://nenow.in/north-east-news/tripura-is-the-new-nucleus-for-ecstasy-drugs-smuggling.html>.
- 44 Karishma Hasnat, Even as Talks Continue, Manipur Govt to Move MHA Seeking Replacement of Assam Rifles with State Cops, *CNN-News 18*, 26 January 2020, <https://www.news18.com/news/india/even-as-talks-continue-manipur-govt-to-move-mha-seeking-replacement-of-assam-rifles-with-state-cops-2474241.html>.
- 45 Illegal cross-border drug smuggling on the rise in Manipur, *India Today*, 20 August 2019, <https://www.indiatoday.in/india/story/illegal-cross-border-drug-smuggling-on-the-rise-in-manipur-1582549-2019-08-20>.
- 46 Rajeev Bhattacharya, How Assam has emerged as a transit point for narcotics, *Caravan*, 2 August 2016, <https://caravanmagazine.in/vantage/assam-emerged-transit-point-narcotics>.



- 47 Sahana Ghosh, Out of India: The illegal trade routes for pangolin trafficking, *Mongabay*, 6 September 2019, <https://india.mongabay.com/2019/09/out-of-india-the-illegal-trade-routes-for-pangolin-trafficking/>.
- 48 Sahana Ghosh, 'Alarming' levels of pangolin poaching in India point to need for a systematic study on the species, *Scroll*, 7 March 2018, <https://scroll.in/article/870574/alarming-levels-of-pangolin-poaching-in-india-point-to-need-for-a-systematic-study-on-the-species>.
- 49 Anup Sharma, Pangolin smuggling to China thrives as rhino poaching declines in Assam, *Mongabay*, 6 September 2019, <https://india.mongabay.com/2019/09/pangolin-smuggling-to-china-thrives-as-rhino-poaching-declines-in-assam/>.
- 50 AR recovers Tokay Geckos, *E-Pao*, 30 October 2012, <http://e-pao.net/GP.asp?src=14..311012.oct12>.
- 51 Rhino horn on way to Moreh seized at Mao Gate, India, *Rhino Review*, 5 September 2019, <https://rhinoreview.org/rhino-horn-on-way-to-moreh-seized-at-mao-gate-india/>.
- 52 Sadiq Naqvi, Rhino poachers in North East have links with Manipur insurgents, police say, *Scroll*, 20 August 2020, <https://scroll.in/article/971322/rhino-poachers-in-north-east-have-links-with-manipur-insurgents-police-say>.
- 53 Sudeep Chakravarti, Root Cause | Moreh: pushers, traders, soldiers, spice, *Livemint*, 11 July 2014, <https://www.livemint.com/Opinion/DSIIgmnAJ420c9jFTOmJP/Moreh-pushers-traders-soldiers-spice.html>.
- 54 Forest products smuggling rampant at border areas, *E-Pao*, 23 October 2013, <http://e-pao.net/GP.asp?src=1..241013.oct13>.
- 55 Arunachal: Jamoh raises Smuggling of rare medicinal plant issue, *Arunachal24*, 30 August 2018, <http://arunachal24.in/arunachal-jamoh-raises-smuggling-of-rare-medicinal-plant-issue/>.
- 56 Esha Roy, A border town called Moreh, *Indian Express*, 29 July 2012, <https://indianexpress.com/article/news-archive/print/a-border-town-called-moreh/>.
- 57 Esha Roy, The Big Picture: This road goes to a smart city, *Indian Express*, 8 February 2015, <https://indianexpress.com/article/india/india-others/the-big-picture-this-road-goes-to-a-smart-city/>.
- 58 Prashant Jha, Welcome to Moreh, Manipur town challenged by history, identity, *Hindustan Times*, 13 September 2015, <https://www.hindustantimes.com/india/welcome-to-moreh-manipur-town-challenged-by-history-identity/story-OulfCnGEVVMafPzlg5PDRM.html>.
- 59 Pratim Ranjan Bose, At Moreh, trade with Myanmar borders on informal, *The Hindu*, 12 November 2018, <https://www.thehindubusinessline.com/news/at-moreh-trade-with-myanmar-borders-on-informal/article25478894.ece>.
- 60 Arunabh Saikia, After six decades, Manipur's Burmese Tamils get a glimpse of their ancestral places in Myanmar, *Scroll*, 24 February 2019, <https://scroll.in/article/913335/after-six-decades-manipurs-burmese-tamils-get-a-glimpse-of-their-ancestral-places-in-myanmar>.
- 61 Akshat Kaushal, Moreh: The gateway to Southeast Asia, *Business Standard*, 20 January 2013, [https://www.business-standard.com/article/economy-policy/moreh-the-gateway-to-southeast-asia-111123000086\\_1.html](https://www.business-standard.com/article/economy-policy/moreh-the-gateway-to-southeast-asia-111123000086_1.html).
- 62 Nandeibam Mohendro, Of the future of Moreh: Development partnership is the best option, *Sangai Express*, 10 May 2019, <https://www.thesangaiexpress.com/Encyc/2019/5/10/The-commencement-of-Indo-Myanmar-Border-Trade-in-Moreh-sector-in-1995-without-adequate-preparation-and-sufficient-infrastructures-may-be-said-to-be-the-cause-of-concern-of-uneasy-development-experien.html>.
- 63 Dulali Nag, Local Dynamics, Universal Context: Border Trading through Moreh, Manipur, Policies and Practices, Mahanirban Calcutta Research Group, 2010, pp. 8–10, <http://www.mcrg.ac.in/PP31.pdf>.
- 64 Pritam Ranjan, Bose, The reality behind Mizoram's trade hotspot, *The Hindu*, 1 July 2015, <https://www.thehindubusinessline.com/economy/the-reality-behind-mizorams-trade-hotspot/article7375439.ece>.
- 65 Prashant Jha, Welcome to Moreh, Manipur town challenged by history, identity, *Hindustan Times*, 13 September 2015, <https://www.hindustantimes.com/india/welcome-to-moreh-manipur-town-challenged-by-history-identity/story-OulfCnGEVVMafPzlg5PDRM.html>.
- 66 Anbarasan Ethirajan, The Burmese Indians who never went home, BBC, 4 September 2015, <https://www.bbc.com/news/world-asia-33973982>.
- 67 Sreeratha Datta, Moreh-Tamu: An unfulfilled potential, Vivekananda International Foundation, <https://www.vifindia.org/article/2019/june/26/moreh-tamu-an-unfulfilled-potential-and-india-s-border-trade-with-myanmar-stagnates-at-50-million-as-china-s-hits-6-billion>, *Hindustan Times*, 22 December 2017, <https://www.hindustantimes.com/india-news/india-s-border-trade-with-myanmar-stagnates-at-50-million-as-china-s-hits-6-billion/story-r6agQjivJrJe8cOpSSPENnM.html>.
- 68 Victor Mallet, Asian Highway One mired in muddy reality, *Financial Times*, 23 July 2015, <https://www.ft.com/content/7ee3f1c4-2f0d-11e5-8873-775ba7c2ea3d>.
- 69 Edmund Downie, Acting East, Trafficking West, *Foreign Policy*, 11 June 2015, <https://foreignpolicy.com/2015/06/11/acting-east-trafficking-west/>.
- 70 Usha Rai, Myanmar to Manipur, a scramble for HIV care, *Tribune*, 1 March 2010, <https://www.tribuneindia.com/2010/20100301/main7.htm>.
- 71 Jimmy Leivon, Manipur: Intelligence network to check drug-trafficking along Indo-Myanmar border, *Indian Express*, 20 August 2019, <https://indianexpress.com/article/north-east-india/manipur/manipur-intelligence-network-drugs-trafficking-indo-myanmar-border-5921629/> and Drug factory destroyed in Manipur, *Nagaland Today*, 29 June 2019, <https://nagalandtoday.in/northeast/2019/06/drug-factory-destroyed-in-manipur/>.
- 72 Cops arrested for smuggling drugs in Manipur, *Newstrack India*, 30 April 2013, <https://www.newstrackindia.com/newsdetails/2013/04/30/301-Cops-arrested-for-smuggling-drugs-in-Manipur.html>.
- 73 Colonel, soldier among five detained for drugs smuggling in Manipur, *Firstpost*, 24 February 2013, [https://www.firstpost.com/india/colonel-soldier-among-five-detained-for-drugs-smuggling-in-manipur-637597.html?utm\\_source=twitterfeed&utm\\_medium=twitter](https://www.firstpost.com/india/colonel-soldier-among-five-detained-for-drugs-smuggling-in-manipur-637597.html?utm_source=twitterfeed&utm_medium=twitter).

- 74 Jimmy Leivon, Manipur: Four policemen, including an Inspector, arrested for smuggling drugs, *Indian Express*, 16 November 2019, <https://indianexpress.com/article/north-east-india/manipur/manipur-four-policemen-including-an-inspector-arrested-for-smuggling-drugs-6123240/>.
- 75 Jimmy Leivon, Manipur: Retired police officer arrested in drug smuggling case, *Indian Express*, 14 April 2018, <https://indianexpress.com/article/north-east-india/manipur/manipur-retired-police-officer-arrested-in-drug-smuggling-case-5137396/>.
- 76 Anuradha Nagaraj, Trafficked on Myanmar passports, Indian housemaids struggle to return home, Reuters, 7 November 2017, <https://www.reuters.com/article/us-india-myanmar-trafficking-idUSKBN1D71M2>; Ibemcha Ayekpam, Sense and sensibility: How the police in Manipur are adapting to the evolving challenges posed by trafficking, *Sangai Express*, 8 August 2019, <https://www.thesangaiexpress.com/Encyc/2019/8/8/Ravi-Singh-was-part-of-one-of-the-teams-that-rescued128people-just-before-they-were-about-to-be-trafficked-to-Myanmar-en-route-Moreh-a-dusty-border-town-in-Manipur-Having-been-part-of-quite-a-few-a.amp.html>.
- 77 Arunabh Saikia, Human trafficking: India's border with Myanmar is new route for Nepalese people being taken to Gulf, *Scroll*, 18 February 2019, <https://scroll.in/article/912867/human-trafficking-indias-border-with-myanmar-is-new-route-for-nepalese-people-being-taken-to-gulf>.
- 78 Soma Ghosal and Snehashish Mitra, Trade, Capital and Conflict: A Case Study of the Frontier Towns of Moreh-Tamu and Champhai, *Polices and Practices*, 87, p. 7, [https://rosalux.in/files/RosaLux/downloads/New%20Uploads%20Publications/MCRG/MCRG%202017/2017MCRG\\_logistical%20spaces-8.pdf](https://rosalux.in/files/RosaLux/downloads/New%20Uploads%20Publications/MCRG/MCRG%202017/2017MCRG_logistical%20spaces-8.pdf).
- 79 Sunzu Bachaspatimayum, Rescue of 179 Nepali nationals throws spotlight on human trafficking in a border town in Manipur, *Firstpost*, 28 February 2019, <https://www.firstpost.com/india/rescue-of-179-nepali-nationals-throws-spotlight-on-human-trafficking-in-a-border-town-in-manipur-6173341.html>.
- 80 Human trafficking woes, *Kathmandu Post*, 13 July 2020, <https://kathmandupost.com/editorial/2020/07/13/human-trafficking-woes>.
- 81 Roopak Goswami, Alarm bell for Moreh trade, *Telegraph India*, 17 June 2016, <https://www.telegraphindia.com/india/alarm-bell-for-moreh-trade/cid/1492001>.
- 82 Anirban Roy, Mizoram is biggest hub of drugs, gold and arms smuggling in South Asia, *NE Now*, 22 July 2019, <https://nenow.in/north-east-news/mizoram-is-biggest-hub-of-drugs-gold-and-arms-smuggling-in-south-asia.html>.
- 83 Marchang Reimeingam, Moreh-Namphalong Borders Trade, Institute for Social and Economic Change, Bangalore, Working Paper 346, 2015, pp. 2–3, <http://www.isec.ac.in/WP%20346%20-%20Marchang%20Reimeingam%20-%20Final.pdf>.





# GLOBAL INITIATIVE

AGAINST TRANSNATIONAL  
ORGANIZED CRIME

## ABOUT THE GLOBAL INITIATIVE

The Global Initiative Against Transnational Organized Crime is a global network with over 500 Network Experts around the world. The Global Initiative provides a platform to promote greater debate and innovative approaches as the building blocks to an inclusive global strategy against organized crime.

**[www.globalinitiative.net](http://www.globalinitiative.net)**