

# Transnational Security Challenges in India

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## Key Findings

- India's security situation is complex, with traditional and transnational threats overlapping in many instances.
- India faces terrorist activity emanating from Islamic radical groups based in Pakistan and insurgent activity stemming from Maoist and separatist groups inside India.
- Organized crime poses a serious problem for India, with well-established trade in drugs, weapons, and humans supported by the informal hawala money transfer network.
- Traditional security challenges from Pakistan and China have created barriers against cooperative solutions to various transnational threats endemic to the region.
- Rapid growth is causing environmental challenges such as pollution, and water disputes continue with the neighboring countries of Pakistan, China, and Bangladesh.
- Collaboration with the United States and regional actors on information sharing regarding terror and criminal threats, and collaboration on cleaner technologies to deal with environmental challenges, will be central to India's ability to address these challenges.

India's security environment faces a wide variety of traditional and transnational challenges. As a massive nation with both land and sea borders, the security sector must balance many threats vying for attention and resources. In addition, the traditional and transnational threats overlap in many ways. According to Indian policymakers, terrorism and insurgency are the most significant among India's security challenges. These are followed by organized crime and environmental degradation.

India has been faced with a tense security environment since its independence. To the northwest, poor relations with Pakistan have led to multiple wars and intermittent skirmishes over the decades. The conflict

over Kashmir has been a central issue in the bilateral relationship. Pakistan asserts that Muslim-dominated Kashmir's existence as an integral part of the country is necessary to keep the country unified. Conversely, India argues that the Muslim state of Kashmir is a testament to India's multiethnic and secular concept of a state. The dispute has expanded beyond traditional war, providing fuel for terrorist and insurgent activity.

On the northeast border, the situation has been no more sanguine. In 1962, India fought an unsuccessful border war with China. Mistrust and an unsettled border dispute linger, although rapidly growing economic ties are moving the relationship to a better footing.

Overall, traditional security challenges from Pakistan and China have created barriers against cooperative solutions to various transnational threats endemic to the region. Terrorism, a threat faced by both India and Pakistan, is exacerbated by the existence of the Kashmir dispute and poor bilateral ties. Organized crime operates more effectively than legitimate commerce through South Asia, connecting the countries through a strong trade in illicit drugs, people, weapons, and money. In fact, the criminal networks revel in the lack of regional cooperation, which enables their profit. Rapid economic growth, mixed with traditional tensions between regional actors, creates a struggle over scarce water resources. Certainly, there is a lack of attention paid to transnational threats not connected to regional traditional security challenges. Whereas reports of terrorism, crime, and water disputes remain in the news because of their connection to tense bilateral relationships, pollution and environmental degradation—as well as diseases such as acquired immune deficiency syndrome (AIDS)—may not be receiving adequate attention from the media or from the government.

## Terrorism and Insurgency

The transnational threat of terrorism is closely related to India's traditional security threat vis-à-vis Pakistan. The radical Islamic groups operating in Indian Kashmir, insurgent groups in the northeastern provinces, and groups launching attacks on major cities generally have ties to Pakistani extremist groups. As a result, it is difficult for Indian security practitioners to rank this transnational threat against traditional ones.

Although the terrorist threat in India is not new, the growth of fundamentalist and radical Islam in India is a relatively recent phenomenon. Outside of Jammu and Kashmir, Muslims in India have

advocated moderate politics, largely supporting the center-left Congress Party since independence. However, in the years after 9/11, Indian fundamentalist groups have increasingly forged connections with the global radical Islamic movement and with terror groups based in Pakistan.<sup>i</sup> This has meant a growing sentiment among Indian Muslim radicals that their ultimate goals are similar to those of Pakistani groups such as Lashkar-e-Taiba and Jaish-e-Mohammed. The globalized mindset also has increased sympathies of these radical groups with Al-Qaeda and has led to the inclusion of disparate regional themes such as Palestine in the ideological bases for their activities. While Kashmiri terrorist groups continue to focus their primary tactical efforts in the region of Kashmir, they have initiated a new strategy to include large urban areas across India. Attacks such as those on India's parliament in 2001, on the US Consulate in Calcutta in 2002, and the Mumbai attacks of 2008, indicate a much larger area and scale of attacks under consideration by South Asian terror groups.

Radical Maoist insurgents, known as the Naxalites, are a serious threat across several central Indian states including Orissa, Jharkhand, Chhattisgarh, Bihar, Madhya Pradesh, Maharashtra, and Andhra Pradesh. Naxalites are violently against the perceived intrusion of foreign companies inside India and often attack foreign commercial interests, such as mining operations, to force their departure. The groups seek to overthrow the central government and attack the land-owning classes and upper castes. With an appeal to the downtrodden, the Naxalite movement attracts followers particularly from the tribal areas, a group most often left behind by India's progress. After numerous deadly attacks on police forces in these areas, the state governments have stepped up their response. In 2008, seventy-four security personnel and twenty-two civilians were killed by the Naxalites in Orissa. The government of Orissa has appointed two thousand one hundred special police officers and has raised four battalions of the Indian Reserve Police to counter the insurgents.<sup>ii</sup> Overall, almost a thousand people are estimated to have been killed by Naxalites in 2008. Conversely, an untold number of Naxalites have been killed by government forces. Despite the strong appeal of the group to underserved groups such as tribals, the Indian government largely persists in treating the challenge as a law and order problem rather than a sociopolitical concern.<sup>iii</sup> Policies emphasize police mobilization rather than economic development of the target areas.

In the northeast, insurgent groups similarly operate in Nagaland,

Manipur, Assam, Tripura, and Meghalaya. These states have a history of poor governance and are ethnically isolated from the rest of India. Insurgencies in these states reflect separatist sentiments that the central government has had difficulty addressing. Various groups have often adopted socialist, and even Maoist ideologies to counter the existing political structures. Migration from Bangladesh into the region has exacerbated the situation, causing tensions in indigenous communities who sense a cultural and economic threat from the immigrants. Absence of coherent governing structures also has created a vacuum for insurgent groups to fill. Groups in these areas often are able to collect taxes and administer localities through brute force. Furthermore, insurgent groups have developed bases in countries across the border including Bangladesh, Bhutan, and Myanmar, turning an internal issue into a transnational one.

## Organized Crime

Organized crime is a threat that is well connected with terrorism in India and Pakistan. Criminal groups in South Asia have been known to collaborate with terrorist groups in international operations on a variety of levels. The connections include logistical support in weapons procurement, shared routes, training, and ideological overlap. Criminal syndicates have also been identified for their involvement in the nuclear smuggling network of Pakistan's A. Q. Khan.<sup>iv</sup>

South Asian organized crime syndicates are transnational in character. In response to efforts to intercept them, these groups increasingly seek refuge in Pakistan, the United Arab Emirates, and other countries further afield such as Canada, Thailand, Malaysia, Singapore, Kenya, and Portugal. By fleeing across borders, their identities are difficult to track, and their entry may go unnoticed. Some countries may tacitly allow their presence. During the 1980s, Pakistan's military developed strong links to drug barons involved in the Afghan heroin trade. By the 1990s, government and military efforts began in earnest to address the threat but had limited effect. Money laundering and kickbacks had already been well integrated into Pakistani politics and industry, and laundered money comprised a significant portion of the Pakistani economy.<sup>v</sup>

Organized crime in Pakistan, and to a lesser extent in India, has invested in its own political support network by a combination of carrots and sticks: contributing to political candidates and strong-arming local officials. Furthermore, inside both India and Pakistan, organized crime

networks have constructed a strong cooperative relationship with terrorist groups in the region. Terrorist groups leverage criminal trafficking routes for the transport of weaponry, while the syndicates in return request training in the use of guns and explosives and safe passage through militant territory.<sup>vi</sup>

Drug trafficking poses a highly entrenched threat to India. Much of the trafficking of narcotics and other illegal drugs in Asia traverses South Asia. Routes cross from Burma, Laos and Thailand (Golden Triangle) through India, as well as from Afghanistan, Pakistan, and Iran (Golden Crescent). Traffickers send narcotics from Afghanistan to Pakistan and through south India to the ocean and on to destinations in Europe and Russia. Heroin and other drugs are transferred from Southeast Asia and Myanmar through India to western destinations. India is also the world's largest legal producer of opium for pharmaceutical purposes. A small part of this licit production is diverted to be sold abroad illegally by organized crime, although the majority of diverted opium is used locally.<sup>vii</sup>

Crime syndicates dominate the trade in people in South Asia, and the numbers of prostitutes in or trafficked from the region runs into the millions. Women are smuggled into India from Nepal and Bangladesh. The trafficking leads to yet another transnational threat, the rapid spread of AIDS in the region. Approximately 0.36 percent of the adult population of India was infected with AIDS in 2006, representing more than 2.5 million people.<sup>viii</sup> The fact that a large number of the prostitutes in India are trafficked underlines the need for a concerted effort to combat both challenges.

In addition to human trafficking within South Asia, an unknown large number of young girls are sent and sold to Arab countries each year, and small boys are also sold to the Arab states as camel racers. Dubai remains a popular destination and transfer point for prostitution organized by Indian criminal networks. These human smuggling routes could easily be leveraged by terrorist groups to transfer personnel and weaponry.

Transnational money laundering networks, also known in South Asia as hawala, pose a threat in several arenas. These hawala networks originally arose from the weakness of the banking system in rural areas. The system, which relies on trust between individuals and social networks, is common in South Asia and the Middle East. Transactions can be as simple as an individual in Mumbai paying the illegal vendor \$5,000 in cash (in Rupees), with another individual receiving the \$5,000 in dollars in New York, with little or no record of the transaction having taken place.

The scale of such transactions is unknown, thereby leading to ubiquitous use of hawala by criminal and terrorist groups to transfer illegal proceeds.

## **Environmental Degradation**

India's economic growth has brought with it the challenge of environmental degradation. Deforestation, air and water pollution, poor sanitation, and the oversubsidized use of natural resources are just a few of the problems plaguing the nation. Excessive bureaucracy hampers the ability of any agency to oversee and implement change. Lack of accountability among the agencies adds to the confusion, deterring interagency cooperation on solving critical problems. As an example, the Yamuna River in Delhi demonstrates bureaucratic failure in addressing pollution. Although the state water board built new wastewater treatment plants to deal with the flow of heavily tainted water in the river, the municipal government had not cleared the garbage that was blocking the drains. The result was that in 2008, the treatment plants were running at 30 percent of capacity, and the population succumbed to a cholera epidemic.<sup>ix</sup> A recent report by the Central Pollution Control Board stated that 70 percent of Indian urban areas have critically unhealthy air pollutant levels. The report placed responsibility for these rising pollution levels on increased vehicle usage and industrial production. Whereas car and two-wheeler sales are increasing at the rate of 15 percent per year, road capacity is expanding at less than 1 percent.<sup>x</sup> The result is severe congestion and rising emissions.

In addition, the shortage of environmental resources plays into regional tensions with India's neighbors. The border of Pakistan and India cuts across critical waterways for both countries. The Indus Water Treaty regulates the use of this water between the two and has generally been respected by both sides since its inception in 1960. However, infringements do occur, creating mistrust over intentions. India's construction of the Baglihar hydroelectric dam over the Chenab River in 2008 is representative of the type of dispute between India and Pakistan over river usage. During construction of the Baglihar project, Pakistan suffered a shortage of two hundred thousand acre-feet of water as a result of alleged blockage of the Chenab River to fill the dam reservoir.<sup>xi</sup> Pakistan has subsequently demanded compensation from India. Bangladesh similarly has water disputes with India. The Ganges River takes 92 percent of its journey on the Indian side of the Himalayas before

leading into the Brahmaputra and Meghna Rivers in Bangladesh. India diverts waters at the Farraka Barrage, inside Indian territory, to help clear silt from the port of Kolkata. During dry season, this diversion creates shortages for agricultural use in Bangladesh.<sup>xii</sup> In 1996, India and Bangladesh signed a treaty to organize the division of water, but implementation has been difficult.

India faces the converse problem with China regarding water scarcity. The Brahmaputra River in India begins its journey in Tibet as the Yalong Tsangpo, travels through Bangladesh, and then enters India along with the Ganges. China plans to divert waters from the river inside Tibet for hydroelectric power, farming, and industrial use in the dry north and northwestern regions of China. Critics of this plan argue that the Tibetan water is sourced not only from rainfall, but also from melting glaciers. As a result, heavy usage by China for the desert areas will cause Tibet to become water scarce within decades, leading to catastrophic environmental damage. The effects of water diversion would also create significant regional tensions between South Asia and China. Diversion would create shortages in both India and Bangladesh, raising alarm in both countries that China will wield greater power over the region's critical water resources.<sup>xiii</sup>

Water scarcity in South Asia represents a transnational challenge to neighboring countries that easily translates into bilateral tensions of a more traditional type.

### **How India is Coping with the Challenge**

The government of India is addressing the terrorist and organized crime elements of the challenge through better legal infrastructure and information sharing. Moreover, in the past decade India has passed legislation that grants law enforcement the ability to expedite prosecution in organized crime cases. Ideologically, the Indian government has historically taken the stance that religion must remain divorced from the concept of terrorism, in order to contain the possibility of communal violence erupting in the multireligious nation. For the Indian government, terrorists are terrorists, regardless of their religious affiliation. In urban areas, the police take the initiative with regard to counterterrorist activity, and efforts are being made to enhance interagency capabilities. India also has enhanced border security using fencing, sensor technology, and the deployment of additional security forces.<sup>xiv</sup>

Compared with the counterterrorist measures, India's counterinsurgency policies are arguably less effective, in that the government has a significant focus on responding to attacks and physically destroying militant groups rather than addressing the underlying economic issues driving the groups' rise in popularity.

India's tense relationship with Pakistan hinders its ability to collaborate on solutions. In November 2008, India faced a series of more than ten terrorist attacks, including bombings and shootings, across Mumbai. The attacks killed more than 179 people. The sole captured militant stated that the attackers were part of Lashkar-e-Taiba, a terrorist organization based out of Pakistan. Nonetheless, Pakistan initially denied the affiliation of Pakistani citizens in the attacks, stonewalling further progress in the investigation until months after the event. Cooperation with Pakistan on information exchange in the context of tense bilateral relations is a challenge for Indian leadership and the security sector. Despite this, the Indian government has taken the stance that efforts in support of counterterror cooperation with Pakistan must continue. The administration of Prime Minister Manmohan Singh in 2009 stated to Pakistan that, "action on terrorism should not be linked to the composite dialogue process, and, therefore, cannot await other developments. It was agreed that the two countries will share real time, credible and actionable information on any future terrorist threats."<sup>xv</sup>

The regional organization built to address these types of transnational issues is the South Asian Association for Regional Cooperation (SAARC). SAARC has moved forward in trying to address the challenges of information sharing and legal issues regarding crime and terrorism across South Asian borders. In August 2008, SAARC countries signed an agreement to provide mutual assistance in legal matters. This convention was intended to provide a framework for greater cooperation among security forces of the member countries to extradite criminals and terrorists from member countries.<sup>xvi</sup> However, the case of the Mumbai attacks indicates that the convention has not been as effective as originally anticipated. Weaknesses in the bilateral relationships between SAARC states undermine the ability of members to cohesively agree upon and implement the organization's initiatives.

In the environmental arena, India has acknowledged that it has responsibility in the debate on climate change. Nonetheless, India's Minister for Environment and Forests, Jairam Ramesh, says that by 2020 developed countries should commit to a 40 percent reduction in emission

levels compared with 1990 levels. He also has indicated that India and China are coordinating closely on the topic in response to developed world demands for developing country concessions. Discussions with China include coordination of positions on forestry, adaptation, and financing technology.<sup>xvii</sup> In Prime Minister Manmohan Singh's 2009 meetings with US President Obama, the two countries agreed upon a clean energy initiative designed to create jobs and improve access to cleaner, more affordable energy; a partnership to reduce poverty through sustainable and equitable development; and an effort to phase out subsidies for fossil fuels.<sup>xviii</sup>

### **Important Next Steps**

The challenge of terrorism will continue to be difficult for India to fully address. Instances of domestic terrorist activity stemming from disaffected Indian communities can be more effectively approached by improving governance and accountability in the concerned areas. In addition, a greater focus on human rights issues and transparency will build trust and confidence among these communities, whether in the Muslim areas of Mumbai and Kashmir, or in the separatist regions of northeast India. The solution is far more complex with regard to transnationally supported activity. Pakistani cooperation will be integral to interdicting terrorist groups in the future.

Organized crime remains a difficult issue for domestic authorities, and one that is compounded by syndicate ties to Pakistan and the Middle East. Inside India, criminal groups are rarely brought to justice for a variety of basic and remediable reasons. Police forces have little training in forensic techniques and in the legal bases for indictment. As a result, captured criminals are often able to slip through the grasp of the legal system and are returned to the streets to continue their business interests. In addition, those criminals who are captured often are able to effectively use their money or power to evade incarceration. Lingering challenges in the legal system include readily available bail and prevalent pressuring of witnesses.

Additional time and resources should be spent in training law enforcement in legal and forensic techniques to aid in detaining organized crime groups. At the strategic level, an increased focus on government transparency and judicial reforms would help in addressing bureaucratic roadblocks. To fully capitalize upon such training and education on legal

and technical issues, the countries of South Asia must embark upon a more robust set of confidence-building measures. Trust and collaborative approaches are greatly needed among the regional actors to effectively interdict organized crime. Criminal networks depend on the cracks in bilateral relationships to negotiate their evasion of law enforcement.

In the arena of environmental degradation, government incentives to implement clean best practices would move India in the right direction. A new emphasis on local and state government accountability and streamlined bureaucratic procedures for environmental cleanup are also necessary. For India's environmental policy to be truly effective, the government will need a multipronged approach including innovative ideas, effective government, and support from the central government in terms of best practices, funding, and political pressure where needed.

### **Consequences and Engagement Opportunities for the United States**

The transnational threats facing India today are intrinsically linked to US national security interests. The Mumbai attacks of November 2008 killed six US citizens, and investigations revealed that the terrorists targeted US citizens at the locations. Radicals involved in terrorist activity against India no longer differentiate between the government of India and that of the United States. Terrorist groups operating in India and Pakistan have already shown their ability to affect the United States through the attacks on 9/11, as well as through the militancy operating in Pakistan and Afghanistan. The ideology that existed as the basis for the Indian Islamic militant in the past was largely regional in nature, and the militant groups were highly focused on the Kashmir conflict and its resolution. With the growth of the internationalist Islamic radical ideology espoused by Al-Qaeda, Indian militants no longer constrain their goals geographically. US targets inside India, as well as abroad, are the new terrain for these terrorist groups.

Organized criminal networks have a similar profile with regard to their international agenda. Globalization is connecting economies and countries in ways unforeseen. Criminal organizations are leveraging the new semiborderless world with innovative uses of financial transactions and concealed transport of weapons, people, and drugs under cover of legitimate trade. This creates increased pressure to improve and streamline border security. International coordination with trade partners and

countries that do not have close ties with the United States is also critical.

Criminal networks are highly adept in maneuvering through the coordination gaps caused by poor bilateral relations.

The United States could play a significant role in addressing India's environmental challenges caused by pollution, and water scarcity. Collaboration with the United States to identify environmentally friendly technologies and best practices in management could provide Indian federal and state actors the necessary skills and tools to counter these seemingly intractable challenges.

Collaboration through the sharing of information and intelligence about terrorism and organized crime is a fundamental need. Additional training for law enforcement and judiciaries could strengthen the Indian response to organized crime and terror threats. India and the United States have increased cooperation in the wake of the Mumbai terrorist attacks, with a focus on information sharing. Areas of enhanced cooperation include terrorist financing, law enforcement, and aviation security.

As these transnational threats evolve over time, it is clear that many challenges overlap and compound each other. While it is necessary to deal with each separately, a common thread connects them all. Regional and international cooperation is needed, and collaborative solutions must be created to resolve the upcoming threats we face.

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<sup>i</sup>Rollie Lal, "Islam in India," in *The Muslim World after 9/11* (Santa Monica: RAND, 2004) p. 316.

<sup>ii</sup>Mohit Joshi, "Orissa Government Determined to Root Out Naxalism," July 27, 2009, *TopNews.In*, accessed at <http://www.topnews.in/orissa-government-determined-root-out-naxalism-2194595>

<sup>iii</sup>Manjeet Kripalani, "In India, Death to Global Business," *Business Week*, May 7, 2008, accessed at [http://www.businessweek.com/magazine/content/08\\_20/b4084044908374.htm](http://www.businessweek.com/magazine/content/08_20/b4084044908374.htm)

<sup>iv</sup>William J. Broad and David E. Sanger, "As Nuclear Secrets Emerge, More are Suspected," *New York Times*, Dec. 26, 2004.

<sup>v</sup>Ahmed Rashid, *Taliban* (New Haven: Yale University Press, 2000), 121–23.

<sup>vi</sup>S. Hussain Zaidi, *Black Friday: The True Story of the Bombay Bomb Blasts* (New Delhi: Penguin Books, 2002).

<sup>vii</sup>Rollie Lal, "South Asian Organized Crime and Terrorist Networks," *Orbis*, Vol. 49, No. 2, Spring 2005.

<sup>viii</sup>UNAIDS Data, accessed December 22, 2009 at <http://www.unaids.org.in/>

<sup>ix</sup>Jason Overdorf, "Putrid Rivers of Sludge," *Newsweek*, July 7–14, 2008.

<sup>x</sup>Chetan Chauhan, "Air Unhealthy in 70% of Areas in Urban India," *Hindustan Times*,

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<sup>xii</sup>"Pakistan Warns Water Dispute with India May Threaten Peace Talks," *Deutsche Presse-Agentur*, October 13, 2008.

<sup>xiii</sup>Joel McGregor, "The Internationalization of Disputes Over Water: The Case of Bangladesh and India," Paper for the Australasian Political Studies Association Conference, October 2000, accessed December 21, 2009 at <http://apsa2000.anu.edu.au/confpapers/mcgregor.rtf>

<sup>xiv</sup>Sudha Ramachandran, "India Quakes Over China's Water Plan," *Asia Times*, December 9, 2008, accessed at <http://www.atimes.com/atimes/China/JL09Ad01.html>

<sup>xv</sup>Ajit Doval, "Islamic Terrorism in South Asia and India's Strategic Response," *Policing* 2007 1(1):63–69, Oxford University Press, accessed at <http://policing.oxfordjournals.org/cgi/content/full/1/1/63>

<sup>xvi</sup>No dilution in India's stand on terrorism: Manmohan (Roundup), *Thaindian.com*, July 17, 2009 accessed at [http://www.thaindian.com/newsportal/south-asia/no-dilution-in-indias-stand-on-terrorism-manmohan-roundup\\_100219451.html#ixzz0eh9LID4Q](http://www.thaindian.com/newsportal/south-asia/no-dilution-in-indias-stand-on-terrorism-manmohan-roundup_100219451.html#ixzz0eh9LID4Q)

<sup>xvii</sup>"SAARC Convention to Help in Combating Terrorism," Press Release from the Government of Sri Lanka, August 27, 2008.

<sup>xviii</sup>Jayshree Bajoria, "India's Climate Change Forecast," Council on Foreign Relations, September 22, 2009, accessed at <http://www.cfr.org/publication/20248/>

<sup>xix</sup>Merle David Kellerhals Jr., "Obama, Singh Pledge Support and Cooperation," November 24, 2009, *America.gov*