

TRANSNATIONAL INSTITUTE

WITHDRAWAL SYMPTOMS IN THE GOLDEN TRIANGLE

A DRUGS MARKET IN DISARRAY



T

N

I

Authors

Tom Kramer
Martin Jelsma
Tom Blickman

Field research

A team of 15 researchers in the Southeast Asia region, who prefer to remain anonymous, interviewed hundreds of farmers, small traders and drug users.

Desk research support

Ernestien Jensema
Simone Tholens
Ruggero Fornoni
Carolina Sierra Gonzalez

Photo credits

Tom Kramer, KADAC, PKDS and SKT

Copy editor

Vicky Quinlan

Design

Guido Jelsma

Printing

Drukkerij PrimaveraQuint
Amsterdam

Financial Contributions

GTZ on behalf of the Government of the Federal
Republic of Germany
Ministry of Foreign Affairs (Netherlands)

Contact

Transnational Institute
De Wittenstraat 25
1052 AK Amsterdam
Netherlands
Tel: 31-20-6626608
Fax: 31-20-6757176
drugs@tni.org
www.tni.org/drugs
www.ungassondrugs.org

This is an Open Access publication distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/2.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. TNI would appreciate receiving a copy of the text in which this document is used or cited. To receive information about TNI's publications and activities, we suggest that you subscribe to our bi-weekly bulletin by sending a request to: tni@tni.org or registering at www.tni.org

Amsterdam, January 2009
ISBN/EAN: 978-90-71007-22-4

Contents

Preface	2	Changing Market: Opium & Heroin	40
Map Golden Triangle	3	Opium: kicking the tradition	40
Introduction	4	■ <i>Recreational opium use in Kachin State</i>	41
The Making of the Golden Triangle	6	■ <i>Problematic opium use in Kachin State</i>	43
A history of the opium trade	6	The opium trade	43
The Opium Wars	7	■ <i>Opium prices in Burma</i>	45
■ <i>The Chinese opium myth</i>	7	The heroin trade	45
Opium cultivation in Asia	8	■ <i>Dealing heroin in Ruili, China</i>	48
The opium decline in China	8	Alarming consequences	49
■ <i>Unintended consequences: Lessons from China</i>	9	■ <i>Heroin epidemic in Myitkyina</i>	51
■ <i>Legends on the origin of opium</i>	11	The ATS Boom in Southeast Asia	52
The making of the Golden Triangle	11	■ <i>Amphetamine-type stimulants (ATS)</i>	53
■ <i>Khun Sa and Lo Hsing-han: Kings of Opium?</i>	13	■ <i>Japan's experience with methamphetamine</i>	54
The Opium Decline: Figures, Facts & Fiction	14	Regional market differences	55
High production figures during the	14	The Thai yaba boom	56
1980s and 1990s - reality of myth?	14	Thailand's War on Drugs	58
■ <i>Cease-fires in Burma</i>	15	Burma: from powder to pills	59
Map main armed groups in Northern Burma	16	■ <i>Wei Hsueh-kang: King of ATS?</i>	60
■ <i>UNODC crop monitoring: Best guesstimates</i>	17	Yama use in Burma	62
Why did production decrease from 1997?	18	The spread of methamphetamine in Southeast Asia	63
Changing regional security priorities	20	Yunnan: the emerging market	64
■ <i>Opium cultivation in the Golden Triangle</i>	20	■ <i>Yaba trafficking in Ruili</i>	65
Stricter Thai policy	20	■ <i>Plant precursors for ATS</i>	66
Chinese pressure	21	Coping Strategies: Drugs and Medicines	68
■ <i>Global potential opium production</i>	22	■ <i>Pharmaceutical replacements</i>	68
Is there a real decrease?	23	<i>Kratom</i>	71
Southeast Asian opium and heroin	25	Heroin droughts	71
in the global market	25	Pharmaceutical epidemics	72
Poppies and Poverty:		Drugs and medicines	73
The Sustainability of the Decline	26	■ <i>Access to essential medicines</i>	74
The impact of the opium decline on farmers	26	<i>Betel quid</i>	75
in Burma and Laos	26	Harm Reduction and Law Enforcement	76
■ <i>Opium farmers speak</i>	27	HIV/AIDS & harm reduction	76
Coping strategies	29	China	77
Migration	30	■ <i>Burma</i>	77
■ <i>Relocation of a Wa village</i>	31	<i>Other causes of the HIV/AIDS epidemic in Burma</i>	78
The rubber belt	31	Laos	79
■ <i>Rubber contracts</i>	33	■ <i>Treatment and services</i>	79
Environmental concerns	33	■ <i>Drug law enforcement & prisons</i>	80
Other concerns	34	■ <i>Policy on drug users by cease-fire groups in Burma</i>	82
Towards a new rubber policy?	34	<i>The evolution of international drug control</i>	84
Emergency responses: too little and too late	34	<i>UN General Assembly Special Session on Drugs</i>	85
■ <i>Aid from China: business as usual</i>	35	Conclusions & Recommendations	86
Alternative development: reality or myth?	36	Footnotes	90
■ <i>Alternative development:</i>	37	Bibliography	94
<i>principles and lessons learned</i>	37	Abbreviations & Glossary	96
■ <i>The reality of alternative development</i>	39		



Preface

This TNI publication is an extended and updated version of 'Withdrawal Symptoms; Changes in the Southeast Asian drugs market', which was published in August 2008 as No.16 in the Drugs & Conflict series. That paper was a first attempt to analyse the changes in the regional drug market, and to formulate alternative policy options.

The main reason for producing an updated and expanded report is to provide space for the wealth of information and material gathered since then by our team of local researchers in mainland Southeast Asia and Yunnan province in China. Apart from all the information found in the first research done in 2007, this report draws extensively on new material from research carried out in 2008 and so contains a substantial amount of recent information. By looking at all the material gathered over a longer period of time, we are better able to analyse ongoing trends in the region, draw more in-depth and detailed conclusions, and take a longer-term view.

Also, unlike in the original paper, in this report we pay significant attention to the growing ATS production and consumption problem in the region. During the last TNI research mission to the region in the end of 2008, special attention was given to gathering information and trying to understand the dynamics of the ATS market better. We specifically looked at the issue of precursors and pre-precursors for methamphetamines and ecstasy, which so far has not received much attention in the regional media.

This report contains information and material gathered by our 15 local researchers working in Burma/Myanmar, Thailand, Laos and Yunnan. They conducted hundreds of interviews with farmers, drug users and drug traders during 2007-2008. They visited many dangerous places and collected many samples. They also took hundreds of photographs, many of which are published in this report. We would like to thank them again for all their motivation and courage. Most of them prefer to remain anonymous. They will continue their research to detect new trends and help fill the gaps in knowledge that have become apparent while writing this report. It has been a real pleasure and stimulating to work with all of them, and we are very much looking forward to continue doing so in the future.

We intend to distribute and discuss the findings and recommendations of this report with authorities, civil society and researchers in the region. We hope you will find this report interesting and stimulating and that it will contribute to a better understanding of the changes taking place in the regional drug markets, and to more effective, sustainable and humane drug policies in the future. Feedback, comments and additional information is greatly appreciated.

TNI Drugs & Democracy Programme



Introduction

"The Golden Triangle is closing a dramatic period of opium reduction," wrote the UN Office on Drugs and Crime (UNODC) Executive Director, Antonio Maria Costa, in his preface to the 2007 survey on Opium Poppy Cultivation in South East Asia. "A decade-long process of drug control is clearly paying off." According to the survey, the region produced one-third of the world's opium production in 1998, but that figure is now down to only about 5%. "The once notorious Golden Triangle has ceased to play a major role as an opium production area and this region can no longer be called Golden Triangle for the reason of opium production alone."

There clearly has been a significant decline in opium production in Southeast Asia over the past decade, in spite of a resurgence last year in Burma/Myanmar*. In this study we try to assess what the causes and consequences of the decline have been - and we conclude that the region suffers from a variety of 'withdrawal symptoms' that leave little reason for optimism. The rapid decline in production has caused major suffering among former poppy-growing communities in Burma and Laos, which makes it difficult to talk about these developments in terms of a 'success story'.

There are serious questions about the sustainability of the opium bans in Burma and Laos. Early warning signs are already apparent in Burma where opium cultivation has spread to previously unaffected areas. There has been a marked increase in production over the past two years, confirmed by UNODC figures, which may not even show the real extent of the increase. In Laos, there are indications that people start growing opium again due to a lack of alternative livelihood options. The lessons that can be drawn underline the need for a longer-term vision and commitment. They should be accompanied by more humane and better sequenced development-oriented policies and programmes, which actively involve those people who are targeted, from the outset, to guarantee the programme's sustainability.

Higher prices and lower quality heroin are leading to shifts in consumer behaviour which create some serious problems. While total numbers of opium and heroin users may be going down, more people have started to inject (it being the most cost-effective means of administration) and many have turned to a cocktail of pharmaceutical replacements, mainly opioids and benzodiazepines, with largely unknown health risks. In the region, an HIV/AIDS epidemic is spreading, and inadequate - even counter-productive - drug policies contribute significantly to increased HIV-AIDS rates.



Meanwhile, production and consumption of amphetamine-type stimulants (ATS), methamphetamine in particular, have increased even more rapidly than opium has gone down. The ATS boom is an example of 'displacement': this occurs when a campaign against one drug (opium and heroin) leads to the rise of an equally or perhaps even more dangerous substitute (methamphetamine).

While the reduction in the availability of opium and heroin resulted in opiate users shifting to methamphetamine, this alone cannot account for the significant increase of the drug onto the market. Although there is some overlap and interaction in opium and methamphetamine use, the methamphetamine market has its own distinct dynamics. The increase in the use of methamphetamine and other ATS over the past two decades has been driven by both demand and supply factors, as well as profound socio-economic changes in the countries concerned - moving from rural agricultural based economies to urban, industrial and market-based societies.

Opium farmers and users in the region are struggling to find coping strategies to deal with the rapid changes; they are confronted with harsh domestic repression and very little support from the international aid community. Optimistic drug control officials presumed that reducing opium production would automatically lead to a reduction of drug consumption and drug-related problems. The reality in Southeast Asia proves them wrong. If quality treatment services had been in place, it is possible more drug users would have chosen that option.

However, in the absence of adequate health care, and within a highly repressive law enforcement environment, most people are forced to find their own 'solutions'. Harm reduction services are still only accessible to a tiny proportion of those who need them in the region. This is even though most countries have now adopted the basic principles in their policy framework and, especially China, have started to significantly scale up needle exchange and methadone programmes to prevent further spreading of blood-borne diseases.

In 1998, at the UN General Assembly Special Session on drugs (UNGASS), the international community decided to "eliminate or significantly reduce the illicit cultivation of the coca bush, the cannabis plant and the opium poppy by the year 2008". That same year, the ASEAN Ministerial Meeting signed the declaration for a Drug-Free ASEAN by 2020 and two years later they even decided to bring the target year forward to 2015. Each country outlined its national plans to comply with the deadline, which created huge pressure on farmers to abandon poppy cultivation and on the police to arrest as many users and traders as possible. This, in turn, led to a real 'war on drugs' in Thailand in which thousands of drug users and traders were killed.

Now, 10 years later, the international community is assessing if the 1998 UNGASS target has been met. It clearly has not. The discourse is shifting towards one about 'stabilisation' or 'containment' of drug markets instead of a discourse on 'elimination' or 'drug-free world' which was the case in 1998. Despite opposition by some countries, there is a depart from the zero-tolerance ideology.

The spread of HIV/AIDS amongst injecting drug users, the overcrowding of prisons, and the ineffectiveness of repressive anti-drug efforts to reduce the illicit market, all contribute to cautious questions about the current control system. The UN Millennium Goals and the two UNGASS meetings on HIV/AIDS in 2001 and 2006 helped to put drug control policies into a broader framework. This framework took into account poverty alleviation, HIV/AIDS prevention and harm reduction, and policies attempted to create more system-wide coherence in UN policies on drug control, public health, security and poverty issues.

Still today, the Southeast Asian region upholds the aim of becoming 'drug-free' though the ACCORD Plan of Action agreed to in 2000 by ASEAN and China together. The 2008 status report on progress made, however, "identifies an overall rising trend in the abuse of drugs" and acknowledges that "a target of zero drugs for production, trafficking and consumption of illicit drugs in the region by 2015 is obviously unattainable".

There are signs in some countries that the mounting problems with drug control have led to a careful re-assessment of the current approach. Harm reduction measures are being increased to tackle the HIV/AIDS epidemic. On the production side, however, the picture remains dire and a comprehensive alternative development policy that will provide sustainable livelihoods for former opium growers is lacking.

With this report we sincerely hope to contribute to a dialogue with and among policy makers in the region to assess the effectiveness of current policies and the ways to improve them.

* In 1989 the military government changed the official name of the country from 'Burma' to 'Myanmar'. Using either 'Burma' or 'Myanmar' has since become a highly politicised issue. The UN uses 'Myanmar', but it is not commonly used elsewhere in material written in English about the country. Therefore 'Burma' will be used throughout this publication. This is not meant to be a political statement.



The Making of the Golden Triangle

*"Necessity knows no law. That is why we deal with opium. We have to continue to fight the evil of communism, and to fight you must have an army, and an army must have guns, and to buy guns you must have money. In these mountains, the only money is opium."*¹

A history of the opium trade

Opium, heroin and morphine are all derived from the *papaver somniferum*, or opium poppy. The first references to opium use by humans appear as early as the 8th century BC in images from ancient Greek fertility cults. In his *Odyssey*, Homer describes opium as a substance that will "lull all pain and anger, and bring forgetfulness of every sorrow".² The consumption of opium started with the use of extracts from the poppy seeds or the bulb of the plant. Later, raw opium was harvested by making incisions in the bulb to extract the sap.

Opium was known in Europe and Asia at the time of the Roman Empire for its medicinal use and was imported from western Asia, especially Turkey and Persia. Opium consumption was introduced to Southeast Asia by Arab traders from the Mediterranean. The first references to opium use in the region date back to 1366 (Thailand) and 1519 (Burma).³

India is also a traditional opium producer. Portuguese travellers in the early 16th century found opium cultivation both in the west of the country (Malwa) and the east (Patna). English merchants who visited India around the same time found that Patna-grown opium was traded in Southeast Asia, including Burma, Siam (present day Thailand), Melaka (present day Malaysia), and the Bay of Bengal. Indian opium was also traded in China at this time.⁴

In Asia, the Middle East and Europe, opium was used mainly as a painkiller until substitutes such as penicillin, which came onto the market in 1928, and aspirin were available. "Opium was extremely effective in fighting fever, blocking dysentery, relieving pain, suppressing coughs and abating hunger."⁵ It was initially also part of a long-distance trade, shipped in relatively small quantities that fetched a high price.

With the arrival in Asia of Western colonial powers the opium trade changed significantly. In the 16th and 17th centuries the Portuguese, and later the Dutch, started the lucrative business of selling Indian opium in the region. The Dutch further developed the opium market in Southeast Asia and marketed opium not just as an "exotic medicine" but as a luxury product for recreation. The Dutch also introduced China to the habit of mixing opium with

tobacco leaves - and sometimes other substances - and smoking it in pipes. This tradition had its roots in Java where people had taken to smoking 'madak' - opium combined with roots of local plants and hemp which were then minced, boiled in water and mixed with tobacco.⁶

The Opium Wars

After 1773, the British East India Company took control of the Indian opium trade, reformed the system and expanded its exports to the coastal provinces of China. Like other Western powers in Asia, the British tried to impose trade agreements in the region which were favourable to them and would open up the Asian markets for 'free trade'. If necessary this was done with force and gunboat diplomacy, or outright war and occupation. Asian rulers either bowed to European pressure by signing unequal trade treaties that gave foreign powers legal protection and free access to markets (for instance in Thailand), or they resisted it and faced war and possible occupation (in the case of Burma).

In 1820 the Chinese Qing emperor introduced strict anti-opium legislation, forcing the centre of the opium trade to move from Canton (now Guangzhou) to an island located 125 km to the south, where Chinese de facto jurisdiction was limited. From here opium was smuggled by clippers to coastal China.⁷ However, instead of limiting trade, the new regulations created the conditions for its huge expansion. An increase in the supply of opium coincided with a growing demand for it in China. By the end of the 18th century, the Chinese were moving away from smoking 'madak' to smoking pure opium, but it was not until the beginning of the 19th century that the practice spread from the coastal provinces across the country and became popular among the higher social classes.⁸

Further attempts by the Chinese Emperor to clamp down on the opium trade led to the 'Opium Wars' of 1839 and 1856 in which the British defeated the Chinese, forcing them to allow the opium trade to continue.⁹ The prevailing explanation for the Chinese opium policy and the subsequent 'Opium Wars' focused on Chinese concerns that the large-scale opium imports caused a huge trade deficit which had to be financed by silver. Recent research has, however, shown that the policy change was rooted more in internal Chinese court politics, with Han scholars challenging Manchu Dynasty officials.

"The Han scholars turned opium prohibition into a political agenda, enabling them for the first time since the Manchu conquest in 1644 to challenge the dominant position of the court aristocracy. ... [They] wished to restore the scholar-official class to the position of collective power and moral authority which it had enjoyed under the Ming." ¹⁰

The Chinese opium myth

China has often been portrayed as a passive victim of the economic interests of the colonial powers that forced the country to open itself up to the opium trade and resulted in millions of opium addicts.¹¹ These addicts are depicted as having "lank and shrivelled limbs, tottering gait, sallow visage, feeble voice, and death-boding glance of eye".¹² Evidence does not support the idea of a nation addicted to, and poisoned by, opium, or China as "once a country where perhaps one in four men was a drug addict".¹³

"The production and consumption of opium were, for most people, normal rather than deviant activities," concludes an article on opium use in late imperial China. "It is not the existence of addiction that requires explanation so much as the fact that, in a society in which opium was cheap and widely available, so many people smoked lightly or not at all."¹⁴

Studies show that most opium smokers were able to regulate both the quality and quantity they used. There were (and continue to be) many smokers who used only limited amounts and on some occasions only, who were able to control their use, including reducing or stopping it if needed. There were also different qualities of opium and different strengths. Sweeping statements about massive opium addiction problems in China are a myth.¹⁵

While opium use did produce addicts and some problematic users, it is striking that the majority of Chinese consumers were non-problematic and moderate users.¹⁶ Traditionally, opium smoking in China has been a ritual done at social functions. Many people also used opium for medicinal purposes and/or as painkillers. Today, people have access to prescribed opiates.¹⁷ TNI research in China found that non-problematic opium use continues today, for instance among jade traders along the China-Burma border who smoke opium when concluding a deal. It is also used at weddings and funerals held by ethnic minorities in China's Yunnan province.

Lahu man in Burma showing raw opium



Opium cultivation in Asia

Opium cultivation and production in China only started seriously around 1820. By 1860 local production was still only supplying a small portion of the domestic market, although there had been a remarkable expansion.¹⁸ Chinese sources reported in 1736 that opium cultivation was common in parts of Yunnan Province where China borders Burma. A century later opium production in Yunnan had increased significantly and opium had become one of the major products on the market in the provincial capital Kunming.¹⁹

Opium cultivation in Southeast Asia itself was introduced from Yunnan Province and in the 18th century it spread to northern Burma - especially Kachin State and Shan State - and Laos. Following the Muslim revolt in Yunnan in 1868 and its suppression in 1873, opium cultivation quickly expanded to the Kokang and Wa regions in Burma's northern Shan State, a major regional trade route. Kokang was suited well to opium cultivation and local traders soon exploited opium, capitalising on existing networks set up for the tea trade. Some of the Muslim rebels settled in the area and the opium trade and cultivation increased, spreading further south into other parts of Shan State. The Kokang and the Wa regions became important for the opium trade between Burma and China with opium even becoming the most used means of payment.²⁰

After a failed uprising by the Hmong ethnic minority group in Yunnan, caused by the increasing pressure from Han

Chinese settlement in the 18th century, a large part of the Hmong population moved into northern Laos. There, they continued to cultivate opium as they had done in China.²¹ Opium had long been the main cash crop for the Hmong and they used it to trade for iron and silver. They used iron to make tools to clear forests for cultivation, as household tools and to harvest rice. Silver was important in Hmong communities as a sign of women's social status, for savings and for bartering.²²

Opium became a key source of revenue for all colonial powers in Southeast Asia as well as for the Kingdom of Siam, the only country in the region to remain politically independent, and all of them established opium monopolies. They bought up all local production - which they stimulated - and/or imported opium and sold it to opium dens in their respective territories. Opium was, for instance, one of the main sources of income for the French colonial administration and they encouraged Hmong farmers in the mountains of northern Laos and Vietnam to cultivate it. Most of the opium sold through the French monopoly in Indo-China, however, originated from India and Burma.²³

The opium decline in China

Political instability in China hampered the state's initial attempts to control trade in opium. This instability - which resulted in poverty and population displacement among other things - was also a stimulus for opium cultivation and consumption. It is important to keep in mind that opium

cultivation in China occurred in different regions for different reasons, but the major decline in opium consumption and cultivation began after World War II.

In 1949, after the communist victory over the nationalist Kuomintang (KMT) party, the country's new leader Mao Zedong introduced a strict anti-opium policy, targeting not only consumers but also opium farmers. The Chinese communists started a massive campaign against opium between 1949 and 1952, and by the mid-1950s opium cultivation had almost ceased to exist.²⁴ This campaign was largely motivated by the communists' state-building efforts during what they called the period of 'consolidation and reconstruction'. It included land reform policies as well as a campaign against the United States, Korea and Chinese 'counter-revolutionaries'.

The campaign by the new communist government was clearly linked to the construction of a new national identity. "In this process several contrasts were carefully elaborated: the Old China versus the New; the Nationalists versus the Communists; the imperialists versus the Chinese people. By proving that they could do what other regimes could not, the Communists enhanced the legitimacy of their rule."²⁵



Wa woman harvesting opium

Unintended consequences: Lessons from China

One effect of the clampdown on opium use and trade in China was the shift by consumers to using heroin and morphine, either for smoking, snorting or injecting, and in conditions much more harmful than those in which opium was used. For instance, when the British colonial authorities in Hong Kong were under American pressure to stop the opium trade and put an end to the state monopolies, most heavy opium smokers were reported to have resorted to using heroin within less than 10 years.²⁶

Even before the first International Opium Convention in 1912 there were clear warning signs of such unintended consequences. In 1910, the British Medical Journal noted that when the anti-opium edicts were issued in China in 1906, a large number of smokers began taking anti-opium pills (all containing opium or morphine) or injecting morphine. The Journal noted about the anti-opium pills: "it is generally recognised that the pill habit is worse than the smoking habit". Injecting morphine as a substitute for smoking was on the rise and the Journal said smokers "intimidated and hampered by official restrictions, have only substituted one vice for another".²⁷

"If opium was medicine as much as recreation", concludes one study on narcotics culture in China, "this book provides plentiful evidence that the transition from a tolerated opium culture to a system of prohibition produced a cure which was far worse than the disease. Ordinary people were imprisoned and died from epidemics in crowded cells, while those deemed beyond any hope of redemption were simply executed."²⁸ This extreme approach still continues in China to this day, with high prison rates and the use of the death penalty going against basic human rights principles.

The policies to reduce opium use also stimulated corruption and created a black market and criminal networks. The lessons learned about the unintended consequences of the drug control policies of a century ago are still very much relevant today. "Prohibition spawned social exclusion and human misery, and encouraged - however inadvertently - the very problems it was designed to contain."²⁹ As another study on the impact of the illegal drug trade concludes: "A realisation must develop that supply suppression will not solve consumption problems."³⁰

Opium field in the Wa region



Wa communities in present day Yunnan's Simao District had grown opium poppy since at least the 19th century. It was their main cash crop and almost every household grew it. "In the past, the opium poppy used to be the most important cash crop of the Wa in Ximeng... The opium produced was mainly used for exchange. Each year, at the time of the opium harvest, merchants would arrive in the Wa hills from afar bringing large amounts of livestock, cloth, salt and various small goods, and then exchange these for opium with the Wa." In 1956, households in one Wa village were reported to have produced over two kilograms of opium, representing about one-third of the agricultural income in the village. Opium production by communities in Ximeng Wa Autonomous County was finally stopped by the authorities in the beginning of the 1960s.³¹

This policy was not part of any international drug control agreements. In fact it was not until 1971 that communist China, now called the People's Republic of China (PRC), first occupied a seat in the United Nations and became a member of the UN Security Council. Before this, China was represented on the Security Council by the Republic of China based in Taiwan, which claimed to be the sole legitimate government of the country. It was only in August 1985 that the PRC agreed to the UN's 1961 Single Convention on Narcotic Drugs and 1971 Convention on Psychotropic Substances. These were the first international drug control treaties the PRC signed.

It is important to realise that the decline in opium use in China was not just a result of the anti-drug crusade by the Chinese Communist Party. There were a number of key changes in the demand for the drug that fundamentally transformed opium use in China. One change was that

other medicines, such as penicillin, became available. Penicillin, which was discovered in 1928, was available as an antibiotic in China after World War II and was used to treat various diseases that were previously treated with opiates.

Also, opium use became less popular in China and was beginning to be seen as 'old fashioned'. A major cultural transformation took place in which people moved away from smoking opium to smoking cigarettes which were seen as modern and fashionable. "Opium was decadent. Opium was for grandfathers."³² The communist government heavily stimulated both tobacco use and its cultivation, and the culture of smoking cigarettes replaced the social and traditional roles of smoking opium. According to a 1998 joint British-Chinese-American research project, daily average cigarette consumption in China increased from one cigarette in 1952 to 10 in 1992.³³

"Opium should thus be understood as part of a much wider culture of intoxication based on the inhalation of smoke: as Europe took to alcoholic and caffeinated drinks from the 16th century onwards, China developed a sophisticated smoking culture, starting with tobacco in the 17th century, followed by 'madak' (opium mixed with other substances including tobacco for smoking) in the 18th, opium in the 19th and cigarettes in the 20th century."³⁴ The fact that so many opium smokers were moderate, light and occasional consumers also explains why many of them could have given it up easily when it became unfashionable or illegal.³⁵



Opium harvest tools

Legends on the origin of opium among ethnic groups in Southeast Asia

Legends about the origin of opium cultivation are well-known among ethnic groups in Southeast Asia. Stories from the Lahu, Hmong, Wa, and various Kachin groups, are also remarkably similar.

Lahu opium legend (Thailand) ³⁶

Once upon a time, there was an extraordinary beautiful maiden called Na Ma who descended from heaven bringing with her the seeds of both tobacco and an opium poppy. Because (the supreme divinity) G'ui sha's police would have confiscated the seeds from her, she hid them inside her vagina. Na Ma then lived on Earth but, although she was very beautiful, if anyone went close to her he was overcome by a terrible smell. So nobody, despite her beauty, wanted to marry Na Ma. One day Na Ma fell sick and died and people came and buried her body. Some time afterwards, a man went to look at her grave and found growing on it one opium poppy and one tobacco plant. This man tapped the poppy capsule and smoked the opium, and throughout the country there was a fine aroma and everybody spoke about, and searched for, this good smell. Thus opium came from the beautiful maiden Na Ma, and anyone who smokes it becomes her husband and cannot divorce from her.

Hmong opium legend (Laos) ³⁷

A long time ago, while still in China, a Hmong leader had a beautiful daughter. Unfortunately she had a bad odour, so no one would marry her. As a result, she died in despair. After she was buried, poppy plants grew out of her grave. Its flowers were, like the girl, so beautiful and delicate that people took the seeds and began to grow them. The seeds were delicious. And when the sap was extracted for smoking, it produced a yearning to smoke again. One actually yearned for that sap, the opium, like one yearned for a girl. Since then, it has been widely grown among the Hmong.

Jingphaw opium legend (Burma) ³⁸

Once upon a time in a village there lived a very wealthy man who had a beautiful daughter. Many rich men came and asked for her hand, but the daughter rejected all their proposals because she had fallen in love with a servant who worked in their house. She wanted to marry him, but her parents did not agree, even though she was deeply in love with him. Therefore they eloped together and they hid in a cave. One day when she was alone in the cave, the entrance collapsed and she was trapped inside. The young man told the villagers and her parents what had happened. They tried to open the cave and to remove the rock that blocked the opening but failed. Then they established a tomb on the cave. From the tomb a plant appeared, which bloomed and then bore a fruit. Everyday the villagers came and touched the fruit. They scraped it and a kind of liquid poured out, which tasted bitter. But after they tasted it they felt fresh. From that day onwards people started to cultivate this plant.

The making of the Golden Triangle

The sudden decline in production in China was one reason for the increase in opium cultivation in Burma, Thailand and Laos during the Cold War. At the same time the United States also pressured its Western allies to end the opium monopolies in their colonies, thereby ending the official opium trade.³⁹

While World War II was over, the Southeast Asia region continued to be plagued by war. Following their defeat by Mao Zedong's People's Liberation Army, remnants of the KMT army withdrew to northern Burma. The US's Central Intelligence Agency sponsored a series of invasions into Yunnan and, when these failed, the KMT became an army of occupation in Northern Shan State. The KMT became heavily involved in the opium trade and was the first to organise trading in the border regions of Burma, Thailand and Laos.

After a joint Chinese-Burmese military offensive, the KMT was forced to withdraw from its bases near the Chinese border and settled in the Thai-Burma border region. From there it set up a successful trading network to the opium fields in northern Shan State. Although the KMT as an armed force has disappeared since the mid-1980s, the local and international trade routes and networks that were established during that time still exist, and many of the players in the drugs trade originate from or had close links with the KMT. Ethnic Chinese networks established by the KMT still dominate the regional drug trade.

Following the 1962 military coup in Burma, insurgencies spread to Shan State and Kachin State in the north, where ethnic minority groups took up arms to fight for ethnic rights and greater autonomy. In Laos, civil war broke out between the US-backed Lao government, and the communist Pathet Lao, supported by Vietnam. In Thailand, a communist insurgency took place, although the conflict there never reached the scale of that in Burma and Laos.

These conflicts all contributed to growing opium production in the region. Armed opposition groups in Burma, especially in Shan State where most opium was cultivated, could hardly afford an anti-opium policy in such circumstances. Many farmers in their areas depended on opium as a cash crop and a strong anti-opium policy would bring them into conflict with potential allies against the government. Most of the armed opposition groups eventually came to rely on income from the opium trade which they got either by taxing farmers (mostly in kind), providing armed escorts to opium caravans, providing sanctuary to heroin laboratories, or by setting up tollgates along important trade routes to Thailand.

The Communist party of Burma (CPB) initially tried to root out opium production and introduce a crop substitution project. The CPB was the largest military opponent of the military regime and controlled large areas in northern Shan State along the China border. These areas included the Kokang and Wa hills, the main opium producing areas in the region. The CPB's anti-opium policy came under strong pressure after a plague of rats destroyed the crops in the Wa hills in 1976, and after China's support to the party started to decrease in the early 1980s. This forced the CPB to relax its policy and, as a result, opium production in its areas immediately increased. At the same time, local CPB leaders became involved in the opium trade. Opium was

transported down to the Thai border where it was sold to, among others, Khun Sa's Shan United Army (SUA) and, ironically, to KMT remnants.

Over the years, some armed groups became more committed to the opium trade than to their original political objectives. For armed groups with a strong political agenda the situation in Shan State was thus always complicated as the narcotics trade and insurgency politics became increasingly intertwined. It remains difficult for any armed group based in Shan State to survive without some kind of involvement in the drugs trade.

Clearly, government army and police units in all three countries were also involved in this lucrative trade. In Laos, for instance, the pro-government ethnic Hmong army of General Vang Pao was deeply involved in the opium trade, as were various high-ranking police and army officers in Thailand.⁴⁰ The pro-west and anti-communist stance of these armies in Burma and Laos during the Cold War also provided them with backing from the Thai and US governments. Since the 1950s, opium traders in northern Laos have sold both Laotian and Burmese opium.⁴¹ Thailand supported a wide range of insurgent groups along the Thai-Burma border, some of which (especially KMT remnants and various Shan armies) were deeply involved in the opium trade.



Khun Sa and Lo Hsing-han: Kings of Opium?

In response to the rebellion in Shan State, in 1963 General Ne Win introduced the 'Ka Kwe Ye' (KKY) programme. This initiative allowed for the creation of local militias to fight the insurgents, including the Shan State Army (SSA). In return, the KKY militias were allowed to rule their areas relatively undisturbed. But instead of 'counter-insurgency', most of these militia's became heavily involved in the opium trade and the general lawlessness and chaos in Shan State increased. The most well known of the KKY were led by Lo Hsing-han in the Kokang region and by Khun Sa at Loi Maw in northern Shan State.

After Ne Win abandoned the KKY scheme in 1973, Lo Hsing-han and the smaller Wa KKY led by Maha San went underground and teamed up with their former enemies, the SSA. Together with Khun Sa, which had gone underground earlier to become the Shan United Army (SUA), they later emerged at the Thai border with what they claimed was the bulk of the annual opium harvest. They offered this for sale at farm-gate value to the international community - to be destroyed - in return for international assistance. The US refused the offer and Lo Hsing-han - branded the 'King of Opium' in the Thai media - was later arrested near the border by the Thai authorities and extradited to Rangoon. He was released a few years later and became an important go-between in talks between the government and the breakaway groups from the Communist Party of Burma (CPB) in 1989.

After Lo Hsing-han's arrest, Khun Sa, who had been released from jail in 1973 in exchange for two Russian doctors kidnapped by his SUA, became the new 'King of Opium'. By the mid-1980s, Khun Sa's SUA had emerged as one of the strongest armies along the Thai border by forging, and in some cases forcing, alliances with other Shan armed groups and former KMT forces. Khun Sa's headquarter was even based on Thai soil until 1982 when Thai Border Patrol Police attacked it because it was an international embarrassment. In the 1990s Khun Sa's army, renamed the Mong Tai Army (MTA), was firmly in control of vast areas of land along the Thai border. In January 1996, after the MTA came under increased pressure, Khun Sa invited the Burmese army into his Homong headquarters and surrendered.

Both Lo Hsing-han and Khun Sa have, in turn, been branded as 'Kings of Opium', but both of them went to live in Rangoon, where Khun Sa died in October 2007. This serves as a good example of the many surprising twists and turns in Shan insurgent politics. It is clear that all actors - including from the government - are involved in the drug trade in one way or another. However, because of the complexities of Burma's ethnic conflict and decades-old civil war, it has been convenient to put all the blame on 'Kings of Opium' or 'narco-armies', ignoring the realities of the narcotics trade in Burma.

The increase in opium production in Southeast Asia was also connected to the development of a new market: US soldiers based in Vietnam. According to estimates by the US government in 1973, 34% of all US troops in the country had "commonly used" heroin.⁴² From a net importer, it was estimated that by the 1970s Southeast Asia had become the world's largest production area of illicit opium, and became known as the 'Golden Triangle' - a term accidentally coined by a US official in 1971.⁴³



Opium harvest in Mong Mao, Wa northern region



The Opium Decline: Figures, Facts & Fiction

"Before, opium cultivation was concentrated in one area (Wa and Kokang), but now it is spread all over the place. Is there, in fact, a reduction?"¹

High production figures during the 1980s and 1990s - reality or myth?

According to UN and, especially, US government figures, opium production in the Golden Triangle from the end of the 1980s until about the mid-1990s increased dramatically. The peak figures for Laos are from 1986 until 1993, with an estimated output of almost 400 tons in 1989.² During this time (until 1990), however, Laos was still exporting legally-grown opium to Russia for medicinal use in exchange for imports, making good estimates difficult.

US statistics show that opium production in Burma doubled from 1,280 metric tons in 1988 to 2,430 tons in 1989. The same source shows that opium production in Burma remained stable at this high level until 1997 - at over 2,000 tons. The UN Office on Drugs and Crime (UNODC) figures for the same period are lower, but still estimate that production rose from 1,125 tons in 1988 to 1,544 tons in 1989. UNODC figures for the 1990s range between 1,500 and 1,800 tons, and they also drop in 1997.³

There are a number of local dynamics that explain why opium production went up in Burma. Since 1968, the Communist Party of Burma (CPB) had - with support from China - taken over the Wa and Kokang regions in Burma, which were the most productive opium poppy-growing regions in the country. When China decided to stop all aid to its sister party, the CPB became heavily dependent on the opium trade. In 1982, the party decided to allow its cadres to tax opium farmers. "Our army more and more became a drugs army," says a former CPB member.

In 1989, war-weary Kokang and Wa troops revolted against the mainly Burman leadership of the Communist party. They formed a number of new armed groups, such as the Myanmar National Democratic Alliance Army (MNDAA) in the Kokang region, and the United Wa State Army (UWSA) in the Wa region, both in northern Shan State, and the National Democratic Alliance Army (NDAA) in Mongla region in eastern Shan State. After decades of fighting, they all signed cease-fire agreements with the military government in Rangoon.

After this, opium production rose quickly. These groups were - at least initially - allowed to tax opium and refineries without restriction. The end of fighting also

allowed farmers to grow poppies without being shot at. These ex-CPB groups used some of the income from opium to finance the development of their impoverished and war-torn regions.

The 1980s also saw the rise of Khun Sa's Mong Tai Army (MTA) in southern Shan State. At the time of the mutinies against the CPB, the MTA controlled substantial territory between the Salween River and the Thai border. Until Khun Sa's surrender in 1996, when his army's unchallenged position came under threat from various sides, the MTA controlled a significant part of the opium trade in Shan State. Khun Sa admitted the MTA's involvement in the narcotics trade, and said it had been able to buy goods and services on the Thai market without any problem until the early 1990s.



China Burma border crossing at Muse-Ruili

Cease-fires in Burma

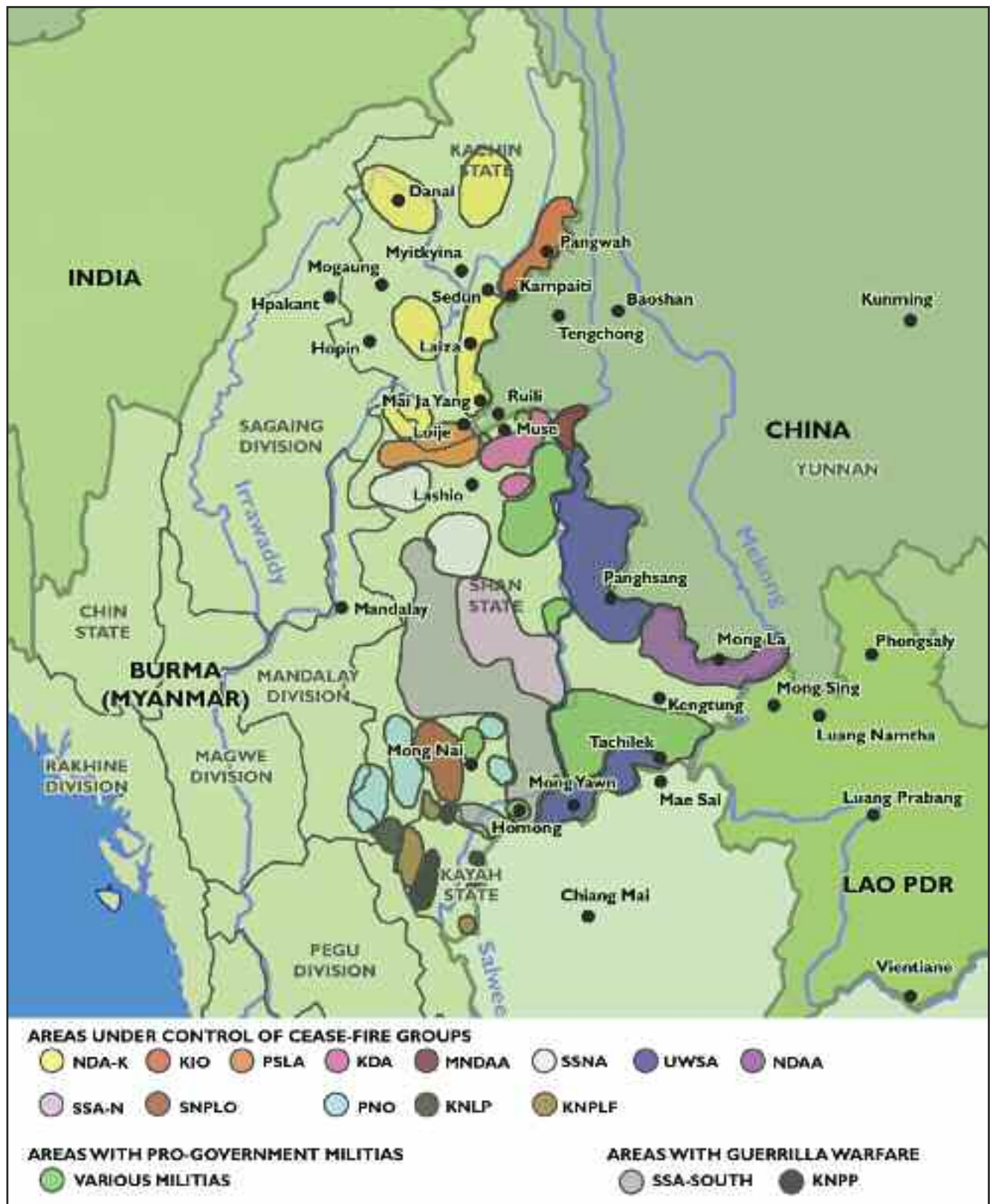
The first cease-fire agreements in Burma were signed in 1989 following mutinies by war-weary Kokang and Wa troops against the Communist Party Burma (CPB). The military government quickly made truces with these groups, neutralising the largest insurgent army in the country. Other armed opposition groups did the same soon after because of the increased military pressure, and because many of them had relied on arms and ammunition from the now defunct CPB. The changing international context and the end of the Cold War also decreased international support, especially from neighbouring countries, for a continuation of the insurgency. Some groups hoped to find a political solution at the negotiating table. By the mid-1990s most armed opposition groups in Burma had signed a cease-fire agreement with the military government.

Generally, the cease-fire agreements are military accords which allow the armed groups to control their own territory and retain their arms. The cease-fires brought an end to the bloodshed and curtailed the most serious human rights abuses. The agreements also facilitated easier travel and communication in the war-affected areas, and led to some improvements in health and education services. Furthermore, the physical reconstruction of the war-devastated areas began. The uncertainty of the situation, however, also provided space for many illegal activities, including drug trafficking, logging, black-market trading, gambling, and human trafficking. Opium production rose significantly in the early years after 1989.

The main shortcoming of the cease-fire agreements is the lack of political development and the absence of a peace process as a follow-up to the agreements. When the military regime started a National Convention in 1993 to draft a new constitution, cease-fire groups were invited to attend and put forward their political demands. The regime announced a seven-step roadmap to democracy in 2003, which included a referendum on the new constitution and multi-party elections.

In May 2008, days after a powerful cyclone devastated the Irrawaddy Delta and the former capital Rangoon leaving 130,000 dead and more missing, the military government organised a referendum to approve the controversial new constitution. According to the regime it was approved by over 90% of the voters. Opposition groups, however, contest this and say the referendum was not free and fair and that the constitution does not represent the will of the people.⁴ The new constitution includes few of the demands of the cease-fire groups and does not reflect their main political grievances and aspirations. The regime has made clear it wants the cease-fire groups to disarm but the groups are unlikely to do this unless some of their basic political demands are met. The regime has announced elections for 2010, but at the time of writing had still not published the election law.

Main armed groups in northern Burma. All areas are approximate, and status of some groups has changed.



Although these developments explain why production went up, serious doubts remain about the validity of the high opium production figures for the Golden Triangle for this period. Various sources contest the data on opium cultivation and production for different reasons.⁵ Several sources estimate opium levels to be much lower and it could even be that annual opium production in Burma never exceeded 1,000 metric tons.

Some observers believe that these figures are politically manipulated and are used to claim credit for a decline that only existed on paper. According to Sao Seng Suk, a senior Shan opposition leader who died in exile in August 2007: "The US Drug Enforcement Administration (DEA) is exaggerating the opium output figures, they just want to get more money."⁶ Similarly, Khun Seng, in charge of trade in the MTA and uncle of Khun Sa, estimated opium production in Shan State at some 120 to 180 tons during the

1970s, and between 160 and 230 tons in the 1980s. These figures are significantly lower than the US estimates of 800 tons in 1977 and 1,000 tons in 1987.⁷

Shan opposition leader and academic Chao Tzang Yawngnhe also believes that opium production figures for this period are 'overblown'. According to him, a survey by the Shan opposition army in the early 1970s estimated production at a maximum of 200 tons. "A few months later, the figure of 200 tons appeared in the reports of various drug conferences. A year or so later, the figure given in various reports was 400 tons. In the early 1980s, Khun Sa, dubbed the "heroin kingpin" by the media, produced a new figure of 2,000 tons. This figure was used by the media and trotted out at many international conferences on drugs. A few years later, the figure bandied about by experts was around 2,500 tons."⁸



UWSA soldiers

UNODC crop monitoring: best guesstimates

All figures on opium production should be treated with great caution. Figures on opium cultivation (measured in hectares) and opium production (measured in metric tons) are provided in annual surveys by the UNODC International Crop Monitoring Programme (ICMP). Since 2006, UNODC has produced a joint report on Burma, Laos and Thailand - the Golden Triangle Survey. Information is gathered using a combination of satellite remote sensing and ground surveys.

Several factors hinder reliable and exact data gathering. Opium cultivation takes place over a huge geographical area and some conflict areas are not accessible for security reasons. In 2007, UNODC was unable to ground survey 22 % of the sampled villages in southern Shan State and some in eastern Shan State. Findings are based on randomly selected areas where access is possible, and from which the national cultivation figures are then extrapolated. Poppy fields are often small and not always easy to distinguish from other crops. Recently, multi-cropping in southern Shan State, and the trend among farmers to grow opium in smaller and more remote fields, have also made it more difficult to produce good figures.

In Burma, the estimated cultivated area is partly based on the interpretation of satellite images (in southern and eastern Shan State) and on village sample surveys (the rest of the area). Methods used to calculate the yield of opium per hectare are still unreliable, as yields differ from year to year and from area to area.

In areas where no yield surveys are done, the national average is used to calculate potential opium production. According to the 2007 UNODC survey, the area under cultivation in Burma ranged from 22,500 ha to 32,600 ha, with an estimated area of 27,700 ha. Potential production was estimated at 460 metric tons. The broad ranges used indicate that error margins are recognised as being substantial.⁹

Recently, the Chinese authorities have started doing satellite surveys of opium fields in Burma. In January 2008, for instance, the Northern Command HQ in Myitkyina informed the KIO and NDA-K in writing that two Chinese teams would enter Burma at Kampaiti and Laiza to make preparations for satellite photos of opium fields.

Why did production decrease from 1997?

In both northern Laos and the Wa region, once the main opium producing areas in Southeast Asia, opium cultivation declined because of a policy decision by local authorities. According to UNODC: "Motivated by a desire for modernisation and poverty alleviation, the governments of the Lao PDR and Myanmar, and the Wa authorities, made the decision to end poppy cultivation by the middle of this decade."¹⁰

In 1998 at the Association of Southeast Asian Nations (ASEAN) ministerial meeting, member states signed a declaration for a drug-free ASEAN by 2020. Two years later this target was moved forward to 2015. ASEAN countries created national strategies to meet this deadline which compelled each state to put huge pressure on communities to stop opium cultivation.

Opium production in Laos varied between 100 and 200 metric tons between 1990 and 2003, according to UNODC data. From 2004, opium production declined to less than 10 metric tons by 2007, and opium cultivation dropped from 27,000 ha in 1998 to 1,500 ha in 2007.¹¹ Although these figures may be debatable, it is clear that opium cultivation in Laos has dropped significantly.

The Lao government's goal to eradicate poverty by 2020 has created two priorities: to end shifting cultivation and to eliminate opium production. The government believes these

problems are strongly connected and it blames small-scale farmers for both problems. To this effect, the government issued Order No. 14 and Law No. 135 calling for the elimination of opium growing, trading and consumption. In 2001, the government announced its commitment to making the country opium-free by 2005.¹²

"Opium growing in Laos was eliminated in February 2006," says a representative of the Lao government. "But some parts in northern Laos still have small areas where people grow opium, because some of the addicts cannot stop using it. These people grow only for their own consumption."¹³ In the first phase of the National Strategy Programme for the Elimination of Opium Poppy Cultivation (2000-2006) some leniency was shown towards poppy farmers. "For some households that cannot spontaneously respond to this national priority due to long-time addicts in the family, local authorities gave special authorisation to plant the opium poppy in a controlled, limited area for a certain period of time, according to the Prime Minister order dated 28/11/2000."¹⁴ This flexibility was ended, however, with the amendment of Law No. 135.

According to some international observers in Laos's capital, Vientiane, the main driver of the policy on opium is the government's desire to be seen as a respected and credible member of the international community. Laos was admitted as a member of ASEAN in 1997. There is also some pressure from Vietnam to stop opium cultivation.

Akha women returning from the field in northern Laos



The Lao government denies it has used force to stop opium cultivation and claims that "a contract for voluntary abandonment of opium poppy farming was entered into between local administration and opium poppy farming households".¹⁵ Evidence, however, shows otherwise. "First they go to a village and tell people they should not grow opium," says an international aid worker. "The next time they confiscate the seeds and later they destroy the fields." One report says that in late 2002 and early 2003 government officials visited opium-growing villages and told people to destroy their poppy fields. The farmers who refused were fined.¹⁶ This picture is confirmed by another western aid worker. "There was a lot of eradication in 2003-2004, they just went in and destroyed the poppies. They encouraged the villagers to destroy the crop themselves, but they came with soldiers who are around the villagers when they go to the field to destroy the crops."

The Burmese military government announced a 15-year opium cultivation elimination plan in 1999 which consisted of three phases in different geographical areas. Phase 1 lasted from 1999-2004, and was applied mainly in northern Shan State and the Mongla region. Phase 2 is from 2004-2009 and includes large parts of eastern Shan State, the Wa Region and the Danai and Sedun areas in Kachin State. Phase 3 covers 2009-2014 in Kayah State, parts of southern Shan State and northern Chin State. The government reported that it had eradicated 3,600 ha of opium fields during the 2006-2007 poppy season.¹⁷ Various sources have questioned this data.¹⁸

The Burmese timeline coincides with the ASEAN-wide target agreed in 2000 to make the region drug-free by 2015. This target is unrealistic and has led to overly-repressive approaches to poppy farmers and drug users in the region. The 2008 status report on the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) Action Plan recommends that "in 2009, the average family income of farmers who were persuaded to cease illicit crop production and to engage in alternative crop cultivation should be equal to the family income in the years that illicit crops were cultivated".¹⁹ Since it is highly unlikely that this will be achieved, the deadline of 2015 for "full-eradication of illicit crops" should not be enforced if even greater hardship for rural communities is to be avoided.

While in Burma and Laos pressure by local authorities has led to at least a temporary decline in opium cultivation, authorities in Thailand have taken a different, and more long-term, sustainable approach. There are some lessons to be learned from this experience for the region.

Government efforts to reduce opium production in Thailand took place in different phases. During the 1970s and beginning of the 1980s, the focus was on finding

alternative crops and integrated development projects for the cultivators in the hills. This approach was largely designed by international donors, with little participation by the Thai government or local communities. In the second phase, the government was more involved and in 1984 started the eradication of opium poppies and initiated alternative development projects. It was only in the third phase, roughly during the 1990s, that local communities were involved.

By 1986, cultivation levels were lower than demand for local consumption. Thailand's opium cultivation was estimated to have dropped from 1,500 ha in 1998 to 300 ha in 2007. The Thai model of reducing opium cultivation is often presented as an example to be replicated in other countries. Some principles underlying the Thai approach certainly are important, such as the need to involve local communities in the design and implementation of the project, and the sequencing of measures - no poppy eradication before alternative livelihoods are available for local communities.²⁰

There are a number of reasons, though, why it may not be easy to replicate the Thai approach elsewhere. Situations are always complex and differ from country to country. Local socio-economic and political dynamics need to be taken into account for any project to be successful. It is significant to note, for example, that the Thai project was most successful during its economic boom in the 1980s and 1990s. Also, opium cultivation levels in Thailand were always relatively low and never reached the levels of Burma or even Laos. It could also be argued that the effect of Thailand's success was to push opium cultivation across the border into Burma, and to a lesser extent into Laos.

Vietnam also has a long history of opium cultivation. As in Burma and Laos, opium is cultivated by ethnic minority groups living in isolated mountainous areas. Opium probably first reached Vietnam from China. Attempts by the Vietnamese emperor to stop opium imports failed. The French colonial administration stimulated opium cultivation and tried to monopolise the trade. After independence, the new Vietnamese government attempted to eradicate opium cultivation. During the Vietnam War, opium smoking and injecting heroin increased dramatically because of its use by soldiers of the US Army and the South Vietnamese Army.

After 1975, the communist government attempted to eradicate opium cultivation and initiated a treatment programme for drug users, although significant opium cultivation continued in the mountains in the centre and north of the country until the 1990s. However, according to UNODC, opium cultivation in Vietnam decreased from some 12,000 hectares cultivated in 1992 to 30 hectares in 2004.²¹ Most of the opium and heroin currently seized in Vietnam originates from Burma and Laos. From being a

producer country, Vietnam has become a major transit country, not only for opium and heroin, but also for amphetamine-type stimulants (ATS).

Changing regional security priorities

There are various other factors that explain why opium cultivation has decreased in the Golden Triangle. These relate mainly to the shifting security priorities in the region, especially in Thailand and China, and to the dynamics of insurgency politics in Burma.

While China supported the Communist Party of Burma (CPB), which controlled substantial territory along the China border, Thailand also gave tacit support to various armed groups from Burma. Until the 1980s almost the whole Thai-Burma border area was controlled by a wide range of insurgent armies, including Mon, Karen, Karenni and Shan forces, as well as Khun Sa's SUA and the KMT. President Bo Mya of the Karen National Union (KNU) once described his organisation as a kind of 'Foreign Legion' for Thailand. It guarded Thailand's borders and protected it against the communist threat during the height of the Cold War, effectively preventing links between the CPB and the Communist Party of Thailand.

At the end of the Cold War, national security priorities changed dramatically. Both China and Thailand tried to normalise relations with Burma and sought to increase trade and economic cooperation. At the same time support for insurgent groups diminished. China and Thailand have since become increasingly concerned about drug production in Burma. While in the past Thailand and China mainly served as transit countries for the drug trade, in the

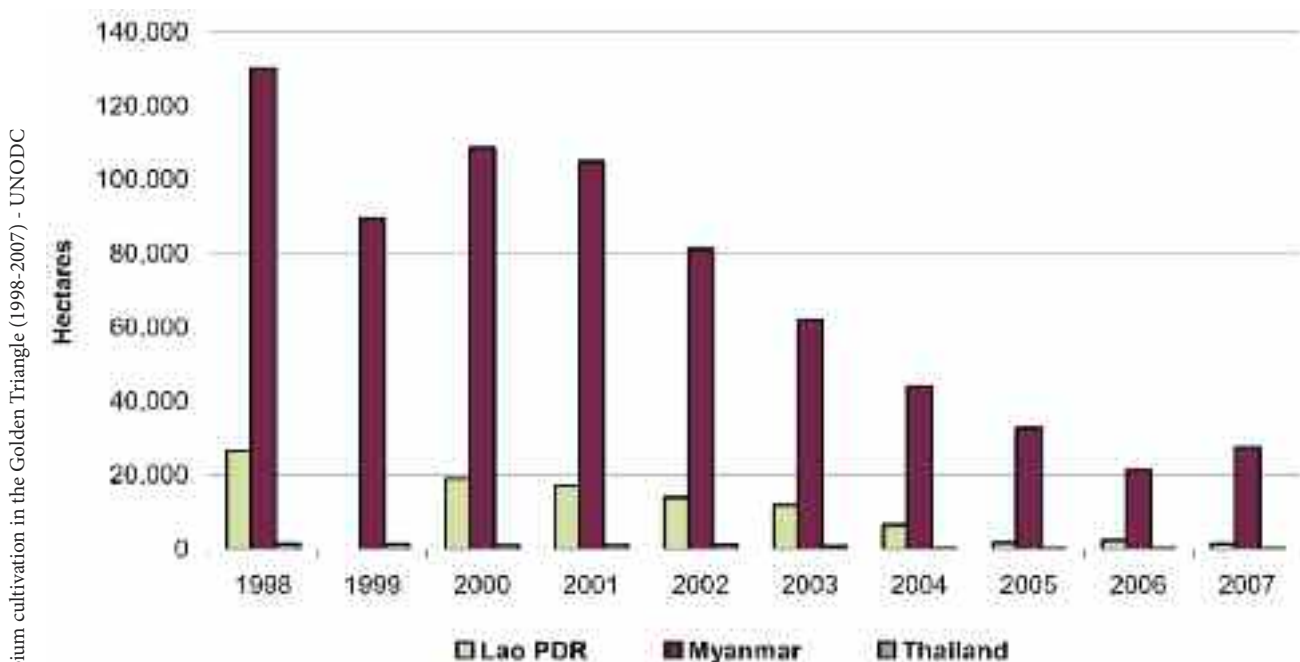
last decade both have turned into huge consumption markets. The use of injected drugs has also greatly fuelled the HIV/AIDS epidemic in the region. This has put the drug issue high on the security agenda of China and Thailand, but the policies of each country towards Burma are different.

Stricter Thai policy

An indication of the new Thai policy was the surrender of Khun Sa's MTA which, by its own admission, was involved in the opium trade. The decline in opium production in Burma started in 1997, coinciding with the surrender. The MTA had controlled a large part of the opium trade from Shan State to the Thai border. As the MTA fell apart, and various remnants and other armed groups took over the vacuum, the opium trade in the area also fragmented to some extent.

By the early 1990s, the MTA had grown into a 10,000-strong army entrenched between the Salween River and the Thai border and it was able to buy goods and services on the Thai market without any problems until the early 1990s. When the Burmese military government promised one of the cease-fire groups, the United Wa State Army (UWSA), control over any territory it managed to occupy in return for attacking MTA positions, thousands of UWSA troops moved south to the Thai border. The position of the MTA was further weakened by an unusual offensive of the Burmese army and mutinies by some MTA troops.

At the same time, Thailand adopted a stricter policy towards the MTA and officially closed the border. Although some trade continued, this increased the pressure on the



Chinese logging trucks at Wa checkpoint, Panghsang



MTA and contributed to its collapse. In January 1996, Khun Sa took everybody by surprise when he invited the Burmese army to his headquarters in Homong near the Thai border and surrendered. According to a report by the US State Department, the agreement with Khun Sa stipulated "(that) if Chang Qifu (Khun Sa) ended his insurgency and retired from the drug trade, the Government of Burma would provide him with security in Rangoon and allow him to conduct legitimate business".²²

MTA remnants that refused to surrender were later reorganised by Yawd Serk into what is now called the Shan State Army South (SSA South). This army controls a number of small bases along the Thai border and is waging a guerrilla war in the centre of southern Shan State. In its counter-insurgency campaign against the SSA South, the Burmese army has forcibly relocated over 300,000 civilians and has been accused of gross human rights violations.²³ The surrender of the MTA provided the UWSA with an opportunity to take control over significant territory along the Thai border.

Thai-Burmese relations have been problematic. There have been several skirmishes along the border which are related to the armed conflict in Burma, to disputes over border demarcation and to the drug trade. While all armed groups in Burma that are on the Chinese border signed cease-fire agreements, all those along the Thai border except one (the New Mon State Party) are still fighting a guerrilla war from mobile bases. Thai strategic security interests prefer to have non-cease-fire groups such as the SSA South along its

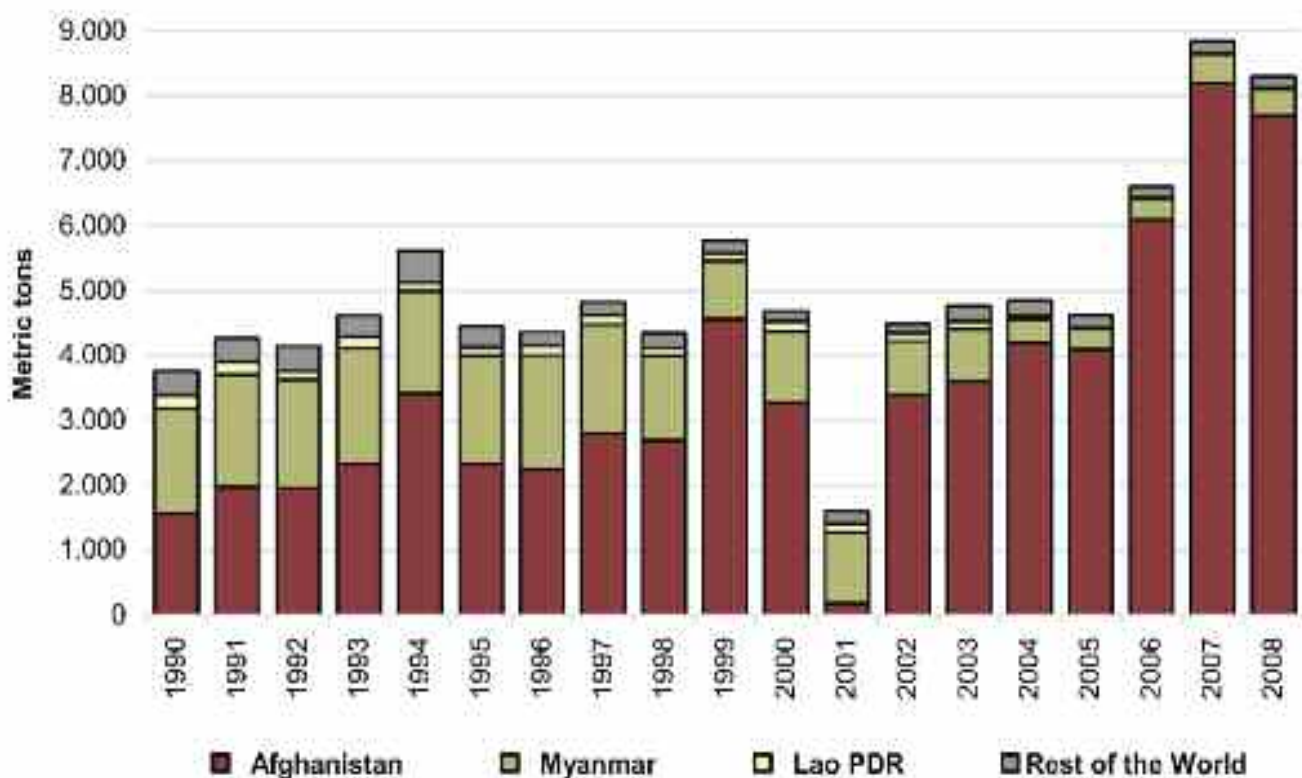
border. It sees the UWSA as pro-Chinese and as the main source of drugs coming into the country.

The SSA South has launched its own war on drugs and has attacked various methamphetamine factories and transport routes near the Thai border. It has also asked for international support. Fighting between the SSA South and the Burmese army, and sometimes with the UWSA, led to a number of border clashes between the Burmese and Thai armies in 2001 and 2002. The Burmese military government has accused the Thai authorities of supporting the SSA South. The Thai, however, claim the SPDC condones the UWSA smuggling of narcotics into Thailand.

Since 1999, the UWSA has ordered the relocation of tens of thousands of Wa villagers from their mountainous homelands into the fertile valley of southern Shan State, in some cases forcing the original Shan, Lahu and Akha inhabitants out. The UWSA leadership says the objective is to move poppy growers and impoverished villagers to areas where they can grow other crops.²⁴ It also strengthens the UWSA's control over this strategic border area which contains important drug-trafficking routes into Thailand.

Chinese pressure

China is Burma's main strategic regional ally and there is a strong Chinese influence in Burma, especially in the northern part of the country, but also in Burma's second city, Mandalay. Chinese companies have taken advantage of



the ongoing conflict in northern Burma and they are hugely involved in logging and mining operations in Kachin State and Shan State. Chinese companies invest across the border in large commercial agricultural projects in northern Burma and Laos, all in the name of opium substitution projects. This all supports China's strategic regional interest, which prioritises stability, economic development and access to markets and natural resources.

China has therefore generally supported the cease-fire agreements in Burma. As most groups are former CPB groups, China has established close relationships with them. It prefers not to have armed groups along its border that are still fighting the military government in Burma, and it sees groups like the SSA South as pro-West and not serving their strategic interest.

Perhaps the most important reason for the decline in opium cultivation in Burma is a number of opium bans declared by cease-fire groups in northern Shan State. These are the NDAA in the Mongla region (1997), the MNDAA in the Kokang region (2003) and the UWSA in the Wa region (2005) - all previously key opium cultivating areas. After decades of war and isolation, these cease-fire groups hoped to gain international political recognition and support for the development of their impoverished regions.

"The opium ban was mainly because of pressure from the Chinese; there is a lot of pressure from them regarding the drug issue," says a Mongla Group representative. "They tell us: 'you started the drug ban quite early, why is there still so much drugs coming into China from your area?'"²⁵ These opium bans are strictly enforced by these cease-fire groups and TNI research in 2007 and 2008 has confirmed that these regions remain poppy free. "We check every year in each county in our area whether people grow opium," a representative of the UWSA told TNI in 2008. The UWSA, for instance, has suppressed attempts to grow opium and arrested and fined those who fail to comply. Perpetrators face fines of 500 Yuan (about \$ 70) per Mu (16 Mu = 1 ha) poppy field and a prison sentence of six months.²⁶

Other cease-fire groups such as the Kachin Independence Organisation (KIO) and New Democratic Army-Kachin (NDA-K) in Kachin State have also eradicated opium poppies. They have been involved in several joint eradication campaigns with the government, especially in the Sedun area, and both groups are under pressure from the Chinese government to eradicate poppies. The Chinese authorities, which have offered substitution programmes to opium growers, warned NDA-K that they would check results against satellite photos taken in different seasons. The PaO National Organisation (PNO) in southern Shan State has announced that its region will be opium free by 2007. The UWSA also carried out some eradication in southern Shan State in 2007.

Is there a real decrease?

In Laos, opium cultivation has decreased significantly and the country is producing only for the local market. There remain serious questions, however, about the sustainability of the ban. According to a 2005 socio-economic impact study, about half of all ex-opium producing villages were likely go back to cultivating opium due to a lack of alternative sources of income.²⁷

In Burma, opium cultivation has shifted from traditional growing areas in Wa and Kokang regions to southern Shan State, which saw the biggest increase in cultivation in 2007, as well as to eastern and northern Shan State. In southern Shan State, farmers have also started growing opium outside of the traditional season, partly to avoid eradication, and they grow multiple crops per year. There has also been an increase in cultivation in areas under government control immediately bordering the Wa region, such as Hopang Township, where it is sometimes cultivated by people who moved out of the Wa region after the opium ban.

TNI research also confirms that, although Kokang and Wa regions remain opium free, opium cultivation has increased in other areas in Shan State in recent years, creating the so-called 'balloon effect' (when squeezing one part of a latex balloon, the balloon will bulge out elsewhere). "Since the 2002-2003 season, cultivation has mushroomed in southern and eastern Shan State to make up for the loss in the north, especially in Loimaw, and the Kokang and Wa

regions," says a former MTA source. The same source estimates that opium cultivation in the rest of northern Shan State would not be high due to the proximity of the area to China.²⁸

Reasons given by farmers in Shan State for the increase in cultivation in 2007 include the rising opium prices; the difficulty for farmers in making ends meet; the surge in commodity prices; the weakening of the kyat; the availability of loans for opium cultivation by external financiers; and that opium is easy to bring to the market, unlike rice, for instance.²⁹

There are also reports of increasing cultivation in Kachin State which is linked to rising opium prices. "Today many people cultivate opium as their family business," says an opium farmer from Sedun area in Kachin State. "Gradually, opium prices are increasing and opium cultivation is becoming the main business for local people as well as people from China." Adds another farmer from another village in the same area: "Opium cultivation increases more and more; it becomes the backbone business for the local people. There are about 200 families in my village. Almost all of them grow opium and most of them are using it too." Sources from the NDA-K region present a similar picture.³⁰

Opium cultivation has also increased in the Hopin and Danai areas of Kachin State. "These are traditional opium cultivation areas," according to a TNI researcher, "but cultivation increased there in 2007 and 2008. Due to

Kampaiti, town in NDA-K area on border with China



eradication by the KIO the increase was limited however." In these areas opium was cultivated by local people and by people who moved to the area temporarily specifically to grow opium.³¹

The continuing conflict in Burma also contributes to opium cultivation. According to a former member of a cease-fire group in northern Shan State: "It is very difficult to get rid of the drug problem in Shan State. It is probably the area with the most armed groups in the country. The majority need money to support their armed struggle, and drugs are probably the source of income for most of these groups to acquire arms, ammunition, uniforms and food."

TNI research confirms that opium cultivation takes place in conflict areas, no matter which party has control - whether Burma army units, cease-fire groups, groups still fighting the government or various other militias. All of them tax opium farmers. According to a Lahu farmer in Mong Ton Township in southern Shan State, "Sometimes, we have to pay to the UWSA, the SSA-South, Wa militia, SPDC militia, or Burma army. Sometimes, we have to pay to two or three of these groups because they are wandering into our areas all the time and they are armed. So if our farm is too small, there is no money left for us."



Opium field in southern Shan state

Investment from Thailand and China also stimulates opium cultivation. Sources with the Thai Office of the Narcotics Control Board (ONCB) confirm that the trend is towards a decrease in opium production in Laos and Burma. "But at the beginning of 2007, we found a 15% increase in Myanmar, Laos and Thailand too. I think it is because of demand and supply. If the supply is less, the price goes up, and some people will push the farmer with money."³²

"Behind the farmers, the people who invest in the poppy cultivation are Chinese from China," says a Chinese source familiar with the area. "In Kachin State, Chinese investors hire Chinese farmers to grow opium. Kachin people do not like farming, they grow some vegetables and go hunting. These Chinese are better farmers, they have better skills and work harder. This has been a tradition for decades. The local leaders, village leaders, lease their land to the Chinese."

There are also strong connections between businessmen associated with the armed groups and foreign businessmen. "The local businessmen involved in the drug trade can only manage to expand their business because of money from outside sources, from China," says a former member of a cease-fire group who now lives in northern Shan State. "It is difficult to get rid of the drug trade because of the strong financial support from these drug traders."

As has been the case over the past decades, for many armed groups in Shan State the drug trade is the only source of income for buying arms, ammunition, uniforms and food. "It is very difficult for all these various armed groups to be involved in other legal trading, because it is all in the hands of the Burmese government," says the same source. "That is why they rely on black market trading in drugs. The government is, in a way, stimulating all the armed groups to be involved in the drugs trade, because they leave them no other way."

There are also reports that Burma army units involved in eradicating opium fields are sometimes paid to turn a blind eye. "Because of this kind of bribery, the field commanders usually report made-up figures to their superior. That is why, in real implementation, the (15-year opium cultivation elimination deadline) plan does not work effectively." Burma army field units have been responsible for raising their own funds since 1996/97. This has contributed to an increase in human rights abuses, including extortion and the confiscation of property from the civilian population, and it has also stimulated corruption. Reports have also documented the involvement of Burma army units and commanders in the drugs trade.³³ In 2007, the US stated that Burma had "failed demonstrably" to meet international counter-narcotic obligations, for failing, amongst other things, to "investigate and prosecute senior military officials for drug-related corruption".³⁴

Akha woman at market in northern Laos



In Kachin State, cease-fire groups such as the KIO have tried to stop opium poppy cultivation, but say the problem is that they cannot substitute opium poppy with something else. "We have eradicated the poppy fields for two years, but the people complained that we did not provide them with alternatives for their livelihood," According to the KIO, the farmers started growing opium again. "They moved to the more remote areas, where we cannot go to destroy it. We are allowed to destroy the opium fields of people who grow opium very near to SPDC army posts. But they did not allow us to assist the people there."³⁵

There are also local factors that have encouraged farmers to grow opium. In the PaO region in southern Shan State, opium cultivation has steadily increased in the last 10 years. "The PaO have been growing opium since 1999. They used to grow 'cheroot' leaves, and they could make a good living. But then 'cheroot' prices went down, and all commodity prices rose, so they had to change."³⁶

Southeast Asian opium and heroin in the global market

The decline in opium cultivation in the Golden Triangle cannot be explained only by regional conditions. Currently, Thailand and Laos are net importers of opium and the little

remaining, domestically-cultivated opium is all for local use, but is not sufficient to meet domestic demand. Burma remains an exporter of opium as well as heroin. The decrease in Burma's opium production is, in large part, also due to shifting patterns in the international heroin market.

For many years (1990-2005), annual global opium production ranged between 4,000 and 5,000 metric tons. There were only two exceptions: the bumper harvests in Afghanistan in 1994 and 1999 due to good weather conditions, and the plunge in production in 2001 as a result of the Taliban's opium ban. Currently opium production is higher than ever, due to developments in Afghanistan the past years. Opium production in Afghanistan was estimated to have risen to 8,200 tons in 2007, representing 93 % of global production.³⁷ By contrast UNODC estimated opium production in the Golden Triangle at some 470 tons, or 5 % of global production in 2007.

The decline of opium production in the Golden Triangle since 1997 - mostly in Burma - is not simply the result of policy interventions by local authorities and the UNODC in Burma and Laos. Global market trends have played a major role in the shift of production from the Golden Triangle to Afghanistan. This is not a new phenomenon, on the contrary. History has seen numerous significant shifts in the international opium and heroin market. These include, for instance, the shift in cultivation from Turkey to Iran and Pakistan in the 1970s, and later to Afghanistan and new cultivation in areas in Mexico and Colombia.

An important yet under-reported factor is that heroin of Burmese origin has been almost completely pushed out of the European and North American markets by heroin originating from Afghanistan (sold in Europe and the US) and Latin America (sold in the US). By the 1990s, Colombian heroin dominated the US market. Virtually all heroin originating from Burma is currently consumed in Southeast Asia, China, India, Australia and Japan.³⁸

There are indications that groups producing heroin have also shifted to producing amphetamine-type stimulants (ATS). The first to produce methamphetamines in Burma was Wei Shueh-kang (an ethnic Chinese man who came to Burma with the KMT and later joined the MTA) after being approached by ethnic Chinese and Thai businessmen. Following the surrender of Khun Sa's MTA, the group disintegrated and some ATS producers moved to the Wa and Kokang regions, while others remained on their own. Wei Shueh-kang moved to the Wa Region and was given nominal control over UWSA area around the town of Mong Yawn region near the Thai border. Various sources claim that cease-fire groups that have implemented bans on opium cultivation and heroin production, such as in the Kokang and Wa regions, have simply shifted to producing ATS.³⁹



Poppies and Poverty: The Sustainability of the Decline

*"Opium in Laos is not the big problem anymore in the sense of drug production; it is a problem because farmers can't grow it anymore."*¹

The impact of the opium decline on farmers in Burma and Laos

In the past decade, international drug control has emphasised the eradication of illicit crops without first putting alternative livelihoods in place. Because of this, hundreds of thousands of peasants have been further impoverished and robbed of a life of dignity. In several key producing countries in Latin America and South and Southeast Asia, crop eradication and strictly implemented bans on cultivation have aggravated violent conflict rather than contributed to conflict resolution.

The biggest burden of the opium decline in the Golden Triangle has, without any doubt, fallen on the poppy farmers. Opium poppies have been cultivated in the mountains and hills of northern Burma, Laos and Thailand for over a hundred years. Areas where they are still grown are mostly remote and on steep slopes or in small valleys, usually without the use of irrigation or fertilizer. Yields are relatively low, especially compared to those in Afghanistan, for instance. The fact that most opium poppies are cultivated in remote mountainous areas with undeveloped infrastructure and transportation systems has made this a crop with which it is difficult to compete. It is easy to cultivate in difficult terrain and has a relatively high value.

Opium poppy cultivation is strongly linked to poverty. Both Burma and Laos score worst on the human development index in the region and the traditional poppy-growing areas in these countries are the most poor. Most of the growers are poor villagers from different ethnic minority groups who practise upland cultivation. These include the Wa, Akha, Lahu, Palaung, Pao, Shan, Kayah, Kayan and Kachin in Burma; the Yao, Hmong and Akha in Laos; and Hmong, Lahu and Akha in Thailand.

Traditionally, these people use opium as a treatment for malaria, respiratory diseases, diarrhoea and as a painkiller. It is used at festivals and ceremonies, including weddings and funerals, and is also connected to 'nat' (spirit) worship. It is sometimes used instead of money to pay for things or as savings. Opium seeds are used to produce cooking oil.

Most importantly, opium poppies are the key cash crop for these communities. Most people can produce only enough rice to feed their families for four to six months each year and, according to a TNI researcher, "Opium cultivation pays

for the household's needs, including their children's education, healthcare, food and household materials. People think that cultivation of opium poppy can help overcome the problems they face in their lives."

In Burma, especially the Wa region, households are more dependent on opium to buy food than in Laos. Before the opium ban, some 82% of farmers in the Wa region cultivated opium poppies to buy food and sales of opium produced 73% of household income. In Laos, opium often constituted only 10 percent of household income. Opium addiction levels in Laos were also much higher than in Burma. According to 2006 UNODC figures, about half of production in Laos was for local consumption. In the Wa region of Burma only 12 % of households grew opium for consumption.²

The opium bans in the Wa and Kokang regions in northern Burma, and the bans and eradication in northern Laos have had a devastating impact on the livelihoods of farmers in these regions. Many were already finding it very difficult to sustain their livelihoods. According to UNODC, "For all farmers in difficulty, their access to food, health services, education and other primary needs are very restricted. This has led to high levels of stress and health problems, especially during times of food shortage. Furthermore, poor nutrition means that parents have less energy to work and improve their family's situation, the children's growth is hampered and they are less likely to attend school regularly. Thus, the family enters into a cycle of poverty, which is very hard to break."³

Opium farmers speak:

Kayah farmer, northern Kayah State

"We have lived in this region for many years. Planting poppies is our tradition throughout past generations. We have planted them since our parents' or grandparents' times. We have often had to move from place to place and hide due to the civil war. Because of that we can only grow rice and poppies. We do not plant any other crops because it does not help us. Nobody comes to buy our crops because we are so far away and it is difficult to transport goods to the cities. Earning money from opium helps us a lot because we need the money to spend on clothes, medicine and school fees for our children. We use the money earned from selling opium for everything we need. Here, there is only one primary school for three to four villages. If our children pass this primary school, we have to send them to the middle school in the city and it costs a lot of money. We cannot afford it."

Lahu old man from Monghsat Township, Shan State:

"In the past the Christian religion strictly forbade growing poppies in Monghsat. But now everybody is growing it openly because the times have changed and the taxes are heavy. We have here three 'kings' we have to support: the UWSA, the Lahu militia and the Burmese authorities such as the army, police, town and village governors."

Shan farmer, Tachilek Township, Shan State:

"A poppy farmer can never become a rich man. Only an opium trader can become richer and richer."

Kachin farmer, Danai Township, Kachin State

"The northwest part of Danai Township is the most popular place for opium cultivation in Kachin State. It is grown by local farmers as well as by farmers who have migrated there to grow opium. Burma army soldiers are taxing opium that is illegally being cultivated. For three acres we have to pay 40,000 kyat (about 33 US\$) tax to them. The KIO soldiers also tax us, and we have to pay them 50,000 kyat for three acres." Danai Township's opium farmers are poor. Opium cultivation allows them to send their children to school and get access to medical care. Some farmers do not pay tax for their farms. These farms are eradicated. People think opium growing can solve their problems, even though they know it is illegal. This kind of illegal activity creates an artificially-based cash economy, making the farmer completely dependent on the influx of money from the drug dealers, and putting them at the mercy of the criminal traffickers and in opposition to the government."

Farmer from a village near Sedun in Kachin State:

The families whose opium fields are destroyed face social and economic problems. During the planting period, you borrow money equivalent to the value of one haung of opium (about 0,6 kilogram) but in return you have to pay back three haungs during harvest time. If your farm is destroyed, then the debt is carried over until next year, which means you have to pay six times in return. To deal with all the problems, like finding school fees for the children, food to eat, healthcare etc, you have to sell your belongings, like animals, farms etc. The KIO provides one bag of rice to families to recover from the destruction of their opium field, but it is not enough to survive. No organisation is helping and considering this kind of problem. Then the families have to do whatever they can in order to survive. With little help, no guidance and no crop substitution programmes, it is totally impossible to stop opium cultivation."

According to a Chinese NGO working in the Wa region, "Because of this policy (the Wa 2005 opium ban) family income has been reduced by 50% to 60%. For local communities, it is very difficult to make a living. There are NGOs that work in the area and the World Food Programme gives some rice to the farmers, but it is not enough."⁴

TNI research in Kayah State shows that forcing people to stop planting poppies would cause severe problems: "If poppy planting was banned, these people would have no jobs, less income and increased suffering. It would also cause deforestation and increase the number of refugees. The only income these people are able to generate comes from planting poppies. We have noticed that they do not earn money from other crops because they do not have paddy fields, enough farmland or access to water. There are often problems with communications and transportation of goods in these areas. There would also be problems for their education and health systems if poppy planting was banned."

In Laos, the government promoted the concept of 'Drug Free Villages' to end both opium consumption and opium cultivation. Local authorities were asked to mobilise funds locally as well as through international NGOs to improve infrastructure (schools, hospitals and roads) as well as the agricultural sector, to make the country opium free by the year 2006. The strategy also included law enforcement, detoxification and rehabilitation of opium users, advocacy, gathering of opium seeds and eradication.

NGOs warned as early as 2003 that "due to the restriction of the government in terms of human resources, budget and flexibility, 'Drug Free Villages' cannot achieve its objective (zero opium production) before 2006." According to the same report, "The concept of 'Drug Free Villages' is more problematic than beneficial to the villagers. The government must eliminate opium production, but at the same time the villagers have to be guaranteed a secure life, that is enough supply of food, a basic income and health care. 'Drug Free Villages' has not yet provided either food security or a stable life to the villagers."⁵

Combined with the ban on slash-and-burn cultivation, the ban on opium cultivation has forced many villagers to move from their homes in the mountains to search for land in lower areas. "Every day, villagers come to the district office asking for food, medicine for curing sickness or detoxification or new regions for them to settle," observed a study on the drug-free villages in 2003.⁶ The same report also concluded that the district authorities lacked funds to support villagers who had migrated out of the mountains, and concluded that rice was their major need.

By the end of 2007, almost two years after Laos was declared 'opium free', villagers were still struggling to make a living. "Many rural households ... lack the ability and/or opportunity to access agricultural extension services, inputs and markets, and lack the means to commercialise their agricultural production and generate alternatives to subsistence lifestyles."⁷

Rice and slash and burn fields in northern Laos



In Burma, the opium bans by cease-fire groups have led to similar crises. Studies by UNODC in the Wa region show that "many households are reduced to struggling from day to day for food, and are living from hand to mouth." People are forced to ration food, eat less nutritious food, borrow food, buy food with loans, and forage in the forest. Households have less cash to spend in the local markets, causing shops to close due to a lack of customers. In the northern Wa region, half or more of the households were found to be highly indebted, either in rice or in cash.⁸

The impact of opium bans on farmers is not uniform, however, and is more severe in isolated, mountainous areas. In 2006 UNODC reported that 90% of all villages in the Wa region suffered from food insecurity. "The average household in Wa is able to produce only enough rice for four to six months' worth of food for the family, and those in the most difficult situation only enough for one to three months. Farmers in Wa are thus extremely vulnerable to the loss of opium income to make up for food shortages."⁹

While there are some positive outcomes as a result of the opium bans, these are mainly restricted to the rehabilitation of problematic opium consumers. These people do not contribute to household labour and their habit is a drain on households' much needed cash income. The end of poppy cultivation - which is labour intensive - has also reduced workloads to some extent, especially for women. Women have more time for less risky ways to earn cash, including raising small livestock, making handicrafts and growing other crops.¹⁰

Generally speaking, however, the large majority of farmers have not been able to find sufficient alternative sources of food and income. People have been forced, therefore, to adapt their diet, become indebted, sell household assets, remove children from school and go without medical treatment. "The opium ban probably impacted negatively on access to health care," says a representative of an international NGO. "Most of the population in the Wa region rely on traditional or private health care. The health system of the Burmese government is very weak. The Wa public health system is even weaker."¹¹

Furthermore, following the opium ban, communities now also do not have access to raw opium, on which they have traditionally relied as a medicine and a pain-killer. "We all have animals and whenever they get sick we use opium to cure them," says a pastor from an opium growing village in the Sedun area of Kachin State. "When people in our village are bitten by snakes or scorpions, or when they get ill with dysentery or are coughing, we use opium as a treatment. If we don't have opium fields, we should have a clinic with supplies of medicines."¹²



Wa woman offering honey for sale

Coping strategies

The ban on opium cultivation in Burma's Wa and Kokang regions and in northern Laos has forced farmers to adopt different mechanisms to cope with the loss of cash income. While strategies differ from place to place, they include migration to other areas; growing more crops (especially rice) to improve food security and cultivating cash crops; selling livestock; collecting non-timber forest products; and trying to find daily wage labour, especially on commercial plantations.

Cease-fire groups that implemented the opium ban realise the population is in trouble. "After the ban people try to seek a way to sustain their livelihood," says a representative of the UWSA. "If they start growing rice, some people have enough food to live for eight months, but half of the population does not have enough to eat. People migrate to work in urban areas in the Wa region, and they also work on other people's farms. Some families work in the rubber plantation, and some international organisations are helping, such as the World Food Programme (WFP) which allocates rice for the children to take to school."¹³ Adds a member of the MNDAA (Kokang) cease-fire group: "Farmers really lack food and money. Some farmers moved from the mountains to the plains. Some people moved away, out of Kokang, and others started to plant rubber, tea and sugarcane somewhere else."¹⁴

Drying non-timber forest products (NTFP) in Mong Mao, Wa region



While groups like the UWSA and MNDA have implemented opium bans in their areas, there is a lack of clear vision among them on how to provide alternative livelihoods. "Some villagers managed to do more vegetable cultivation, others collect non-timber forest products (NTFP) such as barks, but soon all will be gone, it is only for the Chinese businessmen," says a Western aid worker. "Small-pig raising is also limited; I see nothing on the local market. Apart from that, I do not see any strategy and there is hardly any market facilitation."¹⁵

Factors limiting the capacity of ex-poppy farmers to grow alternative crops include the lack of available arable lands,

poor soil conditions, no initial investment capital and low levels of skills and knowledge of techniques. Options such as raising livestock for the market are restricted by a lack of initial investment capital, little knowledge of animal husbandry and the problems of containing animal diseases. The situation has made the communities less self-sufficient and more dependent on wage labour.¹⁶

Migration

Several forms of migration have taken place as a result of the opium bans and eradication in Burma and Laos. Some farmers left their homes in the mountains simply because they could no longer make a living. Following the eradication campaign in Laos during 2002/03, for example, a study reported that "life in the highlands was no longer sustainable in the face of the lack of opium to use as a trading item. Immediate rice shortages were forecast for the majority of the Akha still living in the hills."¹⁷ Many ethnic minority villagers requested land in lowland areas from the government.

Many others were forced by local authorities to move to areas at lower altitudes. Ethnic Lao government officials from the plains blame environmental degradation on minority groups' traditions of slash-and-burn and opium cultivation. For them, the solution lies in the resettlement of minority groups from the mountains to lower altitudes and along roads, often under the pretext that the local authorities can better assist them there. This also brings these minority groups under the control of local authorities.¹⁸

"In the past, we stayed in the mountains but then we had to move close to the town because of the Lao government policy," says an Akha village headman in Mong Sing district in northern Laos. Those communities that migrated to the Laos lowlands suffer high mortality rates (especially from malaria), loss of assets, accumulation of debts, rice deficits, a dearth of available land with good soil quality, and a lack of government resources to provide them with the necessary assistance to have a sustainable livelihood.

In northern Burma, the local authorities of the UWSA have followed a similar strategy. They have forced thousands of villagers from their homes in the mountains of the northern Wa region, some of them to lower altitudes but mostly to UWSA-controlled territories along the Thai border. Many other people are forced to migrate within Burma due to conflict and especially the human rights violations associated with the army's counter-insurgency campaigns. This includes forced relocations of entire villages to prevent insurgents from getting support (funds, recruits, food and intelligence) from these communities.

Relocation of a Wa village

The UWSA has called for international support to prevent a humanitarian crisis following the 2005 opium ban. It has also ordered the relocation of tens of thousands of Wa villagers from their mountainous homelands in the northern Wa region to lower-lying areas. Many of them have been moved to the fertile valleys of southern Shan State, which is under the control of the UWSA's Southern Command. The UWSA leaders say the objective is to move poppy farmers and impoverished villagers to areas where they can grow other crops. This is a controversial project, as in many cases the original Shan, Lahu and Akha inhabitants were forced out and most of them have fled to Thailand. The relocations are also resented by the Wa population. This is how one villager describes what happened to Song Khie Village, which was moved from the northern Wa region to a valley in Mong Pawk Township in 1999:

"In our village tract in the northern Wa region there were seven villages with about 400 households. The Wa authorities informed us three years ago that half of our village had to move, but only six months beforehand pointed out which households had to go. We had no choice in who had to go and some people were crying. About 70 households came here and the rest moved to the Thai border area."

"When we were in our old village in the northern Wa region, we also had a food problem. But we solved that by growing opium. We mainly grew rice and corn. For the opium, the merchants used to pay us in advance. The main traders were Chinese and some were Shan and Lahu. Most of the Wa are cultivators and not traders. The opium harvest was different each year. The price of opium depends on the market, even if we got an advance."

"The first two years after we came to Song Khie Village, we could still grow opium, but after that the Wa authorities told us to stop it. We do not know why, but when the Wa authorities send the order we have to listen, otherwise we will be punished. Last year we grew opium, but the Wa authorities destroyed it... We still have a food problem. In northern Wa we could grow opium, so if there was a food shortage we could buy some necessary goods from the income from opium. But now we cannot grow opium, so we have a food problem. If we do not get any assistance, how can we survive?"¹⁹

Like many other relocated Wa villages, Song Khie Village had a high mortality rate in the period following the relocation. Out of an original population of 370 people, 108 died in the first three years. This was mainly due to malaria and other diseases which are much more prevalent in the valleys and lower-lying areas than in the highlands from where the people were displaced.

The Rubber belt

In the last decade Chinese investment in commercial plantations in northern Laos and northern Burma has increased tremendously, especially in rubber and, to a lesser extent, tea, sugarcane and watermelon. Local authorities in Laos and the Wa region of Burma promote rubber as a cash crop to replace opium and have dedicated huge tracts of land to plant rubber trees. Whole mountain ranges in southern Yunnan, northern Laos and Burma are now covered with rubber trees, making the area a 'Rubber belt'. The rubber boom has turned the 'Golden Triangle' into a 'Latex Triangle'.

Rubber was introduced in Yunnan's Xishuangbanna District²⁰ in the 1950s by the Chinese authorities and was part of the state-building efforts by the new Communist government. At first, rubber was only grown on state farms but has since spread to private farms in China which are allowed to grow it.



Rubber tapping in Yunnan (province China)

Rubber as a cash crop was introduced to northern Laos in 1994, mainly on small-scale private land holdings. It only really took off in 2000 due to an increase in investment from China, which was driven by rapid economic growth and limits on internal production in China, as well as an increase in world prices for latex. The Chinese government has encouraged Chinese businessmen as well as villagers to

invest abroad in rubber - as well as other crops - with loans through the Opium Replacement Special Fund.²¹ Lao authorities have also promoted rubber as part of its strategy to alleviate poverty, and to reach its goals of ending shifting cultivation and eliminate opium cultivation. "Rubber fetches about \$400 to \$500 per ha compared to \$200 per ha for opium (in 2007)," says a representative of an international organisation in Laos. "So rubber sounds like a dream crop and has probably convinced several governors that this is the silver bullet to take people out of poverty."²² Rubber is also attractive as a replacement for opium because it is non-perishable and small volumes that can be transported easily have a relatively high value.

Cross border links between Yunnan and Laos, often between farming communities from the same ethnic group, have also greatly contributed to the rubber expansion and farmers in Laos with such links have typically fared better. They have better access to technical knowledge, information and capital - mostly small-scale investment by relatives from China - all vital ingredients for setting up a rubber plantation. These links are informal but offer better financial and land rights security for the farmers as they have been established through personal relationships.

According to a study on the socio-economic impact of the rubber boom in northern Laos: "Local farmers see rubber as the only possible vehicle to overcome poverty or to allow them to at least dream of the big houses, motorbikes, fridges and TV sets they see across the border (in China) only a few kilometres away."²³ According to an international aid

worker based in northern Laos: "Rubber is the best crop that can replace opium. It is sad to say, but there is no other alternative. The Chinese come with all the input; they bring the trees, the fertiliser and the know-how. There is nothing to compare with that. You need to grow a lot of tomatoes to replace opium."²⁴

In Burma, cease-fire groups have also promoted rubber as the alternative to opium. The main increase has been in the Wa region. "After the opium ban there has been no alternative for food security," says an international aid worker based in the Wa region. "The first thing people tried as an alternative was corn, but it was much more difficult than opium as transport is difficult and the road is far away. The second thing that was tried was rubber."²⁵ Says another aid worker: "Following the ban there was a huge increase in rubber tree plantations. Every time we come back to the Wa region we discover new plots of land burned for rubber."²⁶ Farmers could potentially make a good profit from their own tea or rubber plantations, but they lack the initial investment capital and cannot wait until it becomes profitable and then harvested. The trees produce rubber only after about seven years and require significant investment before then, which ordinary farmers in these regions cannot afford. The commercial plantations also increase competition for labour during the peak season.²⁷ So, the poorest of the poor, who are in most need of alternative, hardly profit from it. The expansion of rubber has decreased accessible land for poor communities, who depend for food security on non-timber forest products (NTFP) and grazing areas for livestock.²⁸

Intercropping with rubber trees and coffee in Yunnan



Rubber contracts

Much of the Chinese investment in both Laos and Burma has been done through contract farming. These contracts usually stipulate the yields to be grown by each village and there is a commitment by the Chinese company to buy these. Sanctions for breach of agreement are also specified and villagers who do not produce the agreed yields are liable for fines. Many villagers complain, though, that the companies breach the contract by either paying insufficiently or late,²⁹ and they are powerless to apply sanctions to the companies.

In Laos, some villagers own land and have a profit-sharing arrangement with the Chinese companies. Farmers who have established rubber through formal contract farming, or through big concessions from Chinese businessmen ('laoban'), have generally fared worse. Again, these are usually poorer households who are more dependent on poppies for cash. These contracts are often long-term and allow for less flexibility to plant other crops.

Initially the contracts in Laos - promoted by the local government - stipulated a '2+3' contract model. The Chinese investor would provide the necessary know-how, trees and fertiliser, while the local farmers would provide the land and the labour. In this arrangement the profit share would be 70% for the farmers, 30% for the companies. However, in many cases the villagers only provide the land, making it a '1+4' contract model, from which they gain significantly less - only 30% of the profit. Villagers often cannot afford to labour on a crop that will only produce after seven years. Other contributors to the unequal situation include lack of knowledge and coercion.³⁰ "When the government comes to a village, the villagers give in," said a Western aid worker. "In one instance, the government came into a village with Chinese investors who wanted land for rubber and the people in the village agreed to this without getting anything. When we asked why, they looked at us like we had asked a stupid question. 'Because it is the government,' they said. 'Villagers have no power to resist'."³¹

In contrast, in Burma's Wa region, villagers work only as day labourers on rubber plantations owned by Chinese companies and/or the Wa authorities (UWSA). The daily wages on the rubber plantations are low and sometimes even non-existent. So rubber is not popular with villagers. "Rubber has expanded over the Wa region in recent years," says a TNI researcher familiar with the Wa region. "In the beginning there is work for the villagers, first clearing the land, then making the holes, and then planting the seedlings and doing some weeding. But after that there is less work (until the tree produces rubber). Later, villagers will be hired as day labourers but the payment and contracts are not clear. The Chinese say 60% will be for the labourers and 40% for the Chinese, but the Chinese will set the price. I have not seen a written contract, nor have the villagers."³²

An international aid worker based in the Wa region confirms this. "In the township I work in, there is not a single household that does not have to contribute to work on the rubber plantation. They are forced to work, but they receive some payment." Some villagers are also forced to move to newly-established villages near rubber plantations. They receive some money from the Chinese owner, but not a lot.³³ Says another NGO representative based in the Wa region: "It depends on the manager of the rubber plantation, but in most cases the workers do not get any wages. In return they do not have to pay tax. It is a huge problem."³⁴

Environmental concerns

There are serious environmental concerns about the massive increase of rubber plantations in Yunnan, northern Burma and Laos. "Rubber is a good thing," explains Hu Huabin from the Xishuangbanna Tropical Botanical Garden in China's Yunnan Province. "But the problem is that they are growing too much of it. This has already had an impact on the micro-climate, as the traditional morning fog in the area is decreasing."³⁵

International NGOs in Burma and Laos are also worried by the potentially negative consequences of these large-scale plantations. "Our concern is that they have introduced a lot of fertiliser and pesticides," says a local aid worker in Laos. "Farmers are not used to it and they use it a lot, like in China, and the soil fertility may be affected."³⁶ The rubber plantations have also had a negative impact on land

planning by NGOs whereby village land is divided into a protected forest, user forest and agricultural land. "We had a contract about this, with a map," said the aid worker, "but when the rubber came nobody remembered these." The increase in Chinese-funded commercial plantations has also led to greater deforestation in northern Laos. "There were a lot of fires and people say it is shifting cultivation, but people plant rice first and then rubber. There has been a lot of deforestation for rubber. There is a lot of illegal logging going on and high-ranking people are involved."³⁷

International NGOs in the Wa region say that there already are ecological problems because of deforestation, which is partly related to rubber plantations, and water resources are becoming less. The mono cropping of rubber also has a negative impact on the biodiversity of the area. "Whole resources are dying out, people say."³⁸

After the implementation of opium bans in northern Laos and Burma, more and more poor households have become dependent on the collection of non-timber forest products for which there is great demand from China. Many villagers in the Wa region, as well in Kachin State, have resorted to collecting medicinal roots, orchids, bamboo shoots, rattan, starchy tubers, leaves, bark and fuel wood to sell to Chinese traders who come to buy these products in Burma. In Laos, the trade in NTFP's also includes higher value products such as sappanwood and sticklac, produced to provide alternative incomes for ex-poppy farmers and to prevent environmental degradation.³⁹ This further increases the pressure on the environment which is already degraded by unsustainable logging by Chinese companies.⁴⁰

Other concerns

Large-scale investment in commercial plantations by Chinese companies and the transformation of available arable land for commercial purposes has exacerbated the land availability problem, impacting particularly hard on poor villagers who then get access only to the poorest quality land. The promotion of commercial plantations and rubber cultivation, and the relocation of people by local authorities, has also led to an increase in conflict over land. The expansion of rubber has resulted in a lack of land to plant other crops and limits livestock grazing areas.⁴¹ "Some villagers have no uplands any longer; they are virtually surrounded by rubber. The problem is where to keep their buffalos; they cannot find a place to feed them. If the animals go into the rubber field, they are shot."⁴²

As rubber is a long-term investment, there are also concerns about the future of the rubber market and price stability. Farmers are vulnerable to fluctuations in rubber prices, land and rubber tax. Worldwide prices fell in October 2008, forcing some companies in Yangon to limit exports and even to shut down temporarily. One company said it used to export 400 tons of rubber to China each month, but that the falling price has forced the company to cease all exports.⁴³

Towards a new rubber policy?

The Lao government's official policy on rubber stipulates that it should not exceed a certain number of hectares in each district. "It was also discussed in the Lao General Assembly," says a representative of an international agency in Laos. "There has been a moratorium on rubber plantations from China in Laos since April 2008, because of the negative impact on the environment."⁴⁴

The reality, however, is a little different, partly due to corruption. "The Chinese are still pushing it, despite the Lao

Rubber plantation in Wa region



governor saying that they have enough rubber now," says an international aid worker. "Normally the Chinese need to go to the provincial level, and then down to the district and the village level to get the rubber plantation. But this is the official way, and the Chinese also do it directly."⁴⁵

Members of some communities in the Wa region have complained to the UWSA leaders about the rubber plantations. "It is really completely forced labour and one village leader actually complained," says a representative of an international NGO working in the Wa region. "Each household is in charge of 400 seedlings, which will cover about 10 mu (15 mu = 1 ha). They had to prepare the land and plant the seedlings. The money they received for it was so little, it is obviously a big bargain for the Chinese. Villagers have raised the issue with Wa leaders of leaving at least some mountains for animals."⁴⁶

According to some international NGOs, the Wa authorities also have reservations about the rubber plantations, mainly because of the lack of income opportunities for villagers. "Some people do receive a salary, but it is a huge problem," says an aid worker. "I think the Wa authorities now realise it is a problem, but they do not see another solution, especially for the problem of rubber."⁴⁷

Emergency responses: too little and too late

The various cease-fire groups in Burma that implemented opium bans had hoped to gain international aid and political recognition in return, but this has not materialised. The cease-fire agreements with the military government are themselves precarious as no political solution has yet been reached.

In Burma, people are unhappy with the ban. "Everything is getting worse," said a 60-year-old former poppy farmer. "People are desperate for food and clothes. They want to know why there was an opium ban in the Wa area when there was no ban in other places."⁴⁸ According to a representative of the NDA-K cease-fire group in Kachin State: "As we carry out our eradication, we always find people starving. We realise our programmes are not helping

them, and that it brings a heavy burden on our people. We do it because the government has implemented a law on eradication. If there was no law we would not do it."⁴⁹

Following the eradication campaign in northern Laos in 2002-2003, international NGOs immediately had to provide emergency aid to deal with rice shortages. In northern Laos, WFP provided food assistance to communities that had not been able to find sufficient alternative livelihoods. These communities were also affected by the government's policy to resettle people to lower areas.⁵⁰ In early 2003, a Western aid agency estimated that "about 15 villages with about 2,000 people moved to lowland areas because their poppy fields were cleared."⁵¹

In northern Burma, WFP has provided emergency food assistance to ex-poppy farmers in Shan State since 2003. It began by assisting 50,000 ex-poppy farmers in the Kokang region, where an opium ban had been imposed that year. During 2004-2005, WFP extended its aid to parts of the Wa region and several areas in northern Shan State under the control of other cease-fire groups.⁵² One of the main reasons cease-fire groups such as the UWSA implemented opium bans in their regions was the pressure from

neighbouring China. The Chinese government is concerned about opium cultivation in Burma and drug trafficking - especially heroin and amphetamine-type stimulants (ATS) - from Burma into China. "The Chinese government asked us to stop growing opium," says a representative of the MNDAA (Kokang).⁵³

The Chinese authorities have issued strong warnings to cease-fire groups such as the NDA-K to stop opium cultivation in the areas it controls and they are worried about the recent increase in cultivation there. The Chinese government also carries out its own opium surveys in Burma. China has provided some emergency food aid for poppy farmers. In 2006 for instance, it provided 10,000 tons of rice to the Wa region.⁵⁴

It also donated rice to other cease-fire regions along its borders, including NDA-K, KIO, MNDAA and NDAA, and did so again in 2007. According to a TNI researcher: "Last year, the Chinese gave 1,000 tons of rice to families who grow poppies. But, according to a local resident, only about 20% of the grain reached their hands. Their portion became less and less at the stops along the way from Kampaiti to their villages."⁵⁵

Aid from China: business as usual

Chinese development assistance is rolling into northern Burma to offset the impact of the opium ban and to create alternatives for these communities. The Chinese offered to establish plantations for various kinds of pine trees (in place of other trees that were felled, as well as for the poppy fields), and other crops, including maize, potato, cassava, tea, walnuts, apples, pears and spices. They also promised to buy all the produce at market prices. There were programmes for cattle and fish breeding and for small-scale manufacturing plants in some places as well. All the programmes were to provide seeds, machinery, transport, technical assistance and training courses.

The main problem, however, is that Chinese assistance has only come through private companies. The main investment and interest of these companies has been in infrastructure, hydropower, agriculture and mining.

Following a ban on exporting timber and minerals from Burma to China overland via cease-fire groups from Kachin State and Shan State, excess capital in China is finding outlets into Burma. For some Chinese investors, opium-substitution projects have become popular. They receive all kinds of support from the Chinese government, including loans from government-owned banks for such projects."⁵⁶

"The companies are not really into crop substitution," says a source familiar with the situation. "The NDA-K complains that these Chinese companies are not sincere. They are just interested in getting loans from the Chinese banks. I think it is the same problem in the Wa and Kokang regions. All these companies say they are into alternative development, so the Chinese government will endorse their loans. But in reality they are just doing business. The poppy farmers will not benefit from it; the profits will go to the pockets of the Chinese businessmen."⁵⁷

Most contracts with Chinese companies are made with the leaders of the cease-fire groups and not with local communities. "The leaders are not interested in long-term projects, though they may pay lip service to their implementation. They just want quick results and quick returns... The villagers are not in the least impressed by the results and are totally indifferent to the programmes."⁵⁸

The current levels and methods of assistance from China to communities in poppy and ex-poppy growing regions has thus far been insufficient and inappropriate. If the Chinese government is really concerned about opium cultivation in Burma and Laos it should invest in more sustainable and community-based development projects, and take into account the lessons learned from alternative development projects in other parts of the world. "After more than a decade of substitution programmes, there is not one that has met its targets and neither the Burmese side nor Chinese side can claim any success yet."⁵⁹



International reaction to the post opium ban crisis in northern Burma and Laos can best be described as 'emergency responses'. This raises serious questions about the sustainability of the opium bans and opium decline in the region. "In Laos, (farmers) also have some problems but not as serious as those in Burma," says a source at the Thai Office of the Narcotics Control Board (ONCB). "We need to do something for them, otherwise the opium reduction will not be sustainable." WFP concludes that it "will be many years before ex-poppy growing communities are able to support their needs through alternative crops and other livelihoods."⁶⁰

Alternative Development: reality or myth?

The main problem with implementing opium bans in northern Burma and Laos is that the policy interventions are wrongly sequenced. In Thailand, for example, substantial time and resources were invested in creating alternative livelihoods for poppy farmers before the authorities introduced laws to eradicate opium. Also, no deadlines were set for the elimination of opium poppy cultivation. In Burma and Laos, this has not been the case.

"We are concerned that in Burma and Laos, especially in Burma, they force the farmer to stop growing opium," says a representative of the ONCB in Thailand, "but they need it for money to buy rice; this is the problem they face. They ordered the people to stop without preparation and now they have no alternative."

Projects by international NGOs in both northern Laos and Burma include introducing better fallow systems⁶¹ and terracing to increase rice production, and livestock projects. These projects are still at an early stage and do not provide sufficient food and income for former poppy farmers. The Lao government has attempted to introduce alternative cash crops in the north, including coffee, cardamom and sesame. However, Chinese investment has undermined these efforts by aggressively promoting the introduction of other crops such as sugar and rubber.

UNODC has had a presence in Burma's Wa region since 1998 when it started the Wa Alternative Development Project (WADP). Initially, UNODC projects were restricted to the southern part of the region. In 2003, UNODC facilitated the entry of 18 UN agencies and international NGOs into the Wa and Kokang region in a new partnership called the Kokang and Wa Initiative

(KOWI). The project aims to help poppy farmers and their families to meet their basic human needs without the income derived from opium. KOWI has a 15-year programme of projects in different sectors in three five-year cycles: the Pre- and Post-Emergency Cycle (2004-2008), the Enhancement Cycle (2009-2013), and the Sustainability Cycle (2014-2018).⁶²

There have also been some attempts by cease-fire groups to develop their impoverished and war-torn regions. Most of these are limited in scale and approach, and they are inhibited by a top-down and non-democratic structure that emulates military organisations. The physical isolation of these areas and lack of communication and infrastructure are a hindrance as well. The cease-fire groups are isolated by the military government which wants to keep them weak and divided for political reasons, as no real peace agreement has been reached yet. The international community has neglected and demonised these groups and limited aid to these areas.

"We have had an anti-drugs policy from the very beginning and intensive enforcement of our anti-opium campaign started in 1991," says a representative of the KIO. "We want to make Kachin State an opium-free state but we face many difficulties and we cannot carry it out effectively. We did a lot ourselves, because we cannot contact international organisations, we have no media access, and we are blocked from all sides. Doing this job is a great burden for our organisation. We cannot solve this problem alone."⁶³

The current levels of assistance to offset the impact of the opium ban on ex-poppy farmers in Burma and Laos are woefully insufficient. According to UNODC: "(The) needs of the Wa people are so great that the assistance provided is insufficient in meeting the needs of all vulnerable farmers. Therefore emergency aid and sustainable development are urgently needed to avoid a migration of the people, and to avoid their resuming opium cultivation."⁶⁴

In Laos, UNODC estimates that some 1,100 villages (50 % of the poorest former poppy farmers) have received development assistance since being forced to stop growing poppies. The other half is at risk of growing opium again due to a lack of alternative livelihood options.⁶⁵ "We still need to follow-up with them," says a Lao aid worker. "We still have a risk, people may start growing opium again if we leave. We need at least five more years."⁶⁶

There are clearly serious questions about the sustainability of opium bans in Burma and Laos. Early warning signs are already apparent in Burma where opium cultivation has spread to other areas in Shan State. There has been a marked increase in production over the past two years, confirmed by UNODC figures, which may not even show the real extent of the increase.

Alternative Development: principles and lessons learned

Over the last decade, there has been considerable progress in understanding the impact and lessons learned through rural development in opium poppy and coca growing areas, usually referred to as 'Alternative Development'. Experience has shown that Alternative Development can address the needs of targeted rural communities, and can contribute to a reduction in crops.

Among the important lessons learned is the need for an integrated approach. All actors involved in rural development, including government, development agencies and civil society organisations, should take into account the causes of coca and opium cultivation in their development strategies and plans. It is important that Alternative Development is not limited to a project approach, but guides national and local development programme design and implementation.

The cultivation of opium poppy and coca often takes place in areas plagued by conflict, insecurity and vulnerability. Interventions should comply with the aims of human rights protection, conflict resolution, poverty alleviation and human security. They should also have a participatory approach and respect traditional culture and values.

Interventions should be properly sequenced. In particular, there should be no eradication or strict implementation of opium or coca bans unless viable and sustainable livelihoods are in place. Aid should not be made conditional on reductions in opium or coca cultivation.

The lessons that can be drawn from the above are numerous and underline the need for a longer-term vision and commitment, accompanied by more humane and better sequenced development-oriented policies and programmes, which actively involve those targeted from the outset to guarantee sustainability.

The KOWI concept is an important initiative as it brings all development actors together to facilitate coordination and cooperation in the Wa and Kokang regions. It is also an opportunity to formulate joint strategies, taking into account the lessons learned about alternative development: rural development in an environment where drugs play a crucial role and, to some extent, still do. This has currently

not happened. There is a need to mainstream counter-narcotics objectives into the wider development agenda, and vice versa; drug control should be development orientated.

The coordination and cooperation of the KOWI partnership needs to be improved to increase the effectiveness of development interventions in the region. The current approach will not provide communities with alternative livelihoods following the poppy ban and the ban itself may therefore not be sustainable.

Such an effort will require more input from agencies with experience in alternative development and mainstreaming, which KOWI currently lacks. UNODC does not have programmes in other poppy growing areas, such as Kachin State and other parts of Shan State. It has also announced it will leave the Wa and Kokang regions in 2009, and has applied for funds to start a project in southern Shan State.

"There are no alternatives for the people, I think nothing has changed (since the poppy ban), only that the people have become poorer," says an international aid worker. "The poorest of the poor are here. In the project we are struggling with what to offer and what to do? Why does UNODC not get its mandate extended?"⁶⁷

Sugarcane plantation in Luang Namtha province, northern Laos



Tea plantation in Mong Mao, northern Wa region



The reality of Alternative Development in Thailand, Laos and Burma

The four pillars of the 'ASEAN and China Cooperative Operations in Response to Dangerous Drugs' (ACCORD) include eliminating the "supply of illicit drugs by boosting alternative development programmes and community participation in the eradication of illicit crops".⁶⁸ Although several projects in Southeast Asia have addressed opium cultivation, there has been little discussion about implementing the lessons learned on alternative development and mainstreaming these into all development interventions in the region. It is also difficult to compare alternative development efforts by country as conditions vary, project aims are not clear and there is a lack of data. This overview, therefore, only shows the main alternative development efforts.

Thailand has focussed on alternatives since 1969 when King Bhumibol Adulyadej founded the Royal Project "to help the hill tribes to help themselves in growing useful crops which enable them to have a better standard of living".⁶⁹ In 1971, the United Nations Fund for Drug Abuse Control (UNFDAC, predecessor to the UNDCP) started its first Crop Replacement and Community Development Project in northern Thailand.⁷⁰ In 1981, the ONCB and the international aid agency GTZ started the Thai-German Highland Development Program, which spent over \$40 million in 18 years and targeted 40,000 people. Since 1988, the Mae Fah Luang Foundation has run the Doi Tung Development project to improve the social and economic environment of 27 villages and eliminate poppy cultivation. Thailand actively started eradicating opium poppy in 1984, 15 years after the start of the Royal Project, and initially started with villages that the government thought were able to survive without opium poppy income. As a result of all these efforts, poppy cultivation has diminished in Thailand. In 2007, UNODC estimated only 1,600 households were still involved in poppy cultivation.⁷¹

Laos used to be the second largest opium producer in Southeast Asia. Between 1988 and 2000, Laos received over \$33 million⁷² to implement projects to eliminate poppy cultivation. The International Fund for Agriculture Development and UNDCP were the biggest donors. Despite these projects, opium still contributed 50%-70% to the total income of many northern hill tribe people. In 2001, Laos started eradication programmes and in 2006 the government declared the country poppy free⁷³. As a result, an estimated 400,000 people were left without alternative livelihoods which forced about 33,000 people to move to lower regions.⁷⁴ In 2004, the World Food Programme (WFP) began assisting insecure households and by July 2007 had spent over \$5.5 million and provided more than 366,000 people with relief food and food for work. In 2007, WFP approved a new two-year programme with a budget of \$7.2 million, which targets 1,100 former opium-growing villages that need assistance and have been identified by the Lao National Commission for Drug Control and Supervision.⁷⁵ In 2004, GTZ started an integrated rural development programme in 10 districts of the provinces Luang Namtha, Sayaboury and Attapeu, which include former poppy growing regions. The programme will run until 2011 with a budget of €18.9 million. In 1993, Norwegian Church Aid started a drug demand reduction and poverty alleviation project for ethnic minorities in Long district in Luang Namtha province. It had a budget of \$180,000 for the period 1993-2007. Action Contre la Faim now implements a food security project in the same region. This began in 2003 and will run until the end of 2009 with a budget of \$1.1 million.⁷⁶

Burma, the biggest opium producer in the region, has made 2014 its elimination target date. However, cease-fire groups implemented opium bans in the Kokang region in 2003 and in the Wa region in 2005; together these areas accounted for 90% of the opium production in Burma. Unfortunately, most farmers were still heavily dependent on poppies when the ban came into effect. UNODC estimated in 2007 that 163,000 households in Burma were involved in poppy cultivation. UNDCP (now UNODC) has operated in Burma since 1994. The Wa Alternative Development Project in Shan State was UNDCP's largest project, costing over \$15.5 million between 1998-2003.⁷⁷ The Japanese International Cooperation Agency (JICA) initiated a buckwheat project as an opium substitution crop in the Kokang region in 1998. By the time the Kokang authorities implemented the opium ban in their region in 2003, the project had failed. In Japan, buckwheat is consumed mostly in the form of soba noodles, but the distance to markets and lack of profitability made the project unsustainable. There are also a number of international and local NGOs that implement community-based development projects in poppy and ex-poppy growing communities in Kachin State and northern and southern Shan State. The majority of these projects tend to be small-scale.

The Kokang and Wa Initiative (KOWI), initiated by UNODC in March 2003, acts as an umbrella initiative to 18 partners (NGOs, UN and national agencies)⁷⁸. It focuses on vulnerable ex-poppy farmers by providing food security, health care, water sanitation, infrastructure and education. The absence of poppy cultivation has made donors less interested and lack of funding has required UNODC to downsize its activities in the region. At the same time, some new organisations have started projects in the region. Since 2004, WFP has provided food to the most vulnerable people, reaching out to approximately 160,000 people in the Wa region. In the Kokang region, WFP food assistance started in 2003 and has reached nearly 100,000 people, mainly through Food for Work⁷⁹ and Food for Training or Education. In 2007, WFP approved a new three-year project to reach 726,000 people in the Shan State⁸⁰. However, current levels of assistance are not sufficient.



Changing Market: Opium & Heroin

*"Opium symbolized many things to the people of Laos. It could represent wealth or poverty, pleasure or degradation, corruption or independence, waste or security - all depending on the context, the individual, the purpose. Like sex, money, life itself, opium both attracted and repelled, created and destroyed."*¹

Opium: kicking the tradition

Throughout the Southeast Asia region, opium is traditionally used for a variety of purposes. It is used to cure diarrhoea and stomach aches, to lessen the effects of malaria, to control blood pressure or reduce heartbeats, as a painkiller and as a tranquilliser. It is also used to cure animal diseases and to tame and train elephants. Poppy seeds are used in cooking or made into oil. With such a wide variety of uses, the dividing lines between opium's medicinal and recreational use and its addictive consumption are blurred. Eating little pieces of raw opium and drinking tea made from the pods are the simplest and lightest forms of consumption for medication or mild relaxation.

Traditionally, the most common way to consume opium is with a bamboo pipe; small balls of opium are heated over a lamp, then carefully put on the top of the pipe and smoked. In Burma this is called 'Taw Pa'. Since this way of smoking is expensive, it is only used by relatively well-off people and by those who cultivate opium themselves. In the Wa hills of Burma this is still the most common way to consume opium. Opium can also be mixed with tobacco, rolled into leaves and smoked, which is less expensive. Each region has developed its own methods for purifying the opium and mixing it with the fibres ('panlap') from banana leaves or other plants, a mixture called 'khatpong' or 'kakoo'. The residues from a 'khatpong' pipe are sometimes re-used for medicinal purposes or to dilute the purer mixture into a cheaper variant. For a long time, smoking opium was a socially accepted practice, similar to alcohol use in other regions of the world, and was similarly accompanied by addiction problems for some consumers.²

Increased pressure through drug control efforts has started to change social values around opium. For many decades in China and Thailand, and more recently in Laos and Burma, traditional opium use has increasingly been seen as a social evil that should be banned. The pressure on users to quit their habit has become huge, especially since the bans on opium cultivation. Detoxification programmes have begun to reach even smaller villages. The combination of changing values, the availability of treatment services (of varying quality), the prohibition of poppy cultivation even for personal consumption and the steep price increases have

Equipment to smoke opium ('Khatpong')



Heating raw opium



Mixing the opium with fibres



Smoking opium with water pipe



significantly reduced the number of people using opium, including those in traditional user areas.

Most visibly in Laos, where opium use rates in rural areas have been the highest in the region, many villagers' success at giving up opium has led to concern about the minority who are unable to give up their traditional use. "Those that relapsed are seen as failures that hold the village back from the fruits of modernisation that development agencies and

government officials promise to the 'model' villages that are relatively successful in removing opium addiction. ... This adds to the sense of shame and hopelessness that many opium smokers feel and only increases their dependence on opium. ... Regardless of the fact that the pervasive presence of opium and its practical and symbolic value in specific medical or social contexts makes abstinence a difficult and, at times, impossible task, addicts are increasingly marginalised because of their imputed personal responsibility for their addiction and its implications for the village's material development. This kind of punitive atmosphere began creating a sub-population of 'degenerate addicts'."³

Currently, opium use is on the decline, including its medicinal and traditional uses. The majority of users seem able to cope with it and it definitely brings benefits to their communities. However, a minority of users are being marginalised and criminalised to an unprecedented extent. Combined with the higher prices, this pushes them towards the most cost-effective means of using opium - injecting a more concentrated form (heroin) which is also easier to use and trade without detection. The total number of users is decreasing but a growing number of people are becoming involved in the most problematic form of opiate consumption.

Recreational opium use in Kachin State

Woman over 50, seven children, Mai Ja Yang.

"My husband is in the jade business and the family income is good. I am happy and healthy. He doesn't smoke opium, even in secret, but I started to smoke opium as a medicine, maybe 25 years ago. When we were young, before the KIO stopped fighting with the government, we could find opium everywhere in eastern Kachin State. After the ceasefire, the KIO banned opium and told the farmers to grow other crops. But in this area people don't want to change because growing opium is easier and they did not get any help to change to other crops. The opium price has increased since the KIO government banned it. The quality has also dropped - some of the sellers mix it with other materials. I can tell because I know about real quality opium as I am familiar with it for a long time. I use to smoke opium at least twice a month; it is good for your health. You young people should also use it for medicine, but you should not use it always. Sometimes I let my daughter smoke some opium too, it is fun and she can relax."

A parallel can be drawn here with the negative side effects that the ban on opium cultivation had for farmers described in earlier chapters. Changes in opium cultivation were pushed through far too quickly; a more gradual reduction accompanied by the creation of alternative livelihoods could have prevented many of the disasters now unfolding in parts of northern Burma and Laos. The same holds true for opium consumers. Although the decline in opium use has definitely had some positive effects on communities, serious negative effects for some people include greater social exclusion, mounting debts, involvement in illegal activities (dealing in drugs, for example) to sustain their habit, and a shift to more problematic and risky drug use.

Rising opium prices cause serious problems for poor households with family members who continue to use the drug. This creates new problems for the community as a whole. A more gradual transition would have allowed communities to continue to grow poppies for personal consumption so they do not have to buy it at the high prices on the illicit market. It would have meant the elderly are not put under great pressure to quit. Some of the medicinal and less problematic recreational uses could have continued and the quality of health services and access to other medicines improved. All these would have avoided the negative side effects now experienced by those who are unable to keep pace with the rapid changes.

Initially, a more considerate approach was taken in northern Laos. There, community-based programmes of opium reduction that combined alternative development and demand reduction schemes have been supported by the German aid agency GTZ and Norwegian Church Aid. These projects have shown that, when handled carefully, "automatic replacement of opium by other forms of drug abuse can be avoided to some extent, and to date there have been only very few and isolated examples of incoming heroin and needle use."⁴ The government policy was supportive, at the time, of more gradual and community-based transitions that exempted elderly opium users from obligatory detoxification and allowed them to cultivate a 10 square metre plot for personal consumption. With the enforcement of the opium ban in 2005, unfortunately, these exemptions were cancelled.

Another parallel can be drawn with development agencies pulling out of areas where opium production is declining just when such alternative interventions are urgently required to address the dramatic loss in livelihoods and to make reductions sustainable. Health agencies tend to lower their priorities for areas where opiate consumption is decreasing, just as a particular group of users has additional needs for assistance and new patterns of drug use are emerging.

Equipment to smoke opium ('Taw Pa')



Heating the raw opium over a candle



Preparing the raw opium into a small ball



Placing the opium on top of the pipe



Smoking the opium with a bamboo pipe



Problematic opium use in Kachin State

Woman, 39 years, four children.

"My husband and father-in-law both use opium. My father-in-law started using it as a medicine for pain relief after he was beaten up by a Burmese soldier 47 years ago. In the past, he had a paddy farm and land to grow crops. He has two sons and four daughters. The older son had joined the KIO army but came back to the village because his father needed him to help on the farm. In the village community many used opium, so this son also started to use it along with his father and friends. In the past, the opium price was not high and the family did not have big problems. When they had free time, they went to fish and look for forest products to get income to buy the opium. When I married him, I could manage the family income and live happily with them. But when my brother-in-law and sister-in-law became adults and we had children ourselves, I could no longer manage the family income. The school fees are high and there are so many things we need money for.

Now I face many problems and I have to fight them most of the time. I am so sad. The price of opium has been increasing over the past eight years and my husband and father-in-law spend a lot of money on it. Now I have four children and it is difficult to support them. I didn't want to have any more children, so I have injected medicine to prevent getting pregnant. Four months ago I nearly died because I had an abortion. I didn't have enough money, so I had to borrow some to pay the hospital. I still don't feel well. It is hard to recover because there is not enough food in the family. I want to divorce my husband, but that is very hard within the Kachin culture. I begged him to stop using opium, but he cannot. Even if he did stop, he will use it again soon because there are so many people who use it in this community. My son and daughter wanted to go to school but I could not afford the tuition fee of 5,000 Kyat (about \$4) per month. I have cried so many times. I spend 1,500 Kyat per day on food, but my husband and father-in-law spend 3,500 Kyat on opium every day. With what they spend on opium in one day, I could buy clothes for my children, but my children have to wear very old clothes every day and when they ask for new ones I cannot afford to buy them. I have to wipe their tears. How can I continue such a life...?"

Kachin woman smoking opium ('Khatpong')



The opium trade

Raw opium is harvested from the opium poppy by making small incisions in the bulb of the plant, after which a white juice oozes out that turns into a brown sticky paste - the raw opium. Farmers collect the opium by scraping it off with special knives. Each region often has developed specific tools for this. The opium is then traditionally wrapped in banana leaves, but nowadays people also use plastic.

In the Danai region of Kachin State opium contains more moisture and it is harvested with pieces of cloth instead of with scraping knives. The opium is kept and sold on these pieces of cloth, which are later boiled in water to remove the opium. This opium can be used for 'khatpong'. Some people in Kachin State prefer to mix it with cough syrup and drink it. This method is especially popular among women. In territory controlled by the NDA-K in eastern Kachin State along the Chinese border, people also use what they call 'black opium water' and inject it.

Yields of opium in Southeast Asia vary from year to year and place to place. Production is dependent on soil and the weather, and can be improved by applying fertiliser and good irrigation. In Laos, the weighted average dry opium yield was estimated at 8 kg/ha in 2006 and 6 kg/ha in 2007. The figures for Burma are 14,6 kg/ha in 2006 and 16,6 kg/ha in 2008.⁵ Few poppy fields are irrigated in Southeast Asia and yields are relatively low, especially compared to Afghanistan, where the average yield in 2007 was estimated at 42,5 kg/ha.⁶

Raw opium in weighing scale with old British silver coins



When opium is freshly harvested, it contains moisture (15% - 40%), and is usually referred to as 'wet opium'. After some time the moisture reduces and it becomes 'dry opium', which is more expensive as it contains relatively more morphine. Furthermore, prices for raw opium during harvest time are lower as supply is high. Prices increase during the year, with the peak just before the harvest season. Raw opium can be kept well for about two to three years, after which the quality starts to reduce, mainly due to mould and fungus.

Although farmers prefer to sell their opium when prices are high - either after the opium has become dry or during the off-season - few are able to do so as they need the income from the opium. Farmers often sell their opium harvest in advance to traders in return for credit. These arrangements typically give the farmers even lower prices than at harvest time, and they often only get one-third of the profit of their opium. "The poor borrow money from the Chinese or a friend who has money," says a pastor from Sedun area in Kachin State. "After harvesting, they have to pay back three times what they have borrowed. This system is called 'nyha phun'." ⁷

Farmers who are a little better off will sell all their opium during harvest time. In both cases opium is bought by rich traders from Burma and neighbouring countries. "People from Myitkyina, Waimaw, Washawng and China buy the raw opium from our village," says a man from NDA-K controlled territory. "About half of the people in our village get money in advance for their opium."⁸ Only the richer farmers can afford to stock their opium and sell it when the quality and/or prices of their opium increase.

One clear consequence of declining poppy cultivation in the upper parts of Burma and Laos has been an increase in the price of opium and heroin. In both Laos and Thailand,

opium is \$1,000 per kilogram as reported by UNODC, up to \$1,600 near Luang Prabang in Laos or the retail price of \$2,100 in Thailand where poppy cultivation had almost disappeared by 2004 (though there was a small rise again in 2006). According to UNODC, farm gate prices for dry opium inside Burma in 2007 averaged \$265 per kilogram, ranging between \$200-400/kg, though our research for the northern parts of the country did not confirm these figures.

Collection of price data by our local researchers revealed prices which vary widely according to season and region, which is an indication of a fragmented market in disarray (see text box).⁹ Over the past three years, prices in Kachin State have doubled on average. By 2007, it was difficult to find raw opium for less than \$1,000/kg. Prices as high as \$1,400-1,600/kg for best quality dry opium were reported. In southern Shan State, where production has increased significantly in the past two years, inland farm gate prices for raw opium remained relatively stable around \$200-300/kg in 2007. At the Thai border, prices in 2007 went up to \$650. By 2008 prices had further increased in almost all regions.

Raw opium in village in Kayah State



Opium prices in Burma

In September 2007 along the Shan-Kayah border, a middle trader could buy dry opium for about \$350/kg and sell it to a heroin lab for \$435/kg. Prices in 2008 went up to \$480/kg. In this region, where several villages grow opium twice a year, raw opium harvested from poppies grown in the rainy season (June-September) is cheaper as it contains more moisture. Prices are at \$205-215/kg, compared to \$300/kg for raw opium from poppies grown in the cold season (October-February). These prices, low compared to most other regions in Burma, are still high relative to previous years. In 2001, opium prices in this area were around \$54/kg (100,000 kyat/viss) and in 2005 around \$162/kg (300,000 kyat/viss).

Closer to the Thai border, where the trade is mostly done in Thai baht, prices fluctuated in September 2007 between \$370 to \$550/kg (20,000 to 30,000 baht per viss), while at the Tachilek border the highest price for southern Shan State was found to be \$650/kg (35,000 baht/viss) by the end of the year. Lower prices were found around inland spots where opium production had considerably increased in 2006/7, and raw opium could be bought at the farm gate for \$180-220/kg.

Prices in southern Shan State increased in the period 2007 to 2008 from \$540/kg to \$695/kg in Namzang, and from \$470/kg to \$590/kg in Homong (Khun Sa's old headquarters). Prices in other areas in southern Shan State in 2008 varied between \$610/kg in Kunhing to \$780/kg in Mongnai.

In eastern Shan State, prices also rose between 2007 and 2008, from \$590/kg to \$735/kg in Monghsat, and from \$580/kg to \$695/kg in Mongpian. In Kengtung, the 2008 prices were reported to be as high as \$870/kg. In northern Shan State, near the Chinese border, prices also seemed to be rising, from \$380/kg early 2007 to \$545/kg by the end of that year.

Still further north in Kachin State, much higher prices were found, comparable only to the high prices inside Thailand and Laos. For example, in and around Hpakant, the main trade centre for jade, raw opium was worth almost \$1,000/kg and good quality dry opium \$1,360-1,630/kg (2.5 to 3 million kyat/viss) in July 2007. From the Danai region in June 2007, where several villages cultivate poppies, a farm gate price of \$1,200/kg was reported. TNI research showed that opium prices in the capital of Kachin State, Myitkyina, during July steadily increased from \$175/kg in 1997, to \$210/kg in 2000, \$975/kg in 2005, and up to \$1,495/kg in 2008.

Prices in Kachin State near Chinese border have also steadily increased. "The price has been going up for some time, the difference with 10 years ago is great, but I can't remember the prices exactly," says a representative of the NDA-K. "This year we are carrying out eradication, so the opium price will certainly rise; it won't fall."¹⁰

The heroin trade

Heroin is made from raw opium and, like morphine, is a product of the pharmaceutical industry in Europe. Morphine was first extracted from opium in 1805 by a German company which started commercial production in 1827. In 1874, a British scientist boiled morphine with acetic anhydride and was the first to produce diacetylmorphine. The German Bayer Company produced diacetylmorphine in 1899 under the trade name 'heroin' which it marketed as a 'non-addictive panacea for adult ailments and infant respiratory diseases'. A year later, the same company also produced aspirin, another painkiller. Heroin is a stronger painkiller than morphine but was considered then to be less harmful and a 'gentle drug'.¹¹

Heroin was sold with large advertisement campaigns as a remedy for almost everything, "claiming near-miraculous properties that would restore vitality to the aged, heal children and cure dozens of unrelated ailments... Physicians believed that heroin was an effective, non-addictive substitute for morphine, whose dependency-inducing properties were, at last, well understood."¹²

Medical personnel in Europe and the United States promoted heroin in the early 20th century until it was made illegal. The drug first arrived in China around 1900 when heroin pills and powders were used as alternatives to opium and morphine, and it was considered to be "a safe, reliable analgesic, one which can be repeated if necessary without producing habit or doing harm in any way".¹³ Heroin pills in China were known as 'red pills' and were smoked in a bamboo pipe, like opium. The poor in China also commonly used the cheaper heroin pills as an alternative to opium. The 'red pills' were illegal in China, together with opium, morphine cocaine and heroin, as a result of the Hague Convention of 1912 (see text box). By 1935 clandestine heroin production was booming in China, reaching industrial levels, and China even exported illicit heroin to Europe and the US. Opium, however, remained popular in many parts of China. In Yunnan province, bordering Burma and Laos, "opium was inextricably enmeshed with the local economy. Soldiers often preferred the more expensive mountain varieties ('shantu' or 'shanyan'), coolies smoked dross (residue of opium smoked in a pipe) and ashes, and farmers used their own abundant resource." Opium consumption also remained popular in isolated provinces which had traditionally grown poppies.¹⁴

Heroin production in Southeast Asia started in the 1950s in Thailand following a government campaign to clamp down on opium. As a result, opium smokers resorted to taking heroin, which stimulated local production of heroin No.3. This low-grade heroin production increased in Bangkok and northern Thailand. It was not until the late 1960s that production of high-grade heroin No.4 started in

the border regions of Thailand, Burma and Laos. A major demand for the heroin came from US soldiers based in South Vietnam, pushing up prices of raw opium in the region. Following the US withdrawal from Vietnam, heroin was exported to the US by Chinese, Corsican and Sicilian-American drug syndicates, causing a further increase in opium prices in the Golden Triangle.¹⁵ In the battle against what the US saw as the communist threat in Southeast Asia, the CIA supported a wide range of armed groups and militias, especially in the border regions of Thailand Laos and Burma. In 1971, the CIA identified 21 opium refineries in the tri-border area, seven of which were capable of producing 90% to 99% pure heroin No.4. "Many of these refineries were located in areas controlled by paramilitary groups closely identified with American covert operations in the Golden Triangle."¹⁶

The process of making heroin from opium has several steps. The raw opium is mixed with lime in hot water and, as a result, a white layer of morphine surfaces. This layer is drawn off, heated again with ammonia and then filtered. This results in a brown paste which is the morphine base. There are four stages to creating heroin out of a morphine base and the heroin produced from each stage is numbered; the product which comes out of the first step, for example, is 'heroin No.1'. "First, equal quantities of morphine and acetic anhydride are heated in a glass or enamel-lined container for six hours at 85°C. The morphine and the acid combine to form impure diacetylmorphine. Second, water and chloroform are added to the solution to precipitate impurities. The solution is drained and sodium carbonate is

added to make the heroin solidify and sink. Third, the heroin is filtered out of the sodium carbonate solution with activated charcoal and purified with alcohol. This solution is gently heated to evaporate the alcohol and leave heroin, which may be purified further or converted to heroin hydrochloride, a water-soluble heroin salt."¹⁷ This last stage, in which ether and hydrochloric acid is used, is the most difficult part of the process. The end product is white heroin powder, called 'heroin No.4' or often just 'No.4', which is suitable for injecting and sniffing.

Traditionally, the ratio of heroin that can be made from opium has been put at 10:1, with 10 being the opium.¹⁸ However, TNI research in Southeast Asia shows higher rates. Two sources close to laboratories gave similar estimates of conversion rates for opium to heroin. In a laboratory near the Thai border, they make an average 20 kg of No. 4 heroin from 100 viss of opium, an 8:1 ratio. In a laboratory in northern Shan State, they use 24 viss to make 12 to 18 compressed blocks of No.4 (depending on the quality of the opium) of 350 grams each. This is a ratio of 6 to 9 kg of opium for 1 kg heroin.

There are different ways to consume heroin. Some people smoke it in cigarettes. Others prefer to heat it on a piece of metal paper, the heroin then vaporises and the smoke is inhaled through a tube, a method known as 'chasing the dragon'. The most cost-efficient way to consume heroin - but also the most addictive and most dangerous to health - is to inject it into a vein. Some drug users in the China-Burma border area prefer to first draw some blood

Drawing blood into the syringe to mix with the heroin powder



into a syringe which is mixed with the heroin powder and then injected into their veins. One drug user in Kachin State preferred to mix the heroin powder with rainwater. Other people say they like to mix heroin with different kinds of Chinese medicines before injecting it.

The centre of heroin production in Southeast Asia is in Burma's Shan State. A 2003 study found 59 heroin refineries operating in Shan State, the majority of them in areas bordering Thailand and China.¹⁹ According to TNI research, small scale production of heroin in Kachin State started in 2001-2002. This heroin has a light red or light brown colour. Production is still relatively small compared to Shan State and the pure white heroin available in Kachin State originates from Shan State. This is the best quality, but is now seen less and less on the market. The heroin from Kachin State, which has a lower quality, dominates the market. Heroin is produced near the Kachin border town Laiza in powder and in block form.

Heroin is sold in various forms and amounts. For example, a compressed block of heroin on the China-Burma border weighs 350 grams and measures 6x4x3 1/2 inch (15x10x9 cm). Smaller, uncompressed quantities of 'white mass' (No.4 heroin powder) are traded in the northern Burma-China border region in soap boxes containing 21 to 22 grams (another source estimated 15 to 18 grams). The price for a soap box was around \$300 at the end of 2007 and has more than doubled over a decade. A new development is the use of sticks of compressed heroin to smuggle the drugs across the border. These sticks - called 'yasaw' in Chinese - are compressed like the heroin bricks but measure 2 x 1 inch (5 x 2,5 cm) or 'about the size of a finger', and are specially designed to be smuggled. According to some traders, this is done by women who put as much as 30 to 40 grams inside their vagina at once.

There are different methods of dividing a soap box into street-dealing quantities. Items used include the caps of penicillin injection bottles (to measure and then wrap in paper) or small aluminium containers, normally used for traditional herbal medicines, called 'Five Pagoda'. One such container is enough for two to four injections depending on the dose, and its price fluctuated between \$25-35 in Rangoon in early 2008.

Like opium, heroin prices have been rising steadily over the past decade. One compressed block of 350 grams at the end of 2007 was 26,000 yuan in Muse on the Burmese side of the Shan-Chinese border, and 28,000 yuan across the border in Ruili. That's \$10,500 and \$11,500 per kilogram. Further into China, prices go up very steeply. For example in Guangdong province bordering Hong Kong, a price of \$40,000/kg was reported.

Equipment to smoke heroin no. 4



Heating the heroin on silver paper



Smoking the heroin - 'chasing the dragon'



Dealing heroin in Ruili, China

Woman, 31 years, one child of seven years, former sex worker, Ruili.

"I started using No.4 about 13 years ago. At that time, I was a sex worker and everyday I worried about my future. My owners exploited me and would give me only 50 yuan (7 yuan = \$1) for every 150 I made, but nothing if I earned less than 150 a day, and that happened often. One customer would give 90 to 95 yuan. I am from Lashio, Burma, but started using heroin here in China. After one year, I found myself in deep and increasing debt and could not return to Lashio. The situation was very frustrating, especially since many of my colleagues also started using drugs and it became difficult to see a way out of this.

Since 1995, I have smoked heroin in cigarettes. I use it everyday but I have never injected. We buy the heroin in penicillin bottles and one and a half bottles equals about one gram. In 1995, one bottle was 55 yuan but today it costs on average 90 yuan, sometimes up to 130 Yuan. Sometimes, when the Chinese police are arresting many traders, the price can suddenly rise to 500 Yuan a bottle. I smoke three or four times a day, usually at eight in the morning, then at eleven, three and in the evening. When I wake up in the morning, I want to use it. It's an unbearable feeling. I do not take much pleasure in using heroin. I simply need it every day. I tried to stop for two or three days but I get immense pain in my whole body, cannot sleep, suffer nose bleeds and have absolutely no energy. I want to stop using, but I just cannot.

In 2001, I started buying and selling heroin. In the free trade zone on the border the price is the same as in Muse on the Burmese side; 60 yuan there and 90 here. People smuggle uncompressed heroin in soap boxes from Burma across the border. One soap box may contain 15 to 18 grams, normally enough to fill up 28 penicillin bottles, sometimes, with cheating, up to 35 bottles. The price has more than doubled since 1998 when a soapbox here was valued at 800 yuan. Nowadays, the price is 2,200 yuan per soapbox here, and 1,800 to 1,900 on the Burmese side. From 1998 to 2000 the drugs were of good quality, but it has deteriorated since then. In 2001 and 2002 I used one bottle a day, but today I need one and a half. Every day I buy five to eight bottles of heroin by the roadside, use some myself and sell the rest on to make a profit.

I have been arrested more than ten times, and now the Chinese police arrest me and demand bribes even if I am not carrying any drugs. The first time I was arrested I was caught with two bottles and the police wanted 3,000 yuan from me. I didn't have that kind of money and bargained it down to 1,500 while they beat me badly. I don't buy blocks or soapboxes but only bottles so it is mostly smaller amounts they demand, the most I paid was 2,000 yuan. My husband was arrested by the Chinese police and had to pay 3,000 yuan. We couldn't pay it and this is why he is in the rehabilitation camp for one year now. When we got married he didn't use drugs but rather tried to make me quit. We married when my baby was four months old, but I couldn't stop and eventually he also started using. He was not trading in heroin like I am, but was only using.

No.4 is difficult to get and so the prices are higher. Now, I deal in all kinds of drugs, I also sell yama pills. My customers are mostly Chinese, ethnic Shan and Kachin, most of them male and between 20 and 30 years old. Many of the sex workers use heroin or yama. One tablet costs between 8 and 15 yuan depending on the quality. Some years ago, the price was as low as 2 yuan. A bag of 200 pills can be bought for between 1,300 yuan for lower quality and 1,800 yuan for the best.

We used to trade on the roadside but the police have arrested many people there lately so now we often operate by mobile phone. The camps are full of people like me, mothers with children who have been arrested on the roadside for selling drugs. Around here, there are two camps, one with 1,000 people and the other with some 500 people, both users and sellers. In Burma, it is even more risky to buy and sell drugs than here on the Chinese side."

The prices of 'yasaw' has also gone up. In Mongko on the Shan-China Border prices went up from 1,500 Yuan in 2007 to 2,000 in 2008, and in the NDA-K controlled border town Pangwah from about 2,500 yuan in 2007 to 3,000 yuan in 2008.

Prices in southern Shan State around the same period were lower per kilo at six million kyat (\$5,200) for No.3 unpurified heroin and eight million kyat (almost \$7,000) for No.4. In the Burmese border town Tachilek, located opposite Mae Sai in northern Thailand, 2008 prices for one kilogram of heroin powder varied from \$6,750 to \$8,250 (B230,000-280,000), while prices for a 700 gram heroin block were about \$7,950 to \$8,250 (B270,000-280,000).

Heroin prices in Kachin State in 2008 were lower in areas at the border with China, from where substantial amounts of heroin are imported that come from northern Shan State. Prices for one soap box of heroin were \$305 at the KIO controlled border town Laiza, and by the time it reached Myitkyina this had doubled to \$610, and gone up to \$695 in Hopin. The soap boxes of heroin in Kachin State border were divided into penicillin bottles, which could further be divided into seven 'Five Pagoda' containers for trading at the retail level.

Many sources confirmed rising prices and reduced quality. For example, in Loiye and Mai Ja Yang on the Kachin-China border: "For people who use heroin, 5 yuan would be

enough per day in the past, but now that the price has gone up, they spend at least 15 yuan per day. If they work on a farm as a day labourer, they can earn 15 yuan per day. If they work really hard, they can earn 20 yuan. So it is really hard to make a living and maintain the habit."²⁰

At the same time the purity of heroin has decreased, as dealers mix it with other substances. "The quality of heroin is not good anymore; it is made with lower amounts of opium and it is mixed with many chemicals," an old heroin addict told a TNI researcher. "The feeling is different; it is very fast but rapidly goes away." Other long time heroin users say that the quality of No.4 was very good at the end of the 1990s, but has declined since 2000. "Over the last 10 years the trend is a price increase with a quality decrease," says a member of a drug user group in Kunming. "In 1999, one gram of heroin was 100 yuan, but now it is about 450-500 yuan. In the border area with Burma prices are lower."²¹

According to one source, heroin users are at risk by taking bad quality heroin. "We heard that a lot of fake heroin is made in many places. This brings more harm quickly, and because of this heroin users die even sooner," says a medic working at a clinic in NDA-K territory. "This morning an intravenous drug user (IDU) was brought in as a patient. After injecting this kind of heroin his whole shoulder had become swollen and rotten."²²

Alarming consequences

One of the consequences of the opium and heroin shortage and the subsequent price hike is that more people have started to inject heroin, which is more cost-effective than smoking it, and gives a bigger, though shorter, 'high'. As a heroin user from the same area explained: "Then I started to inject because I had no money and injecting is cheaper. Someone who smokes heroin uses one cap of penicillin per session and that costs 5 yuan, but if it is injected a person would only need an amount equal to 2 yuan. The kind of heroin that is smoked or injected is the same. People who inject are the poor, those who have no money."²³

Injecting heroin is not only more cost-effective, but also more addictive, and it presents bigger health risks compared with smoking opium. According to a medic in Kachin State: "Those who use 'khatpong' can work and live as long as ordinary people. Opium problems are very rare. Those who inject opium water cannot function well. Smoking the opium pipe is only done by a few as it is expensive. Some people say 'khatpong' heals diseases, like flu, cold and pile etc. Those who inject opium water don't last very long, maybe four or five years. But those using heroin, once they are addicted they can hardly quit. I have not seen anybody being able to quit; only the dead can stop."²⁴



Five Pagoda box



soapbox used for heroin trade



Wa woman with tobacco pipe

Needle syringe with No.4 heroin



The same trend is found among the rapidly growing heroin using population in China. "Many begin heroin use by smoking, but quickly realise the cost-effectiveness of injecting, where they can achieve a stronger effect from a smaller amount."²⁵ Apart from the ongoing trend throughout the region of switching from opium to heroin and from smoking to injecting, the other main effect of rising prices is that users opt for less favourable but cheaper substitutes, especially methamphetamines and pharmaceuticals.

"People are searching for new things, because they cannot find heroin," says a former IDU in Rangoon. "They are trying and testing new things. If they like it, they will use it. People also sniff glue and diesel."²⁶ Drug users in Kunming confirm this trend. "Other coping mechanisms are going into a detoxification treatment for a while. Or they use other substances, for instance large amounts of detoxification pills. People also experiment with what they use in hospitals to put people under sedation. But there is risk of overdose. Others temporarily use diarrhoea pills, which contain a low dosage of opiate. They take 40 pills at once. You can get them in the pharmacy."²⁷ Heroin users in Kachin State also resort to pharmaceuticals such as sosegon, tramadol and diazepam when heroin is difficult to find or is too expensive. "But they prefer heroin and only use these as substitution," says a TNI researcher.

There is also great concern among communities in Kachin State in border towns such as Laiza and Mai Ja Yang in KIO area, Kampaiti and Pangwah in NDA-K area, and also government-controlled towns such as Myitkyina and Mogaung, about what is perceived as a huge increase in drug use among the young people. "This drug problem is becoming very serious these days, in high schools, even in classrooms", says a KIO source. "In the past, when I was young, there were no female drug users but now many of them are girls. The drug problem among the youth is very big."²⁸

Another major worry is the link between intravenous drug use and HIV/AIDS. In the last two decades, the increasing number of IDUs coupled with the growing HIV/AIDS

Drawing blood from the veins to mix with the heroin before injecting



Heroin epidemic in Myitkyina (Kachin State, Burma)

Quotes from different interviews with drug users in Kachin State, second half of 2007

"The current price of heroin can reach 2000 to 2500 kyat (around \$2) for one lid-full of a penicillin vial. Heroin smoking isn't as effective as injecting, so I became an injector when I did not earn enough money."

"Most of the students use heroin and they prefer it to any other drugs because it is easy to use. Most of the older people like to use raw opium or black opium because the effects can last longer than other drugs, although it takes longer to prepare."

"Many opium addicts become users of heroin because it is more effective, quicker to become intoxicated and easier to find. I started injecting it when the drug became more expensive."

"Whenever I have satisfied my desire, I want to live without drug dependency, by quitting it, but when I become less intoxicated, I start thinking about getting the drug once again."

"When using raw opium, the only weak point is it takes a lot of time to prepare while heroin is much easier to buy, to prepare and to use and that's why most people are addicted to it. Nowadays, there are many families torn apart because of heroin addiction."

"My addiction to heroin just started this year at the campus when we tried to have a new experience by smoking it. My only money for spending on the drug comes from my parents and so I can use it only when I get the money from them. When I have the money, I buy it and until now I have had no problem with this habit. I am willing to be free from the drug but I haven't tried to quit yet. The price of the drug is rising at the moment. Even though I have the desire to quit, it is very hard for me to do so because there are a lot of people using it."

"My addiction doesn't bring any problems to my family or to myself at the moment. I am willing to quit this bad habit but am worried that my parents would come to know of my addiction. I know very well how to protect myself from getting HIV."

"The main problem with an addiction is that it can make a person be idle which leads him towards poverty and finally makes him a liar and a thief and die young."

"The condition of the country is a far cry from the old days. There are many addicts in every town and city. Poverty, theft and incurable diseases are spreading everywhere."

epidemic in Burma presents one of the most serious health threats to country and to the region at large. Infection rates among IDUs in northern Burma are among the highest in the world. Burma, Cambodia and Thailand are the countries hit hardest by the HIV/AIDS epidemic in Asia. The epidemic in Burma is the most serious as it is the only one of these three countries where the HIV infection rate continues to rise.²⁹ This is partly because of high-risk behaviour among IDUs and their widespread use of drug injecting teashops or 'shooting galleries', not only in cities but increasingly also in rural areas. Usually only one set of needles is used and sterilising of injecting paraphernalia is uncommon.

IDUs in Kachin State



'Shooting gallery' in Kachin State



Drug users injecting heroin in Kachin State





The ATS Boom in Southeast Asia

"Many networks that once produced heroin in our neighbouring countries are simply switching trades with the corrupt assistance of police and soldiers on all sides. Methamphetamines are where the money is now and they are a lot harder to control than heroin."

In the 1990s, Southeast Asia experienced a boom in the production and consumption of amphetamine-type stimulants (ATS), in particular methamphetamines (meth). At the same time, the region has seen a declining opium market, although the downward trend may well be reversing now. How exactly these two phenomena interrelate is still an unresolved question. The ATS market seems to have its own distinct dynamics; for users, the availability and accessibility of opium and heroin have an impact on ATS use and vice versa, and some former heroin producers have moved to producing ATS.

The overall trend in Southeast Asia is a shift from opium/heroin to ATS as the primary drug on the market. Initially, this was mainly methamphetamines sold as pills (yaba/yama), but increasingly it is being sold in crystal form (ice/shabu), which is already largely available in East Asia. Almost two thirds of the world's amphetamine and methamphetamine users live in Asia, most of them in East and Southeast Asia.²

Southeast Asia, or more specifically the Greater Mekong Subregion,³ is heavily affected by yaba/yama manufacture, trafficking and use. Major production happens in some countries, in particular Burma for methamphetamine pills and China for crystal meth. Some of the largest ATS seizures in the world occur in the area. In other countries such as Thailand, treatment and criminal justice systems are dominated by methamphetamine cases. Burma and the provinces that border China and Thailand have been the worst affected in the past decade. Since 2003/04, when Thailand significantly increased law enforcement efforts in the so-called 'war on drugs', illicit trafficking shifted from the Golden Triangle to Laos, Cambodia and Vietnam where an increase in use, seizures and arrests was seen.⁴

The ATS boom is an example of what can be described as 'displacement': a campaign against one drug (opium and heroin) can lead to the rise of an equally or more dangerous substitute (methamphetamine).⁵ International pressure and national opium eradication campaigns led to a decline in opium cultivation and heroin production in the Golden Triangle. At the same time, a methamphetamine market in East and Southeast Asia developed, and resulted in the rise of meth manufacturing facilities in what was traditionally a heroin area.

While the reduction in the availability of opium and heroin during the mid- to late 1990s resulted in many opiate users shifting to methamphetamine, this alone cannot account for the significant increase of ATS onto the market. Although there is some overlap and interaction in opium and methamphetamine use, the methamphetamine market

has its own distinct dynamics. The increase in the use of methamphetamine and other ATS has been driven by both demand and supply, as well as profound socio-economic changes in the countries affected, which have moved from rural agricultural based economies to urban, industrial and market based societies.

Amphetamine-type stimulants (ATS)

Amphetamine-type stimulants (ATS) are a group of substances made of synthetic stimulants including amphetamine, related drugs like methamphetamine, and ecstasy (MDMA) and its analogues. Amphetamines stimulate the central nervous system and ecstasy acts as both a stimulant and a hallucinogen. The most popular ATS in East and Southeast Asia is methamphetamine. In Southeast Asia, ecstasy is used mainly for recreation among the more affluent due to its relatively high price. The name 'ecstasy', however, usually refers to a drug that leads to a state of 'ecstasy'. It is mostly a mixture of methamphetamine and ketamine, an anaesthetic used in human and veterinary medicine that has hallucinatory effects.

ATS are controlled under the 1971 Convention on Psychotropic Substances. Ecstasy and related drugs are under schedule one, the most tightly-controlled category, which includes drugs that have the least medicinal use and the highest perceived public health risk. Amphetamines and methamphetamines are under schedule two because they have limited medical use. Even though the drugs are regulated, this does not apply to illegally-produced drugs. One of the Psychotropic Convention's main limitations is that it was not designed to control illicit markets, but to control and regulate legitimate pharmaceutical markets and prevent the drugs being illegally diverted into illicit markets.

Methamphetamine, or more precisely methylamphetamine ('meth' for short), of the amphetamine family, is composed of an amphetamine molecule with an additional methyl group attached to its nitrogen (amine group). The addition of a methyl group to a mind-altering chemical slightly alters the effects, duration, and/or potency of the chemical; it makes it more potent and addictive than its analogue amphetamine.

Methamphetamine and amphetamine are usually found in powder or tablet form. Illegal methamphetamines are complex mixtures that contain additives, often referred to as cutting agents or adulterants (generally caffeine in Southeast Asia), together with by-products from the manufacturing process and impurities from the precursors. A more pure crystalline form of methamphetamine, otherwise known as 'ice' has a translucent rock-like appearance, resembling shards of glass.

Meth increases the level of dopamine in the brain - a chemical associated with feelings of pleasure and reward. It does this both by boosting dopamine's release from nerve cells and by blocking its reabsorption. The effect of methamphetamine use closely resembles the physiological and psychological effects of an adrenaline-provoked fight-or-flight response, including increased heart rate and blood pressure. Other effects include euphoria, a decreased need for sleep, increased mental alertness and energy levels, a lack of inhibitions and an increased sexual appetite, a sense of well-being, increased confidence and a decreased desire for food. Users may be friendly and calm one moment, angry and terrified the next. Some people feel compelled to repeat meaningless tasks, others may pick at imaginary bugs on their skin.

The effects depend on how much is taken and are felt after 20-40 minutes if swallowed, 3-5 minutes if snorted, and immediately if smoked or injected. Users who smoke and inject meth report an intensely pleasurable wave of sensation or 'rush'. Over time, the drug's effectiveness decreases and users need to take higher doses to get the same results; they also have great difficulty functioning without the drug. Prolonged drug use may cause sleeplessness, loss of appetite and weight loss, an elevated body temperature, paranoia, depression, irritability and anxiety. Chronic, prolonged high-dose methamphetamine use can cause psychosis, with intense paranoia and delusions. Users believe, for example, that other people are talking about them or following them. Methamphetamine-induced panic and psychosis can be dangerous and may result in violence.

Methamphetamine is created in laboratories in a variety of ways. The two main precursor chemicals needed are ephedrine (or pseudoephedrine), which is preferred in East Asia and Southeast Asia, and phenyl-2-propanone (P2P), which produces a less potent type of methamphetamine and is more common in North America and Europe. Commercial ephedrine is produced by one of three methods: (a) extraction from Ephedra plants, a process typically used in China (b) full chemical synthesis or (c) via a semi-synthetic process involving the fermentation of sugar, followed by amination, a process used in India and increasingly in China.

Japan's experience with methamphetamine

Methamphetamine is not a new drug in East and Southeast Asia, which has its own distinct history with the substance. The origins can be traced to Japan. In 1893, the Japanese chemist, Nagayoshi Nagai, first synthesized methamphetamine from ephedrine in 1885. In 1919, another Japanese chemist, Akira Ogata, manufactured crystallised meth. Japan was the first country in the world to experience a serious 'meth epidemic' after World War II and still has a significant abuse problem.

Meth became widely available during World War II, when it was given to pilots and soldiers, and factory workers to give them the stamina during battle and to meet production quotas. After the war, military stocks and surplus supplies from Japanese pharmaceutical companies were dumped on the market. They were aggressively marketed with the slogan "fight sleepiness and enhance vitality".⁶ At the time, most Japanese were ignorant about the hazardous properties of methamphetamine, which could be bought in pharmacies.

Methamphetamine was widely available and usage dramatically increased. At its peak in 1954, there were approximately 550,000 chronic users and two million ex-users of methamphetamine.⁷ In 1949, the Japanese Ministry of Health prohibited its production in tablet or powder form, but meth in liquid form for injecting, was not covered by the prohibition. Injecting, which had been uncommon, became a major method of use. Methamphetamines, known as 'Philopon', was sold in ampoules which were available without prescription.⁸

In 1950, the Ministry of Health totally banned meth production but many pharmaceutical companies kept on producing it illegally and a significant black market developed. Clandestine laboratories produced their own versions of the drug. The Yakuza organised crime syndicate first gained access to government stockpiles and then started to produce methamphetamine in small, clandestine secret kitchen laboratories throughout the country.

A second epidemic wave took off in the early 1970s, a period characterized by economic growth and prosperity and by a new student youth movement. A third wave started in the late 1990s.⁹ In 1997, arrests statistics suggested there were 400,000 to 600,000 meth users in Japan, out of which 150,000 to 500,000 were injecting it. In 2001, the figures were similar, but with an estimated additional 2.18 million casual users.¹⁰ In recent years, meth use seems to have stabilised or even declined slightly.¹¹

Although the decline in use through control and educational measures was remarkably effective in the 1950s, the second and third waves were a lot more resilient. In the 1950s, the Health Ministry's measures had targeted a population that was naive about the hazards of methamphetamine and was inclined to change its behaviour. With informed users who consciously chose the habit, the same measures were much less effective.¹²

Nowadays, almost all methamphetamine is imported into Japan.¹³ Most of it is smuggled into the country by Yakuza organized crime groups. With the crackdown on meth production in the 1950s, laboratories and expertise first moved to South Korea and then Taiwan, Hong Kong and mainland China. Japan still has one of the largest crystal methamphetamine markets in East and South-East Asia and financially, it is the most lucrative in the region.¹⁴

The dynamics of the ATS problem in East and Southeast Asia today are more complicated than in other regions because substantial work-related use of methamphetamine co-exists with recreation.¹⁵ Methamphetamine first became popular in Japan and then in the fiercely competitive and very hard-working cultures of other rising Asian 'tiger economies' - in particular South Korea and Taiwan - that copied the economic model of Japan. It moved on to the surrounding countries such as Thailand, Indonesia and the Philippines with the further expansion of the economic model. Methamphetamines have been well established in East and Southeast Asian cultures for many years, but in the past two decades, a number of trends have led to an enormous boom in use, manufacturing and trafficking.

The conventional explanation for this trend has been that the amphetamines gave ambitious, upwardly-mobile, urban people the energy to succeed; it gave the more marginalised urban and rural labour force the necessary stimulant to work more and longer hours that were needed in a highly competitive economy with poor labour conditions. The drug reduced fatigue and the pain associated with over-work.¹⁶ "Amphetamine tablets are bought by the Thai poor as a means, not of recreation as in Europe and America, but of boosting energy to work harder and longer," according to a newspaper report in 1997. "Typically, it is taxi drivers, long-distance truckers and factory workers, all paid by the hour, who are dependent on yaba. The more they swallow, the more they earn."¹⁷

"There is a definite link in this part of Asia between amphetamine use and economic development," Richard Dickens of the United Nations International Drug Control Program (UNDCP, now UNODC) in Bangkok argued in 1997.¹⁸ He warned about an even larger upsurge in the region: "We are increasingly concerned about the spread of amphetamines into China as well. With the Chinese economy now expanding so rapidly, and the pressure that is putting on working Chinese, there is potential for explosive growth." Ten years later, he appears to have been right. Reports in 2006 identified large increases in the use of yama pills and crystalline methamphetamine.¹⁹ In recent years, China also has become a major source of crystal meth for many Asian and Pacific Rim nations, mainly from laboratories in Fujian and Guangdong provinces in the eastern and south-eastern coastal areas.²⁰

Regional market differences

Three distinct but overlapping ATS markets appear to exist in the Southeast and East Asia region at present. In East Asia, including East China crystal meth - or ice - has been predominant historically, while yaba/yama pills were the ATS of choice in the Greater Mekong sub-region, although ice seems to be increasingly penetrating the yaba/yama market. However, the following distinction still reflects the main characteristics of ATS use in the different regional markets:

Yaba or yama pills ('crazy medicine' and 'horse medicine' in Thai): Thailand is the main market; there is considerable use in Burma, and Yunnan, Laos and Cambodia are emerging as sizeable consumer markets. Basic characteristics are that these are small-sized pills (90 to 100 milligrams) with typically a 20 to 30% methamphetamine content, are almost always combined with caffeine. Some three hundred different types of yaba pills have been detected with different qualities, brands (WY, SY, 99) and colours (red, blue, pink). Principal production facilities are in Burma. Pills are swallowed but often 'smoked' (vaporised and inhaled) in ways similar to 'chasing the dragon' with heroin. Pills are crushed and heated on tin foil folded into a little boat shape (from packages of cigarettes or chewing gum) and put over a flame. The fumes are inhaled through the case of a writing pen or straw for instance, often with use of a primitive 'water pipe' made of plastic water bottles. Yaba is also increasingly being injected. Crushed pills are dissolved in water and filtered with cigarette filters to avoid injecting the remnant powder.

Ice or shabu: a high purity crystal methamphetamine hydrochloride that can be 'smoked' or injected. The translucent, rock-like crystals resemble shards of glass or ice. Its main markets are in Japan, the Philippines, Malaysia and Australia, but increasingly it is taking over part of the yaba

market in Thailand. Widespread and increasing use is reported in China, though not much in Yunnan, where pills are predominant. Principal production facilities are not in Burma but in China, the Philippines, Indonesia, and several other countries where huge laboratories have been found, such as Malaysia and Fiji.

Ecstasy ('ya-E'): pills sold under this name represent a wide variety of mixtures, sometimes including MDMA (methylenedioxymethamphetamine, the 'real' ecstasy) but often a mix of methamphetamine and ketamine. Principal production facilities are also not in Burma but in China and several other countries, in particular Europe (the Netherlands and Belgium). Laboratory operators in China mix MDMA powder, imported from Europe, with substances such as caffeine, heroin and ketamine in their pills.²¹ Ketamine ('ya-K' in Burma and Thailand, k-feng or k-powder in China) is also used in pure form. It is the most used drug in Hong Kong and is gaining popularity across southern China. Its use is spreading throughout East Asia as well.²²

မိတ်ကြွဆေးပြား
METHAMPHETAMINE

[illegible]

Methamphetamines seized in Burma

By 2007, the trend of a declining opium market and an increasing ATS market was apparent in all countries in Southeast Asia. Although China, Burma and Vietnam still list opium and heroin as their main problem, Cambodia, Laos, and Thailand cited methamphetamine as the leading drug of concern. China, however, stated that consumption in pill and crystal form was still increasing, and Thailand reported that use of crystal methamphetamine had increased, but use of yaba was on the decline. Laos and Thailand ranked yaba as their primary drug of concern with only Laos reporting an increase in heroin too. Burma and China still listed heroin first, both reporting a decrease in its use, however.²³

Burma, Thailand, and China together seized almost 40 million meth pills in 2006, half of them in Burma alone. In crystal form, six tons were seized, almost all in China. The fact that practically no crystal meth was found inside Burma and only a few hundred kilograms, reportedly of Burmese origin, were seized in Thailand between 2002 and 2006 seems to confirm that the 'ice' on the regional market - in contrast to yaba - does not primarily come from Burmese labs, but is mainly produced in China itself. Production in China has increased significantly in the last decade. Chinese authorities reported that 37 laboratories producing ATS were raided in 2005 with 30 of them in Guangdong province. In 2006, 53 ATS laboratories were raided and 75 in 2007. From 2001 to 2007, 94% of the seized ATS laboratories produced methamphetamine.²⁴ In the wider Southeast Asia region, major crystal meth production facilities and consumption markets also exist in the Philippines, Indonesia, Malaysia and Australia.

The Thai yaba boom

Thailand was the first country in Southeast Asia to experience a significant yaba epidemic. The drug was initially known as yama ('horse medicine'), but authorities renamed it yaba ('crazy medicine') in 1996 to discredit the idea that the pills enabled people to 'work like a horse'.²⁵ Amphetamine had been freely available since the early 1960s in Thailand and only became a major problem in the 1990s. Initially, production was largely in laboratories in Thailand itself, in Bangkok in the 1970s, when the possession of ephedrine was still legal there.

"When I was young many people used amphetamines," an ONCB source recalled. "They were imported from Europe and sold over-the-counter legally in pharmacies. People were used to it - students, bus and truck drivers used it regularly to enhance their study or work performance."²⁶ Amphetamines were first marketed in 1955. Initially the pills were imported and imprinted with the picture of a 'horse head' on one side - probably the reason why it was called yama - and the word 'London' on the other.²⁷ Amphetamines were considered to be a low priority by law enforcement agencies that ignored it and focused their resources entirely on the suppression of heroin and marijuana. Meanwhile amphetamine slowly grew in popularity without much notice.

When amphetamine use started to become a problem in the 1970s, and was associated with traffic accidents involving bus and truck drivers, the Thai government banned amphetamines. The 1979 Narcotics Act designated amphetamines as narcotics with the same schedule as

Smoking methamphetamine through waterbottle



heroin. Imports of amphetamine were controlled and were only available for medical purposes. "That caused an increase in the price on the illicit market, because people continued to use it," the ONCB official said. "This is when illegal production started in Thailand. They produced the tablets with caffeine because it was produced like that before."

These so-called 'look-alike amphetamines' usually contained caffeine, ephedrine, pseudo-ephedrine and phenylpropanolamine, which were found in decongestant pills.²⁸ In 1988, the psychotropic Substances Act of 1975 was amended to strengthen control over the precursors of 'look-alike amphetamines'. They vanished from the market, partly because they were of poor quality, and because methamphetamine appeared. It was produced in Bangkok and up-country and was based on ephedrine smuggled into Thailand through the Klong Toey port in Bangkok, the Thai-Burmese border, and the coasts of the Gulf of Thailand (Samut Sakhon) and eastern region.

Production was often divided into two steps: the production of methamphetamine powder and creating tablets from it. Laboratories were often small-scale outfits that operated on an irregular basis rather than a consistent production schedule. To prevent detection, operators often made a batch of product, then disassembled the laboratory, and either stored or moved it to another location while they got more precursor chemicals. The sites were often far from populated areas because the first step of producing the meth powder generates a penetrating stench which is easy to detect. Pill punching often happened in urban areas and even in vans.²⁹

With increased law enforcement in the early 1990s, meth factories moved from urban centres to remote hills in northern Thailand. They were pushed across the border into Burma after a Thai government crackdown in 1997. Yaba labs continued to exist in Thailand on a smaller scale, as evidenced by seizures of mixing and tablet making machines. Dies and punches seized were for the typical 'WY' logo seen in South-East Asia, often erroneously described as being the brand name for Wa-produced yaba.³⁰ The last reported yaba production sites in Thailand date back to 2001, when 10 laboratories were dismantled.³¹

The rapid transition from an agricultural society to an industrial one in the 1980s and 1990s forced changes in work habits and pace, which had greatly contributed to the increase of meth use in Thailand. Reports of employers allowing or encouraging yaba use are common.³² In addition to 'traditional users' such as long-distance truck drivers, new groups affected were industrial workers, farmers and fishermen. Young people started to use it recreationally.³³ Subsequently, consumption patterns changed. Users switched from taking yaba pills to smoking

Smoking methamphetamines in Northeast India



them, which had a quicker effect and increased euphoria. Similarly, a growing market was created among urban Thais, who harnessed its effects for social events and nightclubbing.³⁴ "In the past people thought it was a medicine, nobody considered it to be addictive. It was put in water and sipped," according to the ONCB official. "But later people started to smoke it; then one gets addicted rapidly."

During the 1980s and for much of the 1990s, cannabis and heroin were the main drugs used in Thailand according to treatment and law enforcement records. During the Thai economic boom between 1988 and 1995, however, treatment centres noted a spectacular rise in yaba use. Of those treated for drug dependency, the number who used yaba rose from 0.4% (out of some 14,000 registered users) in 1990 to 60.3% (of about 27,000) in 2000. They largely replaced opium and heroin users and accounted for the increase in the treatment centre capacity.³⁵ By 1993, yaba use was already more prevalent than heroin or opium. Between 1993 and 2001 a 1,000% increase in yaba consumption was registered.³⁶ By 1998, 81% of admissions to treatment programmes were for methamphetamine use, and by 2000, 80% of arrests for drug law violations involved ATS offenders. At the end of the 1990s, methamphetamine had replaced cannabis as the main illegal drug, with students being particularly high users.

Beside the Thai crackdown, other changes in 1996/7 contributed to a significant fuelling of the upward trend. The surrender of Khun Sa and his Mong Tai Army (MTA) in 1996, then the largest player in the Burmese opium market, disrupted the regional heroin trade and caused price instability. MTA breakaway groups became heavily involved in large-scale meth production and flooded the Thai market at rock bottom prices. A severe economic crisis also hit the Asian continent in 1997 which made heroin even less affordable. The recession caused a wave of unemployment and deteriorating work conditions for those who had jobs.

Many began to use yaba as a consolation or to sell it to make money when other opportunities were not available. The supply chain of yaba pills generated huge profit margins. A pill cost about five US cents each to manufacture, but sold for 50 cents at the Burmese-Thai border and for \$1.50-2.50 at the retail level. The large mark-up allowed many people along the supply chain to profit from selling the drugs. Dealers could make a living from selling a few pills a day and smugglers could afford to lose considerable amounts of pills to law enforcement efforts and still make substantial profits.³⁷ Together, these factors led to an epidemic that has only recently stabilised.³⁸

The popular use of opiates has almost disappeared in some central and southern regions of Thailand. In the north, younger users (aged 16-25) generally prefer yaba, while older people (31-40) stick to opium and heroin, according to research by the Asian Harm Reduction Network (AHRN) in Chiangmai. In the northeast, heroin use continued to rise towards the end of the 1990s, but in mid-1999 a major shift from heroin to methamphetamine took place. Heroin is now for more affluent people above the age of 25.³⁹ Rising opiate prices, profound socio-economic changes in Thai society, as well as generational differences and fashions of drug use, were the main factors causing the shift from opium and heroin to methamphetamine.

Thailand's war on drugs

In February 2003 the Thai Prime Minister Thaksin Shinawatra, launched a 'war on drugs', with the objective of achieving a massive reduction in use and availability. Thaksin's 'war on drugs' was a response to the failure of previous campaigns. In 1996 the Thai government first became aware of the rising methamphetamine problem and started a 'scare campaign'. At the time, the media carried stories about heavy users who displayed violent and psychotic behaviour. Posters were put up all over the country and monks, pop stars and highly respected senior citizens sent out anti-drug messages. Television advertisements shamed policemen and other officials who were involved in the trade.⁴⁰

None of this stopped the rising figures. Those in the trade were sheltered by powerful figures in the police, bureaucracy and political networks - one of the reasons it was difficult to curb. In fact, some research suggests that the 'public awareness campaign' helped to popularise yaba, particularly among young people. The 'mad drug' campaign backfired: when people took yaba, they found it made them alert and happy - not mad. It became fashionable and the drug spread to schools. Young people described yaba as fun and they took it before going out at night. A study found that they took yaba to defy the police and authorities. By

the year 2000, almost a third of the volume on the market may have been sold in schools.⁴¹ An ONCB official did not say it in so many words, but Thailand has possibly created its own problem. "When you prohibit something, people want to try it," he acknowledged.⁴²

By 2000-2001, many people in the social elite found their own children were taking yaba. In opinion surveys, people identified it as a serious social problem. In 2003, the populist Thaksin started an aggressive 'war on drugs' with the aim of eradicating methamphetamine in three months. The campaign resulted in the arbitrary inclusion of drug suspects on poorly-prepared government 'blacklists' or 'watchlists', the intimidation of human rights defenders, violence, arbitrary arrest and other breaches by Thai police, coerced or mandatory drug treatment, and scores of extra-judicial killings. The government blamed these killings largely on gangs involved in the drug trade, but human right organisations blamed them "on the endorsement of a policy of extreme violence by government officials at the highest level."⁴³

After Thaksin was ousted by a coup in September 2006, an independent special committee, formed by the temporary military government, investigated the unlawful deaths and found that 2,819 people had been killed between February-April 2003. Many of the dead had been blacklisted by police or local authorities as suspected drug dealers. Of those deaths, 1,370 were related to drug dealing, while 878 of them were not. Another 571 people were killed without apparent reason. Police officers were suspected to have been involved in many of the attacks, particularly as many people died soon after being taken to police stations for questioning. Despite many promises to bring those responsible for the murders to justice, by 2008 the committee had still not laid any charges.⁴⁴

Although opinion polls throughout the drug war showed widespread support for the government's violent tactics, the outcome, according to Human Right Watch, did not curb Thailand's illegal drug trade, but simply made it more dangerous. Most drug users continued to use heroin or methamphetamine, albeit at a higher cost and less frequently. Treatment experts noted that many people who started drug treatment in early 2003 were not drug users at all, but were people who feared for their lives because they were suspected of using drugs.

The peak of the yaba epidemic was in 2003 and the Thai government claims its accessibility and availability decreased due to the 'war on drugs'. However, arrests have increased significantly since 2005, when they were at their lowest level since the 2003 drug war. Treatment admissions showed a significant decline after a nearly 10-fold increase in 2003 when tens of thousands were in compulsory treatment. The situation stabilised throughout 2005 and 2006,

Samples of Methamphetamines available in Burma



but increases were noted in 2007.⁴⁵ The reliability of these data may be questioned, however, as the aggressive 'war on drugs' had the effect of reducing self-reporting of illicit drug use in surveys. Statistics for the time between 2003 and 2006 indicate unusually low prevalence rates. Successive new Thai governments announced revivals of anti-drug campaigns in April and November 2008, indicating that the problem has not been significantly reduced despite the drug war.⁴⁶ According to some observers, users turned to other drugs or other ways of administering using yaba. The practice of injecting crushed yaba pills dissolved in water (or sometimes methadone) is on the rise in Chiangmai,⁴⁷ where 38% of IDUs said they had injected amphetamines. In a survey of Bangkok IDUs, 64% of amphetamine injectors tested were HIV-positive, compared to 47% of opium injectors and 37% of heroin injectors. Interventions to effectively prevent HIV transmission among IDUs should remain a high priority for HIV/AIDS efforts in Thailand.⁴⁸

There are also indications of a recent epidemic of crystal methamphetamine ('ya-ice') among young people. Ice was

introduced to the Thai market a few years ago and expanded rapidly all over the country. This could develop further and pose health risks to the new users.⁴⁹ In 2002, a shipment of ice from Burma was seized for the first time in Thailand, according to an ONCB official. A large seizure of 148 kg happened in June 2006 and many smaller seizures have occurred since.⁵⁰

Burma: from powder to pills

Burma is often cited as one of the world's largest producers of methamphetamine pills, with China and India being the major sources of precursor chemicals, which are not produced in Burma itself. Drug trafficking organisations, many of whose members are ethnic Chinese, produce several hundred million methamphetamine tablets annually. According to an UNODC estimate in 2003, at least 700 million tablets were thought to have been shipped from Burma into Thailand. This is about 20 tons of methamphetamine or 7.5% of the global manufacture.⁵¹

However, estimates of ATS production have to be treated with caution; the amounts of pills are even more difficult to calculate than opium cultivation. Unlike the production of a plant-based drug such as opium, the production of ATS starts with readily available chemicals in easily concealed laboratories. This makes an assessment of the volume, location, extent and evolution of production extremely difficult.

Burma presents perhaps the clearest example of changing trends in heroin and methamphetamine production. Groups that used to produce heroin switched to producing methamphetamine tablets. Meth production in Burma is mostly concentrated in Shan State and areas bordering China and Thailand, and produced mainly for export to those countries. The conventional view is that the overall decline in poppy cultivation since 1998 in Burma has been accompanied by a sharp increase in the production and export of methamphetamine. Various sources claim that cease-fire groups that have implemented bans on opium cultivation and heroin production, such as in the Kokang and Wa regions, have simply moved - or rather diversified - to producing methamphetamine. In 2003, the SHAN news

agency identified 59 heroin refineries and 34 meth laboratories in Shan State, 19 of them were near the Chinese border and 15 were near the Thai border. According to SHAN "all of the groups in this list are cease-fire organisations or militia groups allied to the SPDC."⁵²

The dynamics of illicit drug markets are often unclear and other factors might have played a role. Up until 1996/97, large-scale manufacturing sites existed in central Thailand and the move to Burma seems, in part, to be a response to enhanced Thai law enforcement. The first person to produce methamphetamines in Burma was Wei Hsueh-kang (an ethnic Chinese who came to Burma with the KMT and later joined the MTA). He produced yaba in the late 1980s in Thailand after being approached by ethnic Chinese and Thai businessmen. Following the surrender of Khun Sa's MTA, which had started to produce yaba in 1995, the group disintegrated and some yaba producers moved to the Wa and Kokang regions, while others remained on their own.⁵³

Wei Hsueh-kang: King of ATS?

Wei Hsueh-kang and his two brothers Wei Hsueh-long and Wei Hsueh-yin - better known as the 'Wei brothers' - were part of the KMT intelligence network. They had fled from Yunnan to northern Shan State following the communist victory in China in 1949, and became engaged in the opium trade.⁵⁴ Wei Hsueh-kang - the middle of the three - and his brothers joined with Khun Sa after the CPB invaded northern Shan State in 1968, and he was in charge of finances.

In 1995 the Wei brothers came into conflict with some of Khun Sa's aides, and they joined a small Wa armed group on the Thai border, the Wa National Council (WNC). "First stationed at Khun Sa's base at Ban Hin Taek, they later broke away to establish their own empire along the Thai border. Lacking their own army inside Burma, the Wei brothers made use of their old Wa contacts and bankrolled the build-up of the Wa National Council in the early 1980s."⁵⁵

After the Wa mutinies against the CPB and the formation of the UWSA in the Wa hills along the China border, the WNC with the Wei brothers joined their UWSA. This gave the UWSA control over some strategic areas along the Thai border. Burma's military government, which was engaged in an unusual offensive against Khun Sa's MTA, then allowed the UWSA to send more troops to the south to attack the MTA. In return the UWSA could take control of any territory it managed to conquer.

Following Khun Sa's surrender in January 1996, the UWSA took over much of the MTA's former territory along the Thai border. The main force of the UWSA Southern Command is its 171st Brigade, which is officially led by Wei Hsueh-yin, but Wei Hsueh-kang is believed to wield considerable influence in the background. The UWSA headquarters has had some difficulties in controlling the Wei's Southern Command. There is also some resentment in the UWSA against Wei's influential role in the organisation.

"There are Chinese, ex-MTA people and ex-KMT people who are giving the UWSA economic and business advice," says Police Colonel Hkam Awng of the CCDAC. "They are using the name of the organisation. They are not real ethnic Wa, but Chinese. Like Wei Hsueh-kang, who is jumping ship all the time. He is an individual who is just doing business."⁵⁶

In anticipation of the 2005 UWSA opium ban, Wei Hsueh-kang started to develop the Southern Command, focusing on the area around the town of Mong Yawn near the Thai border. He set up a number of large orange, corn, beans, and coffee plantations, and also started several infrastructure projects in the region. Wei Hsueh-kang is also seen as the initiator and major shareholder of the Hong Pang Group, a large company in Burma consisting of several subsidiaries. But Wei Hsueh-kang is known mainly for producing methamphetamines. The initial capital of the Hong Pang Group is believed to have come from the drug trade. Following such accusations it was renamed Xinhong Company.⁵⁷

The Wa are often singled out as the main producers of yaba and heroin in Burma. The US government describes the UWSA as "one of the largest heroin-producing and trafficking groups in the world."⁵⁸ In January 2005, the US Department of Justice indicted eight UWSA leaders on heroin and methamphetamine trafficking charges, including chairman Bao You-xiang and Wei Shueh-kang.⁵⁹ There is no doubt that there are several laboratories in Wa-controlled territory and examples have been documented of Wa military - and SPDC military - protecting laboratories and shipments. According to TNI researchers, yaba production among the Wa started as early as 1993 in Tachilek and was done quite openly until the Thai crackdown in 1996-97.

Wa authorities have admitted they were involved in the setting up of meth laboratories in the Wa area in 1996. According to a forthcoming study on drug trade in the Wa region, Thai and Burmese businessmen - mostly ethnic Chinese from Thailand and Burmese who had been living in Thailand - came to Panghsang to establish meth factories. They had contacts with businessmen in China who had no difficulty providing the necessary precursors from China. They struck a deal with the Wa authorities to set up the factories and to be protected by the UWSA in return for a small amount of tax. The Wa were in a dire financial situation at the time, as the fight against Khun Sa's MTA had depleted their financial resources. Moreover, moving heroin to China had become problematic due to several major arrests of traffickers and Chinese pressure on the UWSA to stop trafficking heroin through China.⁶⁰

TNI research shows that many other groups are involved in yaba production. These include not only cease-fire groups, but also local government-backed militia, and some local Burmese army units.⁶¹ Most armed groups in Shan State who used to rely on the opium and heroin trade added methamphetamine as an additional - and increasing - resource. "It is difficult to really pinpoint yaba production to the Wa," says Police Colonel Hkam Awng of the Central Committee for Drug Abuse Control (CCDAC).⁶² "Some of the big seizures we made, we traced back to the Kokang area." The model of organisation is more like a franchise in which permission to produce is leased out. "Whenever we raid a laboratory, it is always owned by Chinese businessmen," says Hkam Awng. "Sometimes they may be paying Wa troops for protection. In Kokang it is the same. Some Wa and Kokang officials may be moonlighting from their own organisation. Therefore, it is difficult to say the Wa, as an organisation, is involved."

All actors in Burma's conflict have had some kind of involvement in the drugs trade, and the methamphetamine production and trade is no exception. Chinese organisations traditionally control the drug trade. They played a role not only in the UWSA but also in various other

Smoking methamphetamine in Kachin State



organisations, notably Khun Sa's MTA. They profit from the continuation of the conflict and instability in the country and have no interest in reconciliation and state building. Demonising and isolating the UWSA will make the organisation more dependent on the Chinese organisers, and will further obstruct reconciliation efforts in Burma.⁶³ "Different criminal groups are taking advantage of the fragile security situation in the border areas," says Colonel Hkam Awng. "In the background there are always Chinese businessmen. They are supplying the precursors chemicals and contract the chemists from outside who are Chinese or Taiwanese. They can make a lot of profit, as the production costs are very low; but once you cross the border to Thailand, the price goes up rapidly."

Meth production and trafficking is a highly profitable business a source close to a yaba lab confirmed to TNI researchers in October 2007. Near the Thai border in Burma, an investment of 1.4 million baht (\$40,000 - including the precursors, equipment and the tax of 2 baht/pill to the local militia that controlled the area) was required for 100,000 yaba pills. Selling them would fetch 3.5 million baht, a profit of 2.1 million baht (more than \$60,000) wholesale.⁶⁴ According to one source, there is a minimum order of 50,000 pills. "In Tachilek, you can get 100,000 pills 24 hours after you have deposited the payment in a bank," a source claimed. The more you want, the longer it takes: getting 500,000 pills takes around 5-7 days. Another source said that it was possible to get 5-10 million pills in five days in Panghsang, the Wa capital at the China-Burma border. Smuggling and retail distribution involves many ad-



ditional profit margins for traffickers and dealers further downstream. Heroin and methamphetamine are produced in different laboratories which may be close to each other. They may also move from place to place, but mostly in the same area - in particular when there is a risk of being detected. Heroin operators can become yaba operators and vice versa, or both, like Wei Shueh-kang. "Profit is the arbitrator."⁶⁵

Yama use in Burma

TNI research shows that yama consumption is increasingly popular in Burma. "When taking the pill with water 'you became industrious'. Those who smoke it through a water-pipe become 'light-hearted, talkative and long wide-awake'," one source reported. "It is only when you start smoking you risk being arrested and becoming addicted." Nevertheless, many people choose to smoke yama rather than swallow it. "You want to get a 'hit' when you take it," one explained. The pill is crushed and either smoked by itself or mixed with a little opium before smoking it. Users include women and girls. "One pill costs 2,500 kyat (\$2)," explained one woman from Laikha in southern Shan State. "We cut it into four parts, taking one part each day we are required to work in the fields or each night when we need to peel groundnuts. Otherwise we don't use it. None of us is addicted."⁶⁶ In Panglong in southern Shan State, it is not unusual to find farmers using pills so they can work longer and harder in the fields. "Most betel-nut shops sell yaba as well," said a source.

"I asked why people use yama," one researcher said. "They answered that it depends on their feeling; some people only like heroin, others yama. It also depends on their work. If people need to work all night, or do heavy work, they would use yama." Yama is also widespread at the China-Burma border, particularly on the Chinese side. "You almost never see a migrant worker who doesn't use it," said a trader. The

result is an increase in use among young people, miners and commercial sex workers at the many jade and gold mines, as well as among workers in the illegal logging industry. "There are no less than 1,500 mining companies in Burma," a Shan businessman explained. "Each of them employs at least 100 workers. You can bet that 90-95% of them use yaba. You don't like it much but at the same time you want to make your money. So you learn to live with it." Chinese drivers in logging areas at the border use yama to stay awake because the trucks mostly move around at night, according to another source.

"When people have too much yama they go crazy," a public health official in the Wa area said. "They use it with a water bottle as a water pipe. Some people put it on silver paper and light a fire underneath it." Some opium and heroin users also use yama. Opium or heroin are added or mixed with pills when using, according to several sources. The quality, colours and logos of yama vary, TNI researchers found in interviews in 2007 and 2008. "There are seven different colours for yama," said one researcher. "Black is cheap, about 1,000 kyat for one pill. But people say if they use this one they get a headache, it is not good quality." A tablet of yama cost between 1,500 and 3,000 kyat near the Chinese border in 2007. Prices in Kachin State are higher and varied between 8,000 kyat (\$6.50) in Myitkyina and 7,000-10,000 kyat in jade and gold mine areas in 2008. The same researchers reported in 2007 that the best quality was 8,000 kyat and second quality 6,000 kyat.

At the Thai-Burmese border, more and more people use ice, either by smoking or injecting it. One user said "there is a coolness in your tummy and you feel good". The good feeling lasts as long as 24 hours, especially after injecting it. Ice is known as 'bingdu' or 'ping-koi' in Chinese and there are three types: small grains not unlike ajinomoto (monosodium glutamate), bigger ones like small hailstones or mothballs and solid ones. "Nothing is as hot as ice right now," according to a Tachilek businessman.

The spread of methamphetamine in Southeast Asia

In the 1990s, several things encouraged regional trade and resulted in new drug markets and trading routes that linked regions with opium, heroin and methamphetamine production. These were the ongoing economic reform towards a more open market economy, the opening of country borders and improved transport systems throughout Southeast Asia. They also contributed to higher numbers of IDU and higher levels of HIV prevalence. Drug-using peers from these regions have the potential to rapidly introduce new methods of drug use, and contribute to the spread of HIV. The proposed Mekong Highway System will exacerbate this.⁶⁷

Thailand's 'war on drugs' led to increased border surveillance and a move of direct trafficking routes from Burma to Thailand to more indirect routes via Laos and Cambodia. The so-called 'balloon effect' often mentioned in the case of displacement of opium cultivation, also seems to apply to ATS production and trafficking routes: when controles increase, laboratories are simply moved to unaffected areas. Interdiction efforts have led to a displacement of trafficking routes to less-controlled areas, like rivers seeking the best watercourse and circumventing every possible obstacle. Some heroin and meth laboratories in Shan State reportedly moved to the Lao-Burma border and across the border into Laos.⁶⁸

In Laos, the emergence of methamphetamine, or yama, began in the late 1990s. Initially, Laos was a transit country for yama as it was close to the emerging methamphetamine production in northern Shan State. There was some spillover from the shipments which was followed by the country itself becoming a market.⁶⁹ In 2005, methamphetamine was identified as the country's most used drug according to treatment, arrest, and seizure data.⁷⁰ According to the government, there are 30,000 methamphetamine addicts in Laos, most of them in cities. "But the problem is spreading to the remote areas because farmers do not know about this kind of drug. They think it is like a vitamin."⁷¹

Given the recent arrival of yama in urban centres, prevalence rates are remarkably elevated, even for high-risk groups. In the capital Vientiane, prevalence rates are rising. The combination of yaba using/dealing street kids, heroin-injecting Vietnamese youth and sex workers using meth is likely to lead to a rapid increase in injecting in the near future, which may lead to overlapping HIV epidemics among drug users and sex workers.⁷² Methamphetamine is primarily smoked, but there are reports that the rate of injection is increasing.

Reports from rural areas suggested that yama users outnumber or at least match opium users. The combination of opium eradication and the resettlement of villages by the Lao government provide an entry point into alternative forms of drug use. Methamphetamines help people deal with the pressures of changing work environments and greater engagement with the market economy.⁷³ Yama provides the sort of bodily energy and 'normality' that contrasts with the social blame directed at opium addiction, at least in the short term.

Some opium addicts smoke methamphetamines either with or after opium for energy to work in fields or forests. Others use it to wean themselves from habitual opium use. However, the appeal of methamphetamine is not limited to traditional marginalised opium addicts. Rather, a significant number of opium smokers and non-smokers try it for reasons that are anchored in new social relations and productive abilities expected of them as they relocate to the lowlands.⁷⁴ The first seizure of crystal meth was reported in 2005, indicating that the supply of methamphetamine entering Laos is diversifying.⁷⁵

Laos is also a transit country for emerging meth markets such as Cambodia and Vietnam. According to the UNODC, methamphetamine trafficking into Cambodia in 2004 increased 10 times compared to 2003. Methamphetamine in both tablet and crystalline forms enters Cambodia via its northern border with Laos. Recent developments seem to have led to fewer heroin and methamphetamine laboratories in Shan State. Only 37 refineries (13 heroin and 24 meth), 11 of which are located on the Thai-Burma border (6 heroin and 5 meth), are now confirmed by the SHAN news group - a significant reduction since 2003. One of the reasons for the reduction appears to be an attempt by the Wa leadership to regain some control over production facilities and freelancers within the organisation. Nevertheless, the quality is still guaranteed and the quantity "is up to what the order is", according to SHAN sources.⁷⁶ From there it is trafficked via the Mekong River to Phnom Penh for domestic consumption, and onward for shipment to Thailand and Vietnam.⁷⁷ Methamphetamine imported into Vietnam is believed to originate primarily from Burma, and is trafficked through Laos and Cambodia to the urban centre of Ho Chi Minh in the south or through Laos to Hanoi in the north.⁷⁸

Most assessments undertaken in Cambodia in the past few years, and an analysis by the National Authority for Combating Drugs (NACD) in 2005, indicate that yama is the most frequently used drug. Most people smoke crushed pills but there is some snorting and injecting of it as well. Similar to other countries in the Greater Mekong subregion, crystal meth is also appearing in Cambodia.⁷⁹ In Vietnam, heroin remains the drug of choice but methamphetamine use is increasing. Both countries are not major producers,

although seven methamphetamine tablet making operations that used meth powder imported from neighbouring countries were dismantled in Cambodia between 2001 and 2006. In Vietnam, one factory producing hundreds of kilograms of methamphetamine was found in 2003 in Ho Chi Minh City.⁸⁰

A pattern is emerging in which the prohibition of drugs and increased control of them changes the way drugs are used and leads to an increased use of stronger and more harmful drugs. Users shift from opium smoking to heroin injecting and from orally ingesting methamphetamine pills to smoking and injecting dissolved yaba/yama pills. There are also strong indications that smoking and injecting the even more addictive crystal meth/ice is gaining ground in the Greater Mekong subregion, following patterns already established in East Asia and eastern China.

Yunnan: the emerging market

Due to its size, China has one of the world's largest methamphetamine markets in terms of volume. It is experiencing the same rapid economic expansion and increased ATS use that affected Japan in the 1950s, Taiwan in the 1970s, and Thailand in the early 1990s. While heroin is still the drug of choice among the 1.1 million registered drug users in China (in 2005), the number of heroin users is declining steadily, while the use of so-called 'new drugs' (methamphetamine, ecstasy, and ketamine) has increased by about two percent of registered users each year.⁸¹

Geographically, China bridges East Asia and the Greater Mekong Subregion and, together with India, is one of the main sources for the precursors chemicals needed to produce meth worldwide. In recent years it has become a major source of methamphetamine for its domestic market and many East Asian and Pacific Rim nations. Laboratories producing crystal meth are located in various provinces along the eastern and south-eastern coastal areas. Most trafficking groups are involved with crime groups in Hong Kong, Taiwan and Japan. In Yunnan, however, meth tablets smuggled from Burma seem to be more popular.

Methamphetamine prevalence rates are probably still lower than in other Southeast Asian countries, although no national household survey has ever been done in China. Reports in 2006 identified large increases in the use of methamphetamine pills and crystalline methamphetamine. Of the registered drug users in 2004, 1.7% used ATS, while that number grew to 11.1% in 2007. In recent years, there has been an increase in dismantling of methamphetamine laboratories and a rise in seizures.⁸²

Yet, these figures might hide the reality. Registration of heroin users is a bit -more reliable because of community-

based police work and because it is more difficult to hide from the police because their addiction is more visible. This is not the case with ATS. ATS are becoming popular among urban youth and are mostly consumed in entertainment facilities, such as bars, karaoke clubs, and nightclubs. They are considered to be non-habit forming and more "fun" to use, while heroin is considered a thing of the past that is used only by burned-out junkies and losers.⁸³

Heroin's legal situation is more established, according to drug user and treatment organisations in Kunming (Yunnan province). "Heroin users are put in prison or compulsory detoxification. That is not the case with the new type of drugs. Instead of detoxification, ATS users pay the fine and there is no other punishment. You have to be addicted to get a punishment. With the new drugs there is no addiction in the legal sense, so you only have to pay the fine." The police say they have difficulties detecting the new type of drugs.⁸⁴

Meth tablets or 'ma-huang-su' (ephedra pills) are the ATS of choice in Yunnan province in the southwest, while in the northeast and southeast the crystal form ('bingdu') is more popular, as are other ATS like 'yao-tou-wan' (head shaking pills or ecstasy) and 'k-feng' (k-powder, the k stands for ketamine), according to our sources. Pills referred to and sold on the street as ecstasy have a high probability of being methamphetamine and have little, if any, MDMA in their composition based on forensic analysis.⁸⁵ Ecstasy may relate to ecstasy-type drugs, but they may (more likely) relate to drugs that in some way lead to a state of "ecstasy".

Methamphetamine is more prevalent nowadays in Kunming, the capital of Yunnan, "because of the low cost, the great effect - in the beginning at least - and the image of being a successful person".⁸⁶ It was initially in areas bordering Burma, to increase energy - 'to feed the horse', to keep working. "Pills can be found everywhere and at any time now," according to interviewees. "The average use is 10/20 pills per day; some use 40/50 pills per day, but that is an exception. People use them for several days in a row sometimes." China is a more attractive market for the heroin and methamphetamine business than Thailand, say sources in Burma. "They pay more."⁸⁷ Since 2002, the quantity of methamphetamine trafficked from Burma through Yunnan province (a transit point to the rest of the country and abroad) increased at a rapid rate. The share of methamphetamine seizures in Yunnan (as part of the Chinese total) increased from 18% in 2002 to 56% in 2006. The increase in seizures was due in part to increased law enforcement and improved inter-diction efforts to stop it getting through the border areas of Yunnan Province, beginning in 2005.⁸⁸ In the drug trafficking business two divergent markets have emerged in China; one is with older traffickers primarily concentrating on the heroin trade, and the other is with younger traffickers specialising in ATS.⁸⁹

Meth pills and powders are sold by a new type of dealer, according to sources in Kunming, the capital of Yunnan. They are better educated and offer a wide choice with different prices depending on the quality. One pill is 40-50 yuan (\$6-7). In Lincang prefecture at the border they cost 2/3 yuan (\$0.30-45) per pill. There are many pills, too many to distinguish, and there is a big difference in price. It is mainly smoked using the 'water bottle pipe'. There are different smoking pipes. According to one source, somebody once paid 4000 or 5000 yuan for one that was made by an artist from Europe. Others cost 10 yuan. Some users start to make equipment, which they sell to finance their habit. "For some, everything - pills and instruments - have to be the best," our sources told us. "It increases their social status. For some drug users it is part of their daily life - to be different from others."

Leaves of saffrole rich oil tree of the *Cinnamomum* species



Yaba trafficking in Ruili

Yaba pills and heroin manufactured in northern Shan State in Burma are smuggled to China in large shipments and by smaller, independent traffickers. The border crossing between Muse and Ruili in Yunnan Province is easy to cross. Ruili is known as Yunnan's 'Sin City' and is a hotspot for contraband trading with Burma - including women for commercial sex work. Many Burmese and Chinese women are employed in the sex industry and use heroin and yama to ease the pain and degradation. Some are involved in smuggling and dealing heroin and yama.⁹⁰ In the Chinese trade zone at the border, an open fence separating the towns is no obstacle for passing on illicit drugs and for illegal immigration, as TNI observed while visiting the area. Beside the official border-crossing posts there many 'informal' gates in the border fence as well.⁹¹

TNI interviewed several Burmese commercial sex workers in October 2007 and August 2008 who were involved in the cross-border trade in yama and heroin, and street dealing on the Chinese side of the border. "I buy the yama pills in a Shan village close to the border," one said in August 2008. "One tablet costs me 6.5 yuan (95 cents) and I sell it for 10 yuan (\$1.45)."⁹² One pack of 200 pills of yama you can buy for 900 yuan (\$130 or 65 cents/pill) at the border. In Ruili you sell one pack for 1200 yuan (\$175 or 88 cents/pill). I make packs of 50 pills, and sell these for 325 yuan in Ruili (1300 yuan per 200 pills). A Chinese broker comes here once or twice a month. My sister sells him 20 packs of 200 pills for 1600 yuan per pack. The price in Burma, in Namhkam, is 600/700 yuan; at the border it is 900 yuan." Larger amounts of pills are smuggled through the custom ports. "Amounts of 10,000 pills are trafficked in bags of potatoes," according to one source.

The prices seem to be the same or lower than in October 2007. At the time a batch of 200 bad quality tablets made 1,300 yuan, good quality at least 1,600 yuan, at most 1,800 yuan. Another source said a package of 200 pills could be bought for 1,100-1,200 yuan in Muse. In Muse one tablet was 6 yuan. Sources in Burma confirm the trading amounts and prices, which tend to vary depending on the relation with the wholesaler. In Burma one can buy a package of 200 pills for 500-1,000 kyat (40-80 cents) per pill (\$80-160 for 200 pills) if one buys in bigger quantities. Big packs contain 10 packages of 200 pills (2,000 pills) and a bundle is three packs of 2,000 pills (6,000 pills) and some extra. A big pack of 2,000 pills can be bought for 300.000 kyat (\$240 or 12 cents/pill). Near the border a single yama pill costs cost between 1,500 and 3,000 kyat (\$1.20-2.40) in Burma. In Ruili the price is between 10-20 Yuan (\$1.45-2.90).

"There are two kinds of pills," according to a Burmese dealer in Ruili "Both have the WY symbol but are a different shape. One has a round W like a Burmese letter, and cost 10 yuan per pill. It has a bright pink colour. The other one has a clear W and costs 12 yuan per pill. It has a faded pink colour. Before there was an even better one, with a small WY that cost 15 yuan." Another sex worker in Ruili said she took five tablets per session and sometimes had three or four sessions per day, depending on the available money - 20 pills amount to 200 yuan per day. She also described pills with a WY logo in different types as the most popular brand - but there are other logos and colours as well. A source in Ruili confirmed the increase in yama users: "There is more money than in the past. Now there are many nightclubs and dances. People use it for fun, leisure. There are also many civil servants that use it, including policemen. They buy it when they go home, after work."

Plant precursors for ATS

ATS are considered chemically-synthesised drugs without plant-based raw material such as coca for cocaine or opium poppy for heroin. Precursor chemicals are essential ingredients for the manufacture of ATS. However, several precursors are plant based. The Ephedra plant, indigenous to northwestern India, Pakistan and China, is the precursor for ephedrine and pseudoephedrine, the essential precursors to methamphetamine. Safrole or safrole-rich oils (or sassafras oil), extracted from various plants and trees, are the main pre-precursors for ecstasy. Southeast Asian countries, China in particular, are significant producers of plant-based pre-precursors and the chemical precursor. Clandestine ATS laboratories use these chemicals and not the raw plant material, although safrole has been found in ecstasy laboratories.

The prevention of diversion of precursor chemicals from licit channels to illicit drug manufacture, became part of the drug control agenda in 1988 with the adoption of the Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The International Narcotics Control Board (INCB) developed guidelines to prevent the diversion of precursors and essential chemicals listed in Tables I and II of the 1988 Convention through an import-export pre-notification system. Precursor control is the "second front" of international drug control. As the demand and supply of drugs could not be controlled, preventing the diversion of precursors became a measure to tackle supply, ATS in particular. However, precursor control suffers from the same setbacks as drug control in general: despite increasing control mechanisms, the market is not really affected.

Ephedra

The dried stems of the Ephedra plant, known in China as *ma huang*, have been used in traditional Chinese medicine for 5,000 years to treat common colds, asthma and hay fever. Its alkaloids, ephedrine and pseudoephedrine, are still used in over-the-counter decongestants. China produces about 400 tons of (pseudo)ephedrine annually. This is made from more than 100,000 tons of ephedra for which about 140,000 hectares of grassland have to be destroyed. Most of the extraction factories are in Inner Mongolia and Xinjiang Uygur, and Gansu and Shanxi provinces.⁹³ The government owns and operates ephedra farms, where it is cultivated under strict control.⁹⁴

An alternative bio-chemical process to produce (pseudo)ephedrine is through yeast fermentation of dextrose (sugar) with benzaldehyde. Fermenting the molasses is a complex process. Indian scientists developed the right yeast strain from a rotting apricot 30 years ago. Every factory keeps some of the original sample alive in a refrigerator.⁹⁵ India is the main producer through the chemo-synthetic process, with five factories. Chinese scientists invented a chemo-synthesis method in 1999 and one factory is now operating. To prevent further desertification of the grasslands and stop the destructive

collection of ephedra, further development of the chemo-synthetic process is expected. China and India are the main producers of licit ephedrine and pseudoephedrine worldwide.

The WHO has expressed concern about overly strict controls on ephedrine. It is included on the WHO list as an essential medicines used during delivery. Any tightening of controls to prevent diversion as a precursor should be weighed carefully against the need to guarantee access for its medicinal use.⁹⁶

Safrole

Safrole is the key material of three other principal precursors for MDMA: isosafrole, piperonal and 3,4-methylenedioxyphenyl-2-propanone (PMK, MDP2P also known as piperonyl acetone). Its main legal use is for the conversion into two important derivatives: (1) heliotropin, used as a fragrance in waxes, soaps, detergents and cleaning agents, and as a flavouring agent; and (2) the insecticide synergist piperonal butoxide (PBO), a vital ingredient of pyrethroid insecticides. Safrole-rich oils are the main raw materials for safrole; the essential oils contain safrole levels of more than 90% and have the same control schedule as safrole itself.

To produce the oil, wild forest trees are felled and the oil is steam-distilled from the timber, the root and stump. A 2006 UNODC-survey in East and Southeast Asia found 361 plants that are rich in safrole, mostly of the *Cinnamomum* tree species.⁹⁷ *Cinnamomum camphora* - a large evergreen tree up to 20-30 metres tall known as the camphor tree - common in Southeast Asia. Brown camphor oil (or 'Chinese sassafras oil') contains 80% safrole. Oil yields from the distillation process range between 1% and 3.5% from the total raw material input. The collection of the oils is unregulated and there are concerns not only diversion into illicit drug manufacture, but also about environmental sustainability and the long-term availability of safrole-rich oil.⁹⁸

Until World War II, Japan dominated the market. The industry was based on the *C. camphora* in Formosa (Taiwan), at the time occupied by Japan. Large areas of wild trees once grew in Japan and Taiwan, but these disappeared through over-exploitation.⁹⁹ The war disrupted trade and a new industry based on wild *Ocotea pretiosa* emerged in Brazil.¹⁰⁰ Brazilian sassafras oil production declined with the depletion of the natural resource and restrictions on the felling of the trees in 1991. In the 1970s, China took the lead and around 1990 Vietnam entered the market as well.¹⁰¹ In both countries, the industry was again based on the destructive harvesting of wild forest trees. In China, commercial plantations were also developed, mainly in Yunnan, Sichuan and Guizhou provinces. *C. petrophilum* became the preferred species for commercial cultivation as its leaves and branches can be harvested to extract the oils in a sustainable manner.

Diversion

When ecstasy became popular in the 1990s, concern about the control of its precursors increased. In 2002, the INCB launched Project Prism, an international project against the diversion of precursors. Governments were requested to provide information on the production, legal uses and trade in saffron-rich oils. The same year, China, Laos, Burma and Thailand adopted a joint action plan for 'high risk areas' - near heroin and methamphetamine labs along common borders - to prevent diversion of key precursors, materials and equipment. In 2003, it was decided each country should identify Cinnamomum species in their country and if they were harvested for saffron-rich oils.¹⁰²

All countries in the region have regulations to control the harvesting and production of saffron-rich oils, including export and import. In Cambodia, Laos and Burma, these measures applied to all non-timber forest products; only China and Vietnam have specific legislation. Vietnam was a major producer of saffron rich oil until 1999, when it was prohibited because of damage to the environment.¹⁰³ It continues to be imported into Vietnam for re-export to third countries.¹⁰⁴ Producers, traders and forestry agencies have little awareness of the potential abuse of the oils, which are first converted into chemical precursors in China before being diverted from the legal trade to clandestine labs. The UNODC survey found no indications that saffron-rich oils were being diverted from production and inter-regional trade for the illicit ecstasy market.

China is the major end user of saffron-rich oils. The aggregate annual production of saffron-rich oil in the region is estimated at 1,500 tons. China produces about 800 tons, Burma 230-490 tons, Cambodia 250 tons, Laos 45 tons and Indonesia 35 tons. Production in China has declined over the years. In China there were eight, mostly small-scale distilleries in Chongqing, Sichuan and Yunnan provinces in 2005. Although controls in China increased in 2005, there were at least five illegal distilleries in Yunnan.¹⁰⁵

Saffron-rich oil in Burma

The National Narcotics Control Commission (NNCC) of China reported the import of large quantities of saffron-rich oil, locally known as thitkado, from Burma in 2004-2006. Permits were issued to companies to harvest wood for oil production at the Tamanthi Hydropower Project in the Chindwin River in Sagaing Division near the border with India, where a dam would eventually cause submergence of the area. Five companies were licensed and each operated about 50 small stills to produce 340 tonnes of thitkado oil for export to China.¹⁰⁶ Illegal production of the oils and export to China also occurred; 115 tons were seized during 2002-2005 along smuggling routes from Sagaing Division to Yunnan.

TNI research in 2008 found that thitkado oil is produced and traded in Kachin State. Thitkado was also used as a traditional medicine - applied externally against skin diseases and rashes, and for inhaling. Since 1998, the main production area was the Nhkai Bum Mountains, but this

area is nearly completely deforested. The main production areas now are Danai, Hpakant and Innawgyi regions in Kachin State, and the Hkam Ti region in Sagaing Division. The oil is bought by Chinese traders in the region.

According to a Kachin businessman, the Chinese market for thitkado oil is in Mangshi and Zhangkhong, a small border town north of Ruili and opposite of Mai Ja Yang. Most oil comes through Laiza, a border town controlled by the KIO, and some comes from Nawng Tau, a border town near Ruili where many illegal logs also pass through. Prices are increasing, say several sources. Although some people suspect the oil is used for yama, most are unaware of its commercial use.

The unsustainable felling of saffron-rich trees is not the only problem; the firewood needed to steam-distill the oil is exacerbating the harm. For every saffron-rich tree, ten other trees are needed to distil the oil. The KIO prohibited thitkado production in the areas under their control in 2006. The wood had become scarce and producers had to go deep into the forest to find the remaining trees, but the KIO still gave permission occasionally.

Environmental damage

Saffron-rich oils are also produced in Cambodia and Laos. In Cambodia, production is illegal and extraction and trade has gone underground. In 2006, there were an estimated 13 production stills, although the government has destroyed about 80 of them since 2002. According to David Bradfield of the Wildlife Sanctuaries Project of Fauna and Flora International (FFI), production in the Cardamom Mountains is wreaking ecological damage. "The production of sassafras oil over the last 10 years has severely depleted the trees and if the illicit production isn't stamped out soon, they could become extinct in the near future," Bradfield warned. The livelihoods of 12,000-15,000 people in the wildlife sanctuary are at risk.¹⁰⁷

Some 50 rangers from the Ministry of Environment and Forestry are policing the area with support of independent conservation organisations and the UN Development Programme (UNDP). In June 2008, 1,278 drums of saffron-rich oil were burned with the help of the Australian Federal Police¹⁰⁸ and the destruction was reported widely in the media. That amount of oil could have been used to make 245 million ecstasy tablets, police claimed.

Although the worry about the ecological damage is justifiable, questions remain about the effectiveness such public burnings. The approach might backfire by driving up the price and attracting more illegal business. It is also questionable whether all the oil was destined for ecstasy laboratories since the bulk of the oil is still used for legal purposes.¹⁰⁹ A wiser approach might be to sell the oil to the chemical industry and use the proceeds to set up sustainable production providing livelihoods for the people involved. In China and Brazil, experiments with new, sustainable plants are well advanced - in particular some Cinnamomum species and the Piper hispidinervium¹¹⁰, which has been introduced to Yunnan from Brazil.

Coping Strategies: Drugs & Medicines

"The abuse and trafficking of prescription drugs is set to exceed illicit drug abuse ... The abuse of prescription drugs has already surpassed the abuse of traditional illicit drugs such as heroin and cocaine in some parts of the world ... In addition, what abusers do not realize is that abuse of prescription drugs can be more risky than the abuse of illicitly manufactured drugs. The very high potency of some of the synthetic narcotic drugs available as prescription drugs presents in fact a higher overdose risk than the abuse of illicit drugs" ¹

The ATS market has been expanding rapidly alongside the decline in opium production, and methamphetamine is the drug of choice for many of the newer generation. Indeed, some people have made a shift from opiates to methamphetamine, but many heroin users seek replacements most similar to their original drug of choice. There are significant differences in the psychoactive effects between stimulants such as methamphetamines and narcotics such as heroin that dull or sedate the senses, diminish the activity of the nervous system, relieve pain and induce sleep. Many 'poly-drug' users alternate between stimulants and narcotics, 'uppers and downers', to find the optimal balance. Several substances can also have a stimulant effect at a lower dosage and a narcotic effect at a higher one. Still, to simulate the effects of heroin, the preferred second choice of drugs for most users is pharmaceutical opioids. Similar to the pattern seen in the US, Canada and Australia, medicines in Southeast Asia are taking over significant parts of the traditional opium and heroin market.

Pharmaceutical replacements

When confronted with scarce supplies, lower quality and higher prices for opium and heroin, consumers have a variety of coping strategies. Accessing the treatment and substitution services offered by health authorities or NGOs are options for some, but these are scarcely available and even if they are accessible not always the preferred choice. TNT's research found that many opt for pharmaceutical drugs in the form of pills, syrups and injection ampoules, and which are consumed in many different combinations.

Of the samples we collected in our research, four types of tablets (Neo-Rotuss, Rodilar, Dextromine, Arphari) and two cough syrups (Komix, Dantusil) contained dextromethorphan, a cough suppressant sold over the counter in most countries. It is a member of the opiate family, but is thought to have no psychoactive or addictive effects when used as prescribed.² When used as a



recreational drug with doses higher than recommended, however, it has an effect similar to ketamine.³ Recreational use is also widespread in the US, where it is mostly referred to as 'DXM'. Especially in Burma, cocktails of dextromethorphan and cough syrups are popular among students under the name of 'formular'. Three or four pills, sometimes more, are ground up and dissolved in a bottle of cough syrup. One bottle of the mix is usually drunk during the course of a day. "It cost at least 9,000 kyat per day. For us, this is a lot of money. If someone cannot get 'formular', they take 10 of these pills at once as an emergency. This 'formular' began with medical students from Mandalay around 1998. People make their own recipes. The first 'formular' was opium mixed with Pepsi Cola." Komix cough syrup is especially popular among women in Kachin State, who cut a cloth drenched in opium (the way it is locally harvested and sold), chew on it and then add Komix orally.

Three samples of cough syrup (Benadryl, Dantusil, Benalix) used in these formular mixes were found to contain significant proportions of diphenhydramine, an over-the-counter antihistamine, sedative and hypnotic agent, often found in cold remedies and sleeping aids, but also in prescription drugs for the treatment of allergy-related symptoms, some cold and flu symptoms, insomnia, motion sickness and Parkinson's disease. Higher doses can cause hallucinations and dissociation. Used with alcohol or certain other pharmaceuticals, it can induce adverse reactions, even death.⁴ Diphenhydramine can be used to enhance the effect of opioids, particularly heroin. A new phenomenon that has been observed in the US since 2006 is called 'cheese' or 'chiva' - a mix of black tar Mexican heroin and ground diphenhydramine.⁵ 'Cheese' gives a much cheaper high than other forms of heroin consumption, and some say that diphenhydramine 'packs a psychoactive punch' in combination with heroin and gives a 'boost' to its effect.⁶

Two samples of tablets (Anadol, Neptunus) and one sample of an injection ampoule (Trosic) contained tramadol, a synthetic similar to codeine, regularly taken by heroin users in Burma as well as Yunnan. Clinical studies have experimented with tramadol as an alternative to clonidine as an acute heroin withdrawal remedy, and found it to be possibly a better alternative.⁷ Although initially this opioid was presumed not to have much 'abuse potential', numerous cases of abuse have been reported in the US in recent years.⁸ In Yunnan, some users grind these pills together with methamphetamine and diazepam tablets and smoke the mix.

Pentazocine was present in one set of pills and one injection ampoule, both produced in Pakistan under the brand name Sosegon. It is a pain-killing, synthetic opioid derived from coal tar and often used in place of morphine because it is less addictive.⁹ Also, it has a longer history of

non-medical use in the US where, back in the 1980s, recreational users discovered that combining pentazocine with the antihistamine tripeleennamine (under the slang name Ts and blues) produced a euphoric sensation much like that of heroin. Heroin-dependent users often used this combination when heroin was unavailable to them.

A mix of pentazocine (Sosegon) and diazepam (Sedil tablet, Fanin ampule) is much used among drug users in Rangoon. It is sold legally at medical clinics for 5,000 kyat plus a 2,500 kyat consultation fee. They are difficult to obtain illegally but are usually cheaper - 3,500 kyat at the time of the interview. The price had recently been inflated due to law enforcement crackdowns. Four months earlier, at the end of 2007, a strip of sosegon pills cost only 2,000 kyat. While the most common and desired mix is diazepam and buprenorphine (Buepron), sosegon might substitute buprenorphine in a diazepam-sosegon mix, if buprenorphine is not available.

In Thailand during times of shortage, heroin users often use midazolam (Dormicum), a benzodiazepine used to treat anxiety. It has sedative and hypnotic characteristics as well as possible muscle relaxant and anticonvulsant effects. Dormicum tablets and ampoules are only provided by doctors on prescription. They can be used separately to



Ingredients for making 'formular'

Preparing 'formular' with opium, cough syrup and pharmaceuticals



lessen the effects of heroin withdrawal, but can also be mixed with heroin or pharmaceutical opioids and injected. Dormicum comes in 7.5mg tablets which are crushed, mixed with water, filtered (often with a cigarette butt) and injected. Health care workers in Thailand are very concerned about dormicum being injected as it is usually prescribed as tablets for oral use. Inadequate crushing of the pills and ineffective filtration mean that powder may be injected which can cause abscesses and lead to significant health problems, including amputation.¹⁰

Another benzodiazepine appearing frequently on the illicit drug markets is nimetazepam, especially popular in

Malaysia, where it has become the most commonly abused sedative, but also in Thailand and Laos. Under the brand name Erimin, the drug is popular among heroin users as a heroin substitute, and has also been used by methamphetamine users to help them sleep.

In Yunnan, heroin users regularly use diphenoxylate, an opioid normally used for treatment of diarrhoea. Although chemically related, it does not have pain-relieving (analgesic) effects at normal dosage like most other narcotics. In higher doses, however, diphenoxylate can cause euphoria and, according to users, it helps to lessen heroin withdrawal symptoms.

Kratom

Kratom¹¹ (*Mitragyna speciosa*) is a tall tree that grows wild in the forests in Thailand, Burma, Indonesia and Malaysia. It is a member of the Rubiaceae (coffee) family, it has dark green leaves that can grow up to 20 cm tall and 10 cm wide. It contains over 20 different alkaloids and mitragynine has been identified as the main one responsible for the narcotic effect of the leaves. Recently, another alkaloid in the leaves, 7-hydroxymitragynine, has received attention because it has opioid agonist properties, as well as strong painkilling effects.¹²

Similar to the practice of chewing coca leaves in the Andes, chewing kratom leaves has been a custom among male farmers in Thailand for centuries. The leaves make them feel cheerful, eager to work and more able to tolerate the heat when working in the fields. Farmers chew between three and ten doses a day. Kratom is used medicinally to treat diarrhoea and recreationally as a substitute for opium¹³. Whereas low doses have an energizing, stimulant effect, high doses of kratom have a sedative and analgesic effect. Negative effects of kratom use are constipation, weight loss, insomnia and addiction. Withdrawal symptoms associated with it are aggression, a wet nose, crying and aching muscles.

Generally, the stringy central veins are removed from kratom leaves before being used. The fresh or dried leaves can also be ground and taken with a drink. After the leaves are boiled, the juice can be used as an energy drink although kratom tastes extremely bitter and can cause nausea. Some users wash the taste away with a sweet drink; eating immediately after using kratom will annul the psychoactive effects. Kratom is an important ingredient of a popular cocktail called "4 times 100". Young Muslims who don't drink alcohol have turned to this mixture of brewed kratom leaves, soft drink, cough syrup and tranquilisers.

In Thailand, the tree has been banned since 1943 but because it is an indigenous tree the ban is difficult to enforce and kratom trees are still easy to find, especially in southern part of Thailand¹⁴. In recent years kratom has become popular as a substitute for yaba and alcohol. In fact, after yaba and cannabis, kratom is the most used drug in Thailand. Sanctions are less severe compared with other illegal drugs and the maximum jail sentence is one year¹⁵. Kratom can also be bought on the internet but there have been reports of people receiving fake kratom. Kratom leaves are a controlled substance in Thailand (since 1979), Burma, Malaysia and, most recently, in Australia (since 2005).

In the south of Thailand, where many Muslim young people cannot drink alcohol, cough syrup has been used as an alternative for a long time, especially 'phensydil' which contains codeine. After stricter controls were introduced by the Ministry of Public Health, they began to use less potent cough syrups, mixing them with ground mosquito coils to enhance the effects. Another increasingly popular practice is to mix cough syrup with the leaves of the 'kratom' tree. Traditionally, kratom has been used medicinally as well as recreationally as a substitute for opium and has been used as a herbal medicine in treatment for opium addiction.

Heroin droughts

The northeast region of India experienced an acute shortage of heroin No.4 back in 1987 which lasted for about three months. A similar situation was experienced late 2000 and early 2001, around the time of an acute heroin shortage Australia. It is during such periods that many heroin users turn to pharmaceutical products; times of rising prices, only low quality diluted heroin being available, or when it is scarce.

The response to the shortage of heroin in northeast India is a particularly alarming example of changed consumer behaviour, especially in the states of Mizoram and Manipur, which border Burma. Stringent laws and enforcement activities against heroin trafficking and peddling were introduced in the 1990s in Mizoram and in the early 2000s in Manipur. These resulted in a trend towards injecting Spasmo Proxyvon ("SP"), a synthetic pain reliever based on dextropropoxyphene which is sold in capsules and is meant for oral use. Being a non-soluble opioid, dextropropoxyphene tends to stick to the walls of the veins causing abscesses that can lead to gangrene and sometimes result in the need to amputate limbs. SP provided a cheap alternative to rising heroin prices. Eight capsules can be bought for just 13 Rupees (about \$0.25) and four to six capsules are used for one injection. Unlike heroin, however, the effect of each shot lasts only a short time, and an addict will need to take up to a dozen shots a day. "The capsules were available at any pharmacy," says Ashita Mittal, a senior programme officer with UNODC, explaining the



Kratom leaf



quick shift to the drug. "Besides, there was a lower risk of conflict with the law."¹⁶ Given a choice, buprenorphine is the most preferred alternative to heroin according to local users but it is not easily available on the black market. A substitution therapy programme that provides buprenorphine did, however, start in 2007, after a three-year pilot project.

A national survey on drug abuse in India confirmed the trend in several other Indian states as well. "In Imphal and Dimapur abuse of propoxyphene via injections was reported as significant. The abuse of pharmaceutical products as a recent development was reported from many sites like Amritsar, Ahmedabad, Imphal, Dimapur, Mumbai and Kolkata. The reasons for switching to injecting of pharmaceutical substances were reported to be due to non-availability and increasing street price of heroin".¹⁷ Every year, an average 20 drug users have their limbs surgically removed in Manipur due to drug use. As many as 5,700 people, 15% of estimated drug users in this state of 2.3 million people, risk amputation, according to an advisor on drugs and HIV to the Manipur state government.¹⁸

According to estimates in 2006 by the National AIDS Control Organization (NACO) there are 50,000 injecting drug users in the eight states of northeast India combined, the majority of them in Manipur, Nagaland, Mizoram and, recently, Meghalaya. More than 40% of the IDUs share their needles and syringes in spite knowing about possible HIV transmission.

A move to pharmaceutical replacements was also well documented in the Australian 'heroin drought' when there was a sudden shortage of heroin, its purity declined, and prices increased in early 2001. The causes of the drought are controversial,¹⁹ but it did not lead to the dramatic consequences experienced in northeast India. In fact there was a significant reduction in overdose deaths and an increase in numbers of people entering treatment services. Still, a similar shift to pharmaceutical replacements occurred. A Parliamentary enquiry concluded at the end of 2007: "When there are longer-term declines in the market availability of a drug, such as happened with the so-called 'heroin drought' in Australia, there can be a more large-scale and sustained shift toward substitution of pharmaceutical drugs. ... There are very few pure heroin users now although that is the preferred drug. The opiate dependents use either a mix of non-prescribed buprenorphine in conjunction with benzodiazepines or prescribed methadone with benzodiazepines."²⁰ Also powerful prescription opiate painkillers such as oxycodone and morphine have appeared on the illegal market. "Indeed, as efforts to disrupt illicit drug markets and further restrict their use continue, we can expect the non-medical use of diverted pharmaceuticals to grow."²¹

Pharmaceutical epidemics

The examples described above for Southeast Asia of increased use of pharmaceuticals is not unlike trends elsewhere. In Canada, heroin is fast being replaced by legal pharmaceutical drugs such as OxyContin (oxycodone) and morphine. "This is not a sideshow any more. In many communities, this is the predominant form of opioid, if not overall street drug, use," said Benedikt Fischer of the British Columbia Centre for Addictions Research.²² He led a research project on about 480 opioid users in seven Canadian cities in 2001 and 2005. It found heroin use overall dropped 24% in that period, while prescription opioid use jumped. By 2005, 62% of the group used only prescription opioids and heroin had all but disappeared in four cities, although it was still common in Vancouver and Montreal, port towns with easier access to imported heroin.

In the US, a rapid increase in non-medical use of pharmaceutical opioids has been recorded since the second half of the 1990s. Today, prescription drugs are the most used drug after tobacco, alcohol and cannabis, far outpacing heroin,

cocaine and methamphetamines. By 2006, prevalence of prescription narcotics use in the age group 18-25 had reached 12.4%, compared to 0.4% for the same age group for heroin and 6.9% for cocaine.²³ Also, the number of emergency episodes and overdose deaths involving pharmaceuticals has surpassed the numbers for heroin. OxyContin (oxycodone) and Vicodin (hydrocodone) are the most frequently cited. OxyContin was introduced as a powerful, long-lasting painkiller by the Purdue Pharma company in 1996 and contains a high amount of the active ingredient oxycodone, produced on the basis of thebaine-rich poppy straw concentrate originating from legal opium poppy fields in Australia or France. OxyContin has already been dubbed the 'poor man's heroin' or 'hillbilly heroin' on US streets. After simply crushing the tablet users can swallow or snort the drug for a powerful heroin-like high; it can also be crushed, mixed with water and injected.

Just a few years after the drug's introduction on the prescription market, annual sales reached \$1 billion. In fact, in 2007 Purdue Pharma pleaded guilty in a US Federal Court to criminal charges and admitted that they misled regulators, doctors and patients about the drug's risk of addiction and its potential to be abused. They agreed to pay some \$600 million in fines.²⁴ In the US case, the cause-and-effect of this epidemic may be completely opposite to the other examples mentioned. The high levels of misuse of pharmaceutical drugs are not so much the result of a heroin drought, in which heroin users use replacements. Instead, most of them are new users and the increased controls over painkiller abuse seem to drive more and more users to the illicit heroin market.

Drugs and medicines

The picture of the region that emerges is one of a very affluent market with users shifting back and forth between a variety of substances. The distinctions between the licit and illicit drugs markets are virtually non-existent when users are confronted with the scarcity of their drug of choice. A region where opium use has been high for a century has now evolved into a complex and dynamic market of opiates, ATS and pharmaceuticals. This profoundly challenges the assumption that reducing opium production would lead to less drug use. An assessment of drug-related health risks and sensible policy responses need a much better understanding of the choices consumers make in such a rapidly changing market. Some of those choices may, in fact, reduce drug-related harm, but others may have severe, unintended side effects. Some choices may, in the circumstances, be wise ones - self-medication by drug users based on experience of what works best for them, or self-administered substitution schemes when health services are not adequate. Other dilemmas they face as a result of changes in prices and availability may, however, push them to adopt more harmful patterns of drug use. Northeast India experienced particularly dramatic, unintended negative consequences. High-dosage use of several other pharmaceuticals may have severe harmful effects on the stomach, kidney, liver or the heart, and are worse than opium or even heroin could ever have caused.

The challenge from the start for the international drug control authorities has been to find an appropriate balance between limiting the illicit, non-medical use of controlled substances while guaranteeing adequate access to essential medicines. The 1961 UN Convention on Narcotic Drugs states in its preamble that "narcotic drugs are indispensable for the relief of pain and suffering and that adequate provision must be made to ensure the availability of narcotic drugs for such purposes". The same Convention, however, and subsequently the 1971 Psychotropic and 1988 Trafficking Conventions, introduced a fundamental distortion that upset the balance between control and access. The morally-inspired move to eliminate the more 'pleasurable' effects of using drugs such as cannabis, coca and opium denied the fact that all these plants and their active ingredients had significant medicinal and social uses, many of them undisputed and reconfirmed scientifically today. It also created an overly-artificial distinction between 'medicinal use' and 'abuse', between 'medicines' and 'illicit drugs' that denied basic realities about why people use drugs. In real life, there are blurred distinctions between recreation, relaxation, performance enhancement, coping with hard labour, coping with pain, coping with sleeplessness or curing illnesses.



Wisdom may be found in some words written before this conceptual distortion entered our minds and our laws. A book review in the New York Times published in 1872 about 'Stimulants and Narcotics' covered two publications on the subject. It also refers to James Johnstone's Chemistry of Common Life which highlights the fact that "no large tract of the earth's surface is without some indigenous narcotic plant, of which the inhabitants freely avail themselves, not merely for medicinal purposes, but for every-day use. It may be added, too, that this universal daily use of stimulants is no modern thing. There is no period of history, as there is no nation upon earth, in which abundant evidence of this custom does not exist." The article goes on to challenge a popular idea that is at the heart of current thinking on drug control: "All drunkards were once moderate drinkers. The only sure preventive of drunkenness is, therefore, total abstinence".

"If no one would ever touch the first glass, there would certainly be no inebriates. But if stimulants supply a real want of man's nature; if from the beginning of history the whole world has used them freely; if, as is the case, their use has increased in the ratio of civilization, and the number of those who abstain from all forms of stimulants is very small, and if ... the moderate use of stimulants is demonstrably beneficial, can it be expected that any considerable number of men will ever abandon their use as a precaution against their abuse? This method of reform is as feasible, it might be added, as would be the plan of preventing railroad accidents by urging travellers to stay at home."²⁵

Access to essential medicines

Absence of this 19th century wisdom, to allow moderate use of stimulants and narcotics for medicinal purposes and every-day use, has brought Southeast Asia -and the world at large- where it is today. Any use of psychoactive plants has been demonised and the suppression of moderate use has led to an illicit market dominated by concentrated, synthesized substances: heroin, methamphetamines and pharmaceutical drugs. Meanwhile, legal access to essential medicines - natural or pharmaceutical- is more restricted than ever before in history.

In hospitals across Burma, terminal cancer and AIDS patients, and even patients recovering from surgery, suffer unnecessary pain. "Every day I pray I could provide morphine to some of my patients so they could at least die in dignity," said one medical doctor in Burma. There are doctors who advise the relatives of AIDS patients who can no longer bear to see their beloved ones suffer, to go out on the street to buy illegal heroin to alleviate their pain.

The situation is not specific to Burma. Again and again, the World Health Organisation (WHO) and the International Narcotics Control Board (INCB) draw attention to the shortage of essential drugs for medical purposes, especially opiates for pain relief and substitution treatment. Southeast Asia, one of the main opium-producing regions in the world, has not been able to remain self-sufficient in essential opiate-based medicines. According to the WHO, "Severe undertreatment is reported in more than 150 countries, containing about 80% of the world's population." The WHO calls for "reviewing legislation and administrative procedures" in its Access to Controlled Medications Programme to "improve access to medications controlled under international drug conventions".²⁶ The programme aims to repair the 'imbalance between the prevention of abuse of controlled substances and their use for legitimate medical purposes'.

Several of the above mentioned pharmaceuticals are listed on the WHO List of Essential Medicines, including diazepam, buprenorphine, methadone and ephedrine (scheduled as a precursor for methamphetamine). A Pavlovian reaction common among many drug control agencies is to tighten controls when drug diversion and misuse becomes apparent; but this should be weighed carefully against the need to improve access to these essential medicines rather than restrict it.



Headache powder from China

Betel quid

Chewing betel quid is a popular practice throughout South and Southeast Asia; where approximately 600 million people use it daily as a mild stimulant.²⁷ It was erroneously called "betel nut" in colonial times, but generally, betel quid consists of freshly picked leaves of the *Piper betel* L. vine, which are then smeared with slaked lime and wrapped around thinly sliced areca nut. The areca nut is the fruit of the *Areca catechu* L. palm tree; this nut is used fresh, dried or boiled in salt water. Usually a small dose of fresh tobacco is added to the sliced nut. This whole package is put into the mouth and pushed from side to side while the juices mix with the saliva. One quid generally lasts up to half an hour and is then spat out. Most users chew at least one quid after each meal, but it can increase to up to 20 quids per day. Chewing betel quid is an ancient tradition that has been practiced for centuries. Special utensils that are traditionally made of silver are used to prepare the quid. Sharing betel quid strengthens social relations. Throughout the region, betel quid plays an important role in different rituals of life: rites before and after childbirth, at funerals and marriage ceremonies.

The areca nut contains a number of alkaloids (especially arecoline) and tannins, which turn red in combination with the slaked lime. Betel quid users can be recognised by their bright red lips and tongue. The alkaloids of the nut, together with the tobacco and the active ingredients of the betel leaves, have a stimulating effect and generate a feeling of well-being. Frequent use of betel quid can be damaging to the mouth and can cause inflammation of the gums, fibrosis and oral cancers.²⁸ Foreign influence has led to a decline in the habit of chewing betel quid, especially in urban areas in Thailand and Laos, and is being replaced by cigarette smoking. In Burma, where there is little foreign influence, chewing betel quid is still popular and the small stalls of the betel quid vendors are everywhere.



Betel quid seller in Burma



Harm Reduction and Law Enforcement

*"There is overwhelming, high quality evidence of very effective, safe and cost effective harm reduction strategies to reduce the negative health and social consequences of drug injection. (...) Experience of numerous programs and projects in all regions of the world indicate that HIV/AIDS epidemics among injecting drug users can be prevented, stabilised and even reversed by timely and vigorous harm reduction strategies."*¹

HIV/AIDS & harm reduction

One of the most worrying consequences of increased intravenous drug use is the transmission of HIV and other blood-borne infections through the sharing of syringes. Globally, over three million injecting drug users are estimated to be living with HIV. Southeast Asia is one of the regions with the highest HIV rate among drug users, in particular places in Kachin State in Burma, Yunnan and Xinjiang provinces in China, where up to 90% prevalence has been reached. In such areas, the critical mass of infection among high-risk groups is so great that the epidemic has become self-sustaining among the general population.²

Heroin injection epidemics are worst in upper Burma, Vietnam and some Chinese provinces. The problem is increasing in Laos and Cambodia, whereas the situation in Thailand is difficult to evaluate as it is about five years since the last national drugs assessment. Across the region, the increasing trend towards methamphetamine injection is highly worrying. Information campaigns have already reached a number of problem user groups, as an IDU from Kachin State confirmed. "According to my estimate, there may be 10% of all the heroin addicts here sharing syringes among themselves. Most addicts have been informed about the danger of contracting HIV so they seldom share needles, only doing so when they do not have enough money to buy a new syringe or when the situation is particularly compulsive." The only effective way to reverse the HIV/AIDS epidemic is a comprehensive package of harm reduction measures to reduce needle sharing among drug users, to counsel on safer drug use and sex practices, and to offer treatment to reduce or end drug use. Low threshold drop-in centres, voluntary alternative (non-prison) sentences and decriminalisation of drug users are essential components of any package aimed at reaching high-risk groups. Ensuring that condoms and sterile needles are widely available, and offering substitution treatment with orally administered methadone or buprenorphine are the first logical and necessary steps for an effective response to drugs and HIV.

Harm reduction policies aim to reduce the adverse health and social consequences of harmful drug use to individuals, their families and society as a whole. According to the WHO, harm reduction is a "complimentary response to illicit drug use, and can work together with supply and demand reduction strategies. Harm reduction does not conflict with abstinence as a strategy for reducing drug related harm, but gives priority to the more urgent and practical goal of reducing harm for users who cannot be expected to stop using at the present time. ... Harm reduction approaches are both effective and cost-effective in reducing the spread of HIV among and from people who inject drugs. ... Harm reduction interventions have also been shown to be safe, and do not lead to increases in the number of drug users or the frequency of drug use."³

China

A detoxification centre in Ruili on the Chinese-Burmese border was the first place in China where an outbreak of HIV/AIDS infections was seen in 1989 among drug users. "The disease spread rapidly through the IDU population and by 2002 had reached IDUs in all 31 provinces. By the end of 2005, HIV was estimated to have infected 288,000 drug users, accounting for 44% of China's 650,000 HIV infections."⁴ About 90% of the infected IDUs in China come from seven provinces: Guangxi, Xinjiang, Yunnan, Guangdong, Guizhou, Sichuan, and Hunan. HIV/AIDS infection rates among drugs users continue to rise.⁵

An early projection was that there would be 10 million HIV/AIDS cases in China by 2010 if effective control measures were not used. Alarmed by that prospect, the Chinese authorities started implementing harm reduction services among drug users. Their objective was to prevent a staggering 85% of projected new HIV/AIDS cases and to keep the number below 1.5 million by 2010.⁶ By the end of 2006, more than 300 methadone treatment programmes and almost a hundred needle exchange programmes had been established. A year later, around 500 methadone treatment sites with an estimated 95,000 customers and 775 needle centres were operational. The Chinese government aims to extend the methadone treatment services to over 1,000 by the end of 2008, to serve 300,000 heroin users.

Heroin is the most popular drug in China and the trend is changing from smoking it to injecting it. Yunnan province has an estimated 100,000 to 150,000 drug users and its proximity to the Golden Triangle has contributed to drug use in the province. "At this southern border of China, the high mountains and dense forest provide good cover for easy border-crossing and illicit drug trade. For this reason, Yunnan and Guangxi provinces attract large numbers of people trafficking heroin, methamphetamine and methamphetamine precursor chemicals."⁷

According to Chinese government sources, Ruili city today has 3,000 drug users and a government health clinic operates a methadone service for registered patients. Three mobile teams visit several sites in and around town daily. According to a local doctor: "Out of our 600 patients, 115 are living with HIV, 70% are heroin users, of whom 40% are IDUs and 60% smoke heroin. Patients come here to use methadone for two yuan per day, but only about 10% succeed in staying clear of drugs after an average three month of methadone treatment. If a person relapses three times, we no longer accept that person. If the police tell us a person has already been in their rehabilitation centre, we also cannot accept that person anymore." Here, as for the whole region, methadone programmes are short detoxification programmes meant to help the heroin user make the transition to full abstinence in 45 to 90 days, which explains the high relapse rates. There are very few official longer-term methadone 'maintenance' services, like those provided in many European countries.

Burma

UNAIDS has warned that the HIV/AIDS epidemic in Burma is no longer limited to specific risk groups but has spread among all segments of the population: "The country is close to the tipping point. This is the point at which the critical mass of infection becomes so great that the epidemic is self-sustaining in the general population, even if risk behaviour in the most vulnerable sub-populations, such as injecting drug users and sex workers, is significantly reduced."⁸



Used syringe in school in Kachin State

Reliable data, however, are not available, and all figures should be treated with caution. According to Government's Department of Health, by 2007 there were 230,000 adults living with HIV/AIDS in Burma, with 24,000 annual AIDS deaths among adults, 13,000 new infections and 73,000 people in need of antiretroviral treatment (ART).⁹ International NGOs in Burma now estimate drug users number 300,000-350,000. "Among them are 60,000-90,000 IDUs, of which over 40% are HIV positive," says an international aid worker in Burma. "IDUs have the highest HIV prevalence of all risk groups. There are pockets where 70-90% of the IDUs are HIV positive, such as Lashio and Mongsue in Shan State and Hpakant in Kachin State."¹⁰ According to the same source, the HIV prevalence among IDUs will decrease, as has happened with other risk groups. "This is because more tests are being carried out, and because of lot of the IDUs who are HIV positive die."

"HIV prevalence rates among IDUs in Burma are among the highest in the world," says a report by the HIV/AIDS Asia Regional Program (HAARP).¹¹ Although IDUs are one of the risk groups, and a relatively large number of IDUs are HIV positive, very few of them have access to ART. "This is the big issue in the country," says a former injecting drug user who is HIV positive. "About 73,000 people currently need ART, but only 11,000 are receiving it."¹² According to an international aid worker: "Drug users are excluded from ART, apart from a few show cases. There are less than 20 IDUs who are getting ART, because adherence to the treatment is vital and family support is required, both of which IDUs often lack. We are not even talking about percentages, but about head counts."¹³

There is also a lack of services for drug users in Burma. Although some international organisations have set up drop-in centres and established needle exchange and methadone treatment programmes, these services are still limited and need to be scaled up to be effective. The capacity and facilities at the government drug treatment centres, set up following the introduction of legislation that made drug treatment compulsorily for addicts, are insufficient, and this has also driven many drugs users underground. Those who leave or do not seek treatment risk being arrested and sent to prison. Drugs treatment is orientated towards abstinence; substitution therapy has only recently been considered on a pilot basis. Access to services provided by NGOs for addicts is restricted by law enforcement activities, which in effect force drug users to go underground where they are out of reach. International NGOs' access to high-risk behaviour IDUs, such as in the so-called 'shooting galleries', is sensitive. Needle exchange programmes run by international agencies have expanded but are still controversial in Burma.

Other causes of the HIV/AIDS epidemic in Burma

Another major driver of the HIV epidemic in Burma is the practice of unsafe sex, particularly commercial sex. HIV/AIDS infection rates among sex workers are high. Data from 2000 shows a significant increase in infection rates among sex workers from 26% in 1999 to 38% in 2000. The same research reported that about 12% of the male clients treated at public clinics for sexually transmitted diseases were HIV positive.¹⁴ UNAIDS reported that 27% of the sex workers tested in 2004 were found to be HIV positive.¹⁵

"In the past, most HIV cases here were because of drugs but now it is because of sex," says a Burmese source in Ruili. "Many of them have died. The Chinese police gave us a place to bury Burmese people who cannot afford it. We buried many girls there, nobody helped them, only people like us. We pay for their funeral and, one month later, for the Buddhist ceremony."¹⁶

A 2006 study to assess the prevalence of drug use among sex workers in Kachin State found that nearly 50% were using some kind of drugs. The majority of them were taking methamphetamine 'cocktails', and about 5-10% of them were IDUs. These IDU sex workers are a 'double high-risk' population with more complex problems, and so far no specific programme exists to address their needs.¹⁷

The HIV/AIDS epidemic is further fuelled by populations moving around, such as people engaged in border trade and migrant workers in mines and logging camps which have a high prevalence of drug use, sex workers and poverty. Men having sex with men is another frequent way in which HIV is sexually transmitted. There is also evidence of the virus spreading into lower-risk groups. For example, HIV prevalence among pregnant women is rising and by 2004 exceeded 3%. HIV rates among military recruits tested in Rangoon and Mandalay has also increased, as have infection rates among blood donors.¹⁸

Laos

Laos has a much lower prevalence of HIV/AIDS. The number of IDUs is also significantly less, as opium is still the most commonly used drug. It is mainly consumed in mountain villages that used to cultivate opium. However, the changing drug market in Laos and its closeness to Burma and China with their many IDUs, leads to worries that the number of IDUs in Laos may increase. There are already reports of an increase in people injecting black-water opium and heroin, as well as methamphetamine injection. Methamphetamine use has already increased in Laos, not only in villages along trafficking routes from Thailand and Burma to Cambodia and Vietnam, but also by female sex workers and the young unemployed.¹⁹ There has not been a national survey on the number of IDUs, or how many of them are HIV positive. "We need data collection on this, but I think it is not very high, because the number of heroin addicts is not very high," says a government representative.²⁰

"Drug use is a major problem here. We see a lot of heroin coming across the border from eastern Burma," says a representative of an international agency. "African gangs use Filipino women to traffic the heroin to Yunnan province in China by bus. We have reports that nine of these women have been arrested. These guys were not here a year ago." There are also increasing reports of heroin being seized in the Lao border area. "There is no evidence of heroin being produced here, it all originates from Burma," says the same source. "There is an increase in the number of heroin IDUs in villages in northern Laos, especially along trafficking routes from Burma to Vietnam."²¹

Treatment and services

Only one country, China, has demonstrated a significant effort to scale up substitution treatment and needle exchange programmes, although there remain serious shortcomings in the quality of the services provided. In all other countries in the region coverage is still dramatically and unacceptably low. In Vietnam, where 300,000 people are believed to be living with HIV (double the 2000 figure), the first two methadone clinics opened in April 2008 in the northern port city of Haiphong, a heroin and HIV/AIDS hotspot, where 700 users will be treated in a pilot scheme. A second pilot for 750 users was established shortly afterwards in Ho Chi Minh City. In Thailand, methadone treatment started much earlier. In both Thailand and Vietnam, needle exchange services can only operate underground, unregistered or quasi-legally as legislation prohibits their implementation. In Laos and Burma, too, the law formally prohibits the provision of needles and syringes. In practice, though, needle exchange is permitted in Burma where 24 sites are currently operational.²² In Burma, a

Methadone treatment centre in Yunnan



methadone treatment pilot started in 2006, but so far just six sites are operational for a few hundred clients. The modest target is to serve 1000 people by the end of 2008.

According to the latest UNAIDS estimates in Southeast Asia as a whole only a tiny 3 percent of injecting drug users in need of harm reduction programmes have access to them. It is worth noting that Southeast Asia is the only region that saw a decrease in harm reduction coverage from 5% in 2003 to 3.4% in 2005.²³ While recognising that resources are not limitless, with relatively small amounts of money the global HIV epidemic among drug users could be drastically slowed if those funds sustainably support harm reduction measures. Some at UNAIDS have publicly suggested around \$200 million or more per year is needed.²⁴ At present, based on UNAIDS data from 2006, programmes targeting IDUs get less than 0.5% of the total \$8.3 billion earmarked for the global AIDS response. And with several Asian nations moving away from being classified as resource-poor, fewer donors are likely to invest in scaling up harm reduction programmes in Asia.

Asia's recorded 11 million injecting drug users are a particular concern. The window of opportunity to avoid a major social crisis in the next few decades will require a rapid and sustained response to drugs, poverty and HIV/AIDS. Progress made towards the millennium development goals is at risk of being overturned and set back many years if HIV is not seriously addressed in next few years in Asia. Indeed, some have hypothesized that there will be a shift in the epicentre of the epidemic from Africa to Asia.



Sharing non-sterile injection equipment represents one of the most significant means of HIV transmission - globally, 10% of new HIV cases are in IDU communities, jumping to 30% if Sub Sahara Africa is taken out of the equation. Harm reduction measures are acknowledged in scientific literature and several UN documents as the only available effective intervention to halt and reverse the epidemic among IDUs. The proportion of funds earmarked to address the links between risky drug use and HIV is obviously insufficient. An international 'Donor Conference on Harm Reduction - Funding the HIV/AIDS response among people using drugs' is to be held in January 2009 in The Netherlands specifically to address the need to scale-up harm reduction interventions.

Drug law enforcement & prisons

UNAIDS also emphasises the need to review and revise laws that criminalise drug use, since "current legislation and policies hamper implementation. There is an urgent need to harmonise drug policies with HIV policies. Criminalisation of drug users hampers access to treatment and prevention services."²⁵

This was highlighted in the Commission on AIDS in Asia report and was reinforced in UN Secretary-General Ban Ki-moon's address at the report launch where he declared "We must tackle social norms (...) through better legislation, or better enforcement of existing laws. And we must guard

against legislation that blocks universal access by criminalising the lifestyles of vulnerable groups. We have to find ways to reach out to sex workers, men who have sex with men, and drug users, ensuring that they have what they need to protect themselves."²⁶

Most countries in the region have mandatory registration systems for drug users, supported by legislation and enforced by sanction. There is, however, unofficial acknowledgement that the real numbers are much higher than those officially registered. China has witnessed a 15-fold increase in the number of registered drug users between 1990 and 2003 - from 70,000 to 1,050,000. There is now acknowledgement of estimates in the range of six million to 12 million drug users. Thailand and Laos have estimated drug user populations of two million or more, and Vietnam and Burma acknowledge estimates from 200,000 to less than one million.²⁷

Criminalisation and law enforcement are still the usual ways of attempting to control the drug markets and Southeast Asia has some of the world's most repressive policies against drug users and traders. The region has seen rapidly rising prison populations and annual increases in arrests. Thailand is, perhaps, the unexpected exception to this escalation with regard to annual arrests. In October 2002, the Thai government passed the Drug User Rehabilitation Act which was a significant change in its response to drug users. The Act considered drug users as patients rather than as criminals and provided access to medical, social and psychological treatment. Criminal sentences were replaced by compulsory treatment regimes for offences.²⁸ As a result, the country witnessed a sudden decline in drug-related arrests from an average of 220,000 people per annum from the late 1990s to 2002, to about 100,000 in 2003. Following its brutal 'war on drugs' in 2003, there was a 10-fold increase when tens of thousands were put in compulsory treatment. According to a study, the Office of the Narcotics Control Board (ONCB) says "the huge reduction in the number of offenders in 2003 is a result of the enforced collapse of many drug cartels, causing dealers to stop selling drugs and diverting more users into treatment and away from prosecution."²⁹

Thailand, however, still tops the list of drug-related arrests as reported by national law enforcement agencies in 2006: 69,000 in Thailand, 17,000 in Vietnam, almost 6,000 in Burma, slightly over 600 in Cambodia and less than 500 in Laos. Thailand also still tops the region's list of prison population rates, 264 per 100,000 inhabitants, a total of 165-170,000 prisoners, more than 60% of them for drug-related offences. Between 2002 and 2004 about half a million people were arrested for drug-related offences in the wider ASEAN region, including significant numbers from Malaysia and Indonesia.³⁰ In China, 56,000 arrests were reported in 2006, though there were also nearly 300,000

admissions to compulsory 'rehabilitation' centres and an additional 70,000 drug users 'treated' at 're-education through labour' centres.³¹ Many of these camps offer little or no treatment or health care services and people in such facilities experience it as a prison sentence rather than as treatment.

Drug laws across the region are extremely harsh and penalties are disproportionately high, including for minor offences. In the Southeast Asia sub-region, the death penalty for trafficking offences is still practiced in China, Vietnam, Malaysia and Singapore. Several other countries still have legislation that includes death penalties, but some no longer carry out executions. According to a special report by the International Harm Reduction Association on the death penalty for drug offences, around 100 people are executed by firing squad in Vietnam each year, mostly for drug-related offences. In Malaysia at least 229 people had been executed for drug trafficking over the past 30 years. China has used the UN's International Day Against Drug Abuse and Illicit Drug Trafficking, 26 June, to carry out public executions of drug offenders, numbering 50-65 each year.³²

The dark episode of the 'war on drugs' in Thailand, launched by the Thaksin government in February 2003, led to the extra-judicial killing of an estimated 2,300 drug users

and small traders within three months. It led to an outcry among human rights groups all over the world. Human Rights Watch documented these events in a report entitled 'Not Enough Graves', which refers to a comment by a recovering heroin user from Chiang Mai: "Why do you have to kill people? ... It's better to help drug users find ways to change their behaviour instead of killing them. There are not enough graves to bury us all."³³

In Thailand, being found in possession of less than six yaba tablets means six months in a rehabilitation centre for the user, in practice usually around four months. For having six or more pills, and heroin, the penalty begins at 10 years and can mean the death penalty. In government-controlled areas in Burma, punishments are even harsher: for one pharmaceutical tablet - if no medical prescription can be provided - drug users can be sentenced to five years' imprisonment. If caught with more than five yaba pills, the sentence can go up to 20 years; more than 0.2 grams of heroin means 15 years and more than five grams of cannabis can mean up to 20 years. In areas controlled by ethnic ceasefire groups in Kachin or Shan State, these extreme sentencing norms are not usually applied. Still, people there who are arrested for drug use, or for possession of small amounts for personal consumption, are imprisoned and then usually released after going through cold turkey in custody for a few months.

The penalties for drug use in Burma are strict as the government has criminalised addiction. The 1993 Narcotics Drugs and Psychotropic Substances Law requires drug addicts to register with government medical facilities for treatment and rehabilitation. Failure to register, or being unsuccessful in treatment, is punishable with three to five years' imprisonment. It is estimated that the amount of drug users sent to prison is high. According to the Central Committee for Drug Abuse Control (CCDAC) from 1988 to the end of 2003, 22,168 unregistered drug addicts were arrested. HIV continues to spread in prisons through medical and non-medical injecting. Reading materials about HIV transmission were forbidden for prisoners in the mid-1990s and the present situation is not known.

Among the legal obstacles is the Burma Excise Code of 1905, which prohibits making, selling, possessing or using hypodermic needles without licence. In 2001, an order was given not to enforce this regulation, but it is unclear how this works in practice. Police crackdowns decrease NGO access to IDUs and disrupt needle exchange and other services, and they also "convert" more smokers to injectors. During times of increased police crackdowns, the price of drugs (both smokeable and injectable) increases and many poorer smokers resort to injecting because it is more potent and a smaller amount gives them a 'high'.³⁴

Used syringes in Hpakant jade mines, Kachin State



Policy on drug users by cease-fire groups in Burma³⁵**Kachin Independence Organisation (KIO)**

"In Kachin State we have banned the use of opium and drugs and nobody is allowed to cultivate opium. But even while we have this policy, we cannot totally stop it, and it is not drugs free. It is because of our lack of knowledge and because we cannot adequately help drug users and farmers. First, we need programmes in our area to help drug users and farmers. Second, we need needle exchange programmes for people who use drugs. Third, we need to raise people's awareness about drugs. It is very difficult for us to make contact with the international community. Also, in our Kachin community, living standards are very low and very backward. We want to become civilised. If we talk about drugs, we just say we do not like drugs, because we do not know another way. There are NGOs working in the Wa area, we also want them to work in our area. One of the problems for us is that we cannot contact NGOs directly. Because of the Burmese government it is difficult for NGOs to come to our area, and work freely."

New Democratic Army - Kachin (NDA-K)

"We have close cooperation with the Chinese side and we have even exchanged drug dealers and users between us. Recently we arrested 40 people from Pangwah in a 10-day period. The people who sell drugs there are also poor people, they just sell yama and heroin to earn money for their daily needs. After arresting those users and sellers, we noticed that their families got into difficulties. We need substitution programmes as alternatives. Our region is a very backward region. The central government cannot provide anything to help us. We need help from the international community. Another problem is that we need medicines for drug users, which they need when they are going to quit. The most pressing problem we have is medicines. The Burmese government does not provide us with anything, and to buy from China is expensive. We cannot build hospitals and we lack not only equipment but also know-how. We have clinics, but it is difficult to call them hospitals. At Pangwah and Kampaiti we have larger ones. There are about 50 dispensaries in other places in our area. According to data we collected on 2004, there are about 800,000 people in our area."

United Wa State Army (UWSA)

"When we know that people use drugs we arrest them, and they have to do three years of hard labour. People are now concerned about this and take drugs secretly. If we catch people who sell drugs, we put them into prison for a few years and we fine them. We ask them who the sellers are so we can arrest them. Some who are injecting heroin die after one month, after they are forced to stop. Now we have about 100-200 drug users doing hard labour. In the daytime they work in the rubber plantations. If they go back to using drugs again, they have to serve another four years of labour. The ones working on the road with chains on their legs are prisoners, and not drug users, but they also include drug sellers. We have quite a lot of HIV/AIDS cases in our capital Panghsang. We have not checked other areas, so I do not know about that. The first case of HIV/AIDS in our region was in 1997, in Panghsang. A few of them have died now. These cases are also related to sexual transmission. HIV/AIDS has kind of stabilised in the last few years. We do more public education. We identified four or five cases each year in Panghsang. But we only check in the entertainment places."

New Democratic Alliance Army (NDAA - Mongla Region)

"In our Health Department there should be a project for drug users, but because of lack of opportunities and experience it has not happened. We have a committee for drug prohibition, which includes the army and the police. There is a lot of pressure from the Chinese regarding the drug issue. People who are using or selling drugs are put into prison, but there is no set policy on how many years they get. People who use drugs are sent to prison for about three to six months, and they have to perform forced labour, like working in the fields. People who are caught selling drugs are also put into prison, and the length of the sentence depends on how much drugs they have on them. Many people came to our hospital after an overdose. The majority of them are Chinese sex workers; they come to hospital after taking methamphetamines, but some also from taking heroin. We rescue about four to five people from an overdose per year, but we cannot rescue all. Those who come are those who can afford to come. Some die at home."

Myanmar National Democratic Alliance Army (MNDA - Kokang Region)

"Life is very poor for the drug users. There are too many drug users in Kokang, but we lack facilities to treat them. People mainly use opium, heroin and amphetamines. The main problem is that we need medicines to treat drug users and a system to control drug users, a police system. We need money and medicines for the local government. We have two prisons to control drug users. At one place we have 70 people, and at the other place about 100 people. We give them a three months sentence for the first time they are arrested. If they are caught again they get six or 12 months prison sentence. The first one of these prisons was built two years ago, the second one a year ago. These places are only for drug users. In the daytime we make the drug users work on building roads and planting trees; it is hard work. In the night we put them into the prison."

In this highly repressive environment, it is no surprise that corruption has become commonplace and rampant. Many family members will try everything they can to prevent execution or the life of a beloved one being destroyed by a long prison sentence. We encountered many cases of corruption involving police, lawyers, judges and doctors (to provide negative drug tests), especially in Burma and China. In Yunnan, if people are sentenced to death, the current price to 'save the head' is between 200,000 and 300,000 yuan (\$30,000 to 40,000), and to reduce the subsequent 15-year sentence to three years, another 200,000 yuan is required. One case involved a woman contracted by a trader to bring six kilograms of heroin from Muse to Kunming, who was arrested and released after the trader paid 500,000 yuan. Less exorbitant amounts are necessary at street level to bribe local police for not making arrests for minor possession. 3,000 yuan (\$430) is usually enough but it is an amount few people have readily available. In Burma, bribes of around \$2,500 can reduce sentences for minor use or possession offences from seven or eight years to four years.

The problem is not so much that corruption undermines the rule of law - which, given the severe punishments meted out, is justifiable - but that many people simply cannot

afford to pay and families incur life-long financial debts. The effect is that those with good connections to wealthy traders can sometimes get their sentences reduced and the poorest are executed or serve the longest prison sentences.

In this extremely repressive context, it is worrying that the ASEAN Senior Officials on Drugs (ASOD) are not willing to work with civil society, they refuse to acknowledge the link between injecting drug use and HIV/AIDS and have not responded to several invitations to collaborate with the ASEAN Task Force on HIV/AIDS.³⁶ The worries deepen when considering further the Drug-Free ASEAN 2015: Status and Recommendations report of 2008. In its attempt to re-define the concept of 'drug free' and to establish targets for the coming years, the report lists one of its aims as "a 10% increase in total arrests annually beginning in 2009", using as a benchmark the arrest figures for drug law violations in 2008. Although the emphasis is on increasing trafficking arrests while reducing the relative number of arrests for possession, the proposed 10% increase sends the wrong signal. Instead, a review of drug laws in the region to 'humanise' them is urgently needed, which places basic human rights and proportional sentences high on regional and national policy agendas.

KIO soldiers dancing at traditional Kachin Manao festival



The evolution of international drug control

Drug policy has gone through several stages in the past century. The first attempt was made in February 1909 at the International Opium Commission in Shanghai, where 12 countries discussed for the first time options for international controls on the opium trade. The first Hague Convention (1912) and the treaties negotiated in the League of Nations era were more of a regulatory than a prohibitive nature, aimed to tame the excesses of an unregulated free trade regime. For example, restrictions were imposed on exports to countries where national laws had been introduced against non-medical use of opiates, but there were no treaty obligations to declare drug use or cultivation illegal, let alone to apply criminal sanctions against it. The series of conventions was, rather, a set of administrative regulations on import/ export of opiates (including opium, morphine and heroin), cocaine and - since 1925 - cannabis, without criminalisation of the substances, their users or producers. The United States and China both walked out of the negotiations that led to the 1925 International Opium Convention, because in their view it did not impose sufficiently restrictive measures.

In fact, early agreements on drug control were not unlike the international agreements discussed in the same period on alcohol and its prohibition in some countries. "Proposals for government alcohol monopolies were the first expression of a self-conscious 'alcohol control' strategy, where governments took on the task of managing the alcohol market to limit the damages from drinking."³⁷ Several opium monopolies did reduce legal production of opiates under the influence of these agreements.

The 1936 Convention was the first to make certain drug offences international crimes. But it was only signed by 13 countries and only came into effect when World War II had already started and drug control was certainly not top priority for most countries. It was only under the United Nations system after World War II that the necessary political atmosphere was created for the globalisation of prohibitive anti-drug ideals.

The 1961 UN Single Convention on Narcotic Drugs unified and replaced the different multi-lateral instruments negotiated throughout the previous half century. It limited the use of a variety of psychoactive substances exclusively to medical and scientific purposes, and aimed to gradually eliminate non-medical use of opium within a 15-year period, and coca and cannabis within 25 years. The treaty was heavily biased towards suppressing plant-based drugs that originated largely from the developing countries at that time. "If in those days the opium-producing countries had been as concerned about alcohol as Western countries were concerned about opium, we might have had an international convention on alcohol," said the former head of the WHO Section on Addiction Producing Drugs.³⁸

The 1971 Convention on Psychotropic Substances was a response to the diversification of drug use, and introduced controls on the use of amphetamines, barbiturates, benzodiazepines and psychedelics. The 1961 and 1971 Conventions together form the zero-tolerance backbone of the UN legal drug control system.³⁹ Meanwhile, post-war communist China intensified opium suppression efforts domestically but was not part of the UN drug control treaty system until 1985.

The 1980s marked the start of the militarised 'war on drugs' and the end of the exemption schemes agreed to in the 1961 Convention to phase out non-medical coca, opium and cannabis uses. The 1988 UN Convention Against Illicit Traffic was negotiated in this context. It significantly reinforced the obligation of countries to apply criminal sanctions to control all the aspects of production, possession and trafficking of illicit drugs - except for drug use. The treaty symbolised the multilateral underpinning of a more aggressive attack against all aspects of the drug trade. Drug laws and sanctions were tightened across the globe and prisons started to fill up rapidly. The 1988 convention also introduced control mechanisms for the precursors used to produce the various controlled drugs through an import-export notification system.

UN General Assembly Special Session on Drugs

Ten years after the third convention, the international community gathered in New York for the 1998 UN General Assembly Special Session on drugs (UNGASS). The search for consensus was not easy, owing to the many divisions that existed. Some said - in relation to the 1988 treaty - that "the convention is an instrument with teeth and now we should make it bite". In other words, they wanted UNGASS to further reinforce the worldwide system of control. Others, particularly in some Latin American countries, believed the current regime was biased because it emphasised the producer countries of raw material. This group wanted a balanced approach under the motto of 'shared responsibility'. They wanted more attention on those parts of the market that were the responsibility of the developed countries. There was also a third group for whom the inability to stop the growing problem questioned the validity of the policies, and who advocated for more pragmatic harm reduction strategies that were not part of a zero-tolerant ideology.

The 1998 UNGASS also established a new deadline in the Political Declaration - after the failure of the deadlines of the 1961 Convention - to "eliminate or significantly reduce the illicit cultivation of the coca bush, the cannabis plant and the opium poppy by the year 2008". While in the past decade the war on drugs has intensified in the traditional Southern producer countries, the emergence of more pragmatic and less punitive approaches to the drugs issue, under the banners of 'harm reduction', 'decriminalisation' and 'alternative development', also consolidated after the UNGASS. In March 2009, the 10-year review process will be concluded, resulting in a new political declaration with guidelines for the future.

The spread of HIV/AIDS amongst injecting drug users, the overcrowding of prisons, the reluctance in South America to continue being the theatre for military, anti-drug operations, and the ineffectiveness of repressive anti-drug efforts to reduce the illicit market, all contribute to a cautious questioning of the current control system. Signs of a crack in the Vienna consensus that has dominated drug control policy in recent decades are now slowly emerging. The UN Millennium Goals and the two UNGASS meetings on HIV/AIDS in 2001 and 2006 helped to formulate drug control policies in a broader framework which took into account poverty alleviation, HIV/AIDS prevention and harm reduction, and attempted to acquire a more system-wide coherence in UN policies on drug control, public health, security and poverty issues.

Metadone treatment centre in Yunnan





Conclusions and Recommendations

The Southeast Asian drugs market is going through a process of profound transformation. The enforcement of opium bans in the Golden Triangle has driven hundreds of thousands of families deeper into poverty. The region, where opium use has been high for a century, has now evolved into a complex and dynamic market of opiates, ATS and pharmaceuticals. The picture that emerges is one of a diversifying market with users shifting back and forth between a variety of substances. The distinctions between the licit and illicit markets become blurred when users find their drug of choice is scarce. National and local authorities in the region should realise that these are complicated problems and that there are no quick fixes or one-size-fits-all solutions. Long-term vision and sustainable change is needed but, at the same time, there are a number of urgent problems that need to be addressed now.

This is the first effort to research and analyse the Southeast Asian drugs market as a whole. Previous studies have focused on particular aspects rather than the full panorama of the drugs situation. Understanding the dynamics of drug markets is essential to making rational and effective policies. This report also shows that policy responses to both supply and demand need to be integrated as they are strongly interconnected. Current drug control policies and targets, such as making ASEAN drug-free by 2015, are focused on reducing supply and demand by applying repressive measures, and tend to ignore the adverse consequences for drug users, their families and society as a whole.

Understanding how the market responds to policy interventions is necessary to avoid the displacement of drug-related problems from one area or substance to another – the so-called ‘balloon effect’. Poorly-designed policies can have severe unintended negative or even counterproductive effects. Understanding the reasons why people grow or use drugs is basic for any policy on drug control to be effective and sustainable. New research and analysis presented in this publication allows for a series of conclusions and recommendations that take into account all aspects of the drugs market in the region.

The opium decline

A significant decrease in opium production in Southeast Asia has occurred. First production practically stopped in Thailand and then Vietnam and, in the past decade, Laos and Burma saw substantial reductions in poppy cultivation. The exact rate of the decline, however, is still being debated. There are questions about the accuracy of the high Burmese production figures at the end of the 1980s and in the early

1990s. Also, there has been a shift in cultivation patterns to new areas inside Burma, and include a harvest twice a year instead of once. The fact that there has been an increase in opium production in the last two years is a worrying sign.

Several factors have contributed to the decline in production. Local drug control efforts, under political pressure from China especially, ASEAN and the US to comply with global and regional drug-free deadlines, have played a role. Most recently, the opium bans by cease-fire groups in Burma's main cultivation areas, and the enforcement of the opium ban in Northern Laos have had a major impact on Golden Triangle production levels. Other important reasons have to do with market developments. Firstly, at a global level, heroin from Southeast Asia has been pushed off the market in Europe and the US, and been replaced by heroin from Afghanistan and Latin America respectively. Secondly, at a regional level, the rapid expansion of the methamphetamine market reveals a socio-cultural shift in consumption patterns from narcotics to stimulants, especially among the new generation of users.

The opium decline in the Golden Triangle has not reduced the supply of opium and heroin on the global market. On the contrary, global opium production has increased sharply in recent years due to record cultivation levels in Afghanistan. Initially, the reduction also had no major impact on the regional market. Production remained sufficient to satisfy regional demand and only resulted in a reduction in exports to other regions of the world. The first signs of a shortage of supplies are now beginning to appear as indicated by rising opium and heroin prices. This is likely to stimulate regional production. Though not yet significantly felt on the market in this sub-region, heroin from Afghanistan may increasingly fill the gap in other parts of China.

Precursor control

Southeast Asia is the major producer of plant-based pre-precursors for the chemical precursors of ATS. The worldwide ATS boom has focused attention on precursor control, and recently on plant-based pre-precursors. At the moment, harvest-ing, extrac-tion and trade of safrole-rich oils, the main pre-precursor for ecstasy, is wreaking ecological damage in the remaining wild forests in the region. Increased controls in China and Vietnam have shifted the practice of oil extraction to Burma, Laos and Cambodia, where the trade is going underground due to control measures. A comprehensive, regional policy to grow safrole-rich plants in a sustainable way is urgently needed, which can build on the already-advanced experiments with new plants in China.

There are still questions about the rationale behind current law enforcement against precursors. The destruction of seized stocks of safrole-rich oils might backfire by driving up the price and attracting more illegal business. It is important to recognise that not all the illegal oil is destined for ecstasy laboratories, and that the bulk of oil is still used for legal purposes. A wiser approach might be to sell the seized oil to the chemical industry and use the proceeds to set up sustainable production to provide livelihoods for the people involved.

As for ephedrine, used as a precursor for methamphetamines, the WHO has expressed concern about overly-strict controls. Ephedrine is included on the WHO list of essential medicines as it is widely used during childbirth and essential to meet the Millennium Development Goal aiming to reduce by three-quarters the maternal mortality ratio by 2015. Any tightening of controls to prevent its diversion as a precursor should be weighed carefully against the need to guarantee adequate access for its medicinal use.

Alternatives livelihoods

In both Laos and Burma, opium bans have been implemented without alternative livelihoods for farmers in opium growing areas. Cease-fire groups in Burma hoped that, in return for implementing opium bans, they would get international aid and political recognition. This has not happened, nor has there been any political solution in Burma, which puts the cease-fire agreements themselves in jeopardy. The already-impoveryished people in these areas are still unable to cope with the loss of their household income, while development assistance seems to be declining just as it is needed most, putting the sustainability of the ban at risk.

Drug control objectives need to be mainstreamed into all development interventions in the region. Conversely, all drug control programmes should have a development-oriented approach. A key guiding principle is to ensure the right sequencing: eradication of opium poppy fields or implementing opium bans should not occur unless farmers have viable and sustainable livelihoods in place. Development assistance should not be made conditional on a reduction in opium cultivation. Furthermore, drug control policies and practices should conform to human rights norms, as laid down in the UN Charter, the Universal Declaration of Human Rights and other international human rights law. They should also take traditional values and local customs into account.

The target for achieving a drug-free ASEAN by 2015 is unrealistic and has led to overly-repressive measures against poppy farmers and drug users. Unfortunately, the 2008 status report on the ACCORD Action Plan continues to

press for “full eradication of illicit crops in 2015”. At the same time, it recommended that “in 2009, the average family income of farmers who were persuaded to cease illicit crop production and to engage in alternative crop cultivation should be equal to the family income in the years that illicit crops were cultivated”. The latter will clearly not be achieved. To prevent exacerbating the hardships already being suffered by rural communities, and undermining the sustainability of achievements to date, it would be wise not to enforce the deadline. It would be far better to take a longer-term perspective and concentrate on putting alternative livelihoods in place.

Harm reduction and HIV/AIDS

The decline in opium cultivation has led to a shortage of heroin on the regional market, resulting in a reduction in quality and an increase in price. Drug users are therefore more and more under pressure either to quit or look for more affordable substitutes. While some people shift to methamphetamines, more drug users have started to experiment with pharmaceutical replacements, principally opioids and benzodiazepines. The assumption that reducing opium production would lead to less drug use has been proved wrong so far. An assessment of drug-related health risks and the policies to deal with them require a much better understanding of the choices consumers make within a changing market.

A pattern is emerging across the region in response to the repressive drug control policies and the criminalisation of drug users that shows an increased use of stronger drugs and more harmful patterns of use. Users have moved from smoking opium to injecting heroin and pharmaceuticals, and from orally ingesting methamphetamine pills to smoking and injecting dissolved pills. There are also strong

indications that smoking and injecting the even more addictive crystal meth/ice is gaining ground in the Greater Mekong subregion, following patterns already established in East Asia and eastern China. This trend obviously increases drug-related health problems including the transmission of blood-borne diseases through the sharing of non-sterile equipment.

This has become one of the main drivers of the HIV/AIDS epidemic in the region. Most visibly in the Burmese-Chinese border areas (northern Shan State, Kachin State and Yunnan Province), this behaviour has led to a human tragedy which should be urgently addressed at a regional level by all actors, including national and de facto local authorities. Harm reduction programmes are required, including for ATS use. For any programme to be successful, cross-border cooperation and coordination is vital.

There is an urgent need to harmonise drug policies with HIV policies. Only a very small proportion of injecting drug users in need of harm reduction programmes actually has access to services. Even fewer have access to antiretroviral treatment (ART). Continuing and long-term support for harm reduction and drug treatment programmes, and ART for drug users living with HIV/AIDS should be prioritised. Current levels of international assistance are insufficient. Governments and local authorities in the region, especially in Burma and Laos, also need to change their policies and laws on drug use, to become more treatment oriented, to provide more user-friendly services, and to follow harm reduction approaches. Repressive legislation that criminalises drug users only hampers access to prevention, treatment and harm reduction services.

Southeast Asia has not been able to remain self-sufficient in essential opiate-based medicines and there are chronic problems with access to essential medicines. National drug



control agencies need to recognise the importance of controlled drugs for pain relief and to guarantee their availability for legitimate medical uses. This includes opioid analgesics and opioids for substitution treatment. Legislation and administrative procedures related to controlled drugs need to be reviewed and any provisions that unnecessarily impede their accessibility and availability for medical use should be revised. Collaboration should be improved with the WHO's Access to Controlled Medications Programme to create a better balance between preventing the abuse of controlled substances and use them for legitimate medical purposes.

Democracy and civil society

Burma has been embroiled in a civil war since 1948 and has suffered under a military dictatorship since 1962. Decades of conflict and government mismanagement have brought great suffering to people. The situation in Laos and China, which are ruled by authoritarian, communist regimes, is a little more open. But there is very little space in all three countries for debate or dissent, and drug control policies reflect this. The military still plays an important role in Thai politics (the last coup was in 2007) and, though the country has a nominally democratic system, it is unclear how recent political instability will affect the future of the country. However, there is more space in Thailand for civil society to influence drug policies. Still, one of the most brutal episodes occurred in Thailand during its 'war on drugs' in 2003 and every effort is needed to prevent another, similar campaign.

Without good governance, no longer-term sustainable solution for drug-related problems is possible. This includes respect for human rights, adherence to democratic principles and provision of the space for local organisations to represent their interests meaningfully. Active community involvement – including opium farmers, drug users and people living with HIV/AIDS – in policy development and programme planning is a fundamental prerequisite for success.

Meanwhile, drug-related problems in the region are severe and urgent. They cannot wait for democracies to be established. There are several local and international organisations active in the region which have found the space to work and to directly reach the neediest people despite difficult circumstances. These organisations need to be supported. Humanitarian aid to Burma should not be tied to the political problems of the country. Furthermore, all national and local authorities – including cease-fire groups in Burma – need to engage in the process of introducing more sustainable and humane drug policies.

Drug law reform

National and local governments in the region have stressed law enforcement rather than a health and development approach. Drug laws across the region are excessively harsh and penalties, including for minor offences, are disproportionately high. The main victims of these repressive drug control policies are the most vulnerable at both ends of the trade: the opium farmers and drug users. Current policies that criminalise opium farmers and drug users are not only counter-productive, they violate human rights and stigmatise the poorest and weakest links in the drug trade.

Given this repressive context, it is worrying that the Drug-Free ASEAN 2015: Status and Recommendations report of 2008 lists as one of its aims "a 10% increase in total arrests annually, beginning in 2009". Though the text qualifies this by recommending that arrests for possession offences should be reduced relative to those for trafficking, the blanket 10% target sends the wrong signal.

A comprehensive review of drug laws in the region with a view to "humanising" them is necessary. Human rights and proportionality of sentences should be high on the regional and national policy agendas.

International engagement

The international community should not abandon (former) opium growing communities and drugs users in this delicate phase of transformation of the Golden Triangle. Current levels of humanitarian aid to affected populations and support for alternative livelihoods, harm reduction and HIV prevention programmes are woefully insufficient. International donors, including the US and the European Union, need to increase their involvement in the region.

Given the strong role Chinese authorities played in pressuring its neighbours to stop opium production, that country's current levels and methods of assistance to communities in poppy and ex-poppy growing regions have been insufficient and inappropriate. There are serious environmental concerns about the large-scale commercial plantations funded by Chinese investors and supported by government loans meant to support former opium farmers. The main focus has been on rubber, which is a long-term investment, and there are concerns about the future of the rubber market and price stability, which make farmers dependent and vulnerable. If the Chinese government is really concerned about reducing opium cultivation in Burma and Laos it should invest in more sustainable and community-based development projects. It should also take into account the many lessons learned from alternative development projects in this and other parts of the world.

The Making of the Golden Triangle

- 1 Interview with KMT General Tuan Shi-Wen in 1967, quoted in: McCoy (1991), p.352.
- 2 Ibid., p.3.
- 3 Renard (1996), p.14.
- 4 Trocki (1999), pp.21-26.
- 5 Dikötter, Laamann and Xun (2004), p.3.
- 6 Trocki (1999), p.34., Dikötter, Laamann and Xun (2004), p.32.
- 7 Dikötter, Laamann and Xun (2004), p.41.
- 8 Ibid., p.40.
- 9 Ibid., p.100.
- 10 Ibid., pp.44-45.
- 11 See for instance: McCoy (1991), p.4, and UNODC (2008), World Drug Report 2008.
- 12 Newman (1995), p.766.
- 13 UNODC (2008), World Drug Report 2008.
- 14 Newman (1995), p.794.
- 15 Dikötter (2003).
- 16 Newman (1995), p.794.
- 17 Dikötter, Laamann and Xun (2004), pp.65-68.
- 18 Trocki (1999), p.22.
- 19 Renard (1996), pp.14-18.
- 20 Ibid.
- 21 Evans (2002), p.56.
- 22 Westermeyer (1982), p.26.
- 23 Evans (2002), pp.52-53.
- 24 Renard (2001), p.3.
- 25 Brook and Wakabayashi (2000), p.397
- 26 Dikötter, Laamann and Xun (2004), p.207.
- 27 BMJ (1910), p. 93
- 28 Dikötter, Laamann and Xun (2004), p.207.
- 29 Ibid.
- 30 Tullis (1995), p.205.
- 31 Yin Shaoing (2001), p.184.
- 32 Dikötter, Laamann and Xun (2004), p.209.
- 33 China's Cigarette Threat, BBC News, 19 November 1998, website, <http://news.bbc.co.uk/1/hi/health/216998.stm>
- 34 Dikötter (2003), pp. 21-23.
- 35 Newman (1995), p.790.
- 36 Walker (1992), pp.117-118
- 37 "A common story told by many Hmong from all over Laos contains this basic theme." Westermeyer (1982), p.36.
- 38 TNI research. Jingphaw is an ethnic subgroup, in English language texts it is commonly referred to by the collective name Kachin.
- 39 McCoy (1991), p.128.
- 40 Ibid., pp.289-291 and 413-415.
- 41 Ibid., p.293
- 42 How did Myanmar Become a Major Supplier of Illicit Opium? in: UNODC (2001), Global Illicit Drug Trends, p.47.
- 43 Renard (1996), p.xvi.

The Opium Decline: Figures, Facts & Fiction

- 1 Lahu researcher, October 2007.
- 2 INCSR (1996).
- 3 INCSR (1995), and UNODC (2001), Global Illicit Drug Trends, pp.44-55.
- 4 See for instance: Constitutional Referendum in Burma, National League for Democracy (Liberated Area), Referendum Campaign Committee, Thailand, June 2008.
- 5 See for instance: Renard (1996), pp.8-10.
- 6 Interview with Sao Seng Suk, 24 March 1997.
- 7 SHAN (2005), Hands in Glove, p.22.
- 8 Yawnghwe (2005), pp.25-26.
- 9 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, p.104.
- 10 UNODC (2006), Copings with Change, p.2.
- 11 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, p.31.
- 12 Ibid.; and GTZ (2003), p.6.
- 13 Interview with representative of Lao Commission on Drug Control (LCDC), 12 September 2008.

- 14 Srithirath (2006), p.7.
- 15 Ibid.
- 16 Lyttleton et al., (2004), p.92.
- 17 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, p.88 and 91.
- 18 See for instance: SHAN (2005), Hands in Glove, and SHAN (2005), Show Business.
- 19 ACCORD is the result of the International Congress "In Pursuit of a Drug-Free ASEAN 2015" held in Bangkok from the 12-15th of October 2000. UNODC (2008). Drug-Free ASEAN 2015
- 20 Renard (2001), p.169-171
- 21 UNODC (2005), Country Profile Vietnam, p.8.
- 22 INCSR (2002), p.8.
- 23 Amnesty International (1998).
- 24 Interview with UWSA Central Committee member Shao Min Liang, Panghsang, 12 September 2003.
- 25 Interview with a representative of the NDAA - Mongla Region, 6 September 2008.
- 26 Kramer 2007, p.41.
- 27 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, p.38.
- 28 TNI research 2007 and 2008.
- 29 TNI research 2007.
- 30 TNI research July 2008.
- 31 TNI research August 2008.
- 32 Interview with representative of the ONCB, 31 August 2007.
- 33 See for instance: SHAN (2005), Hands in Glove.
- 34 Other reasons included: unsatisfactory efforts by Burma to deal with the burgeoning ATS production and trafficking problem; failure to take action to bring members of the UWSA to justice following the unsealing of a US indictment against them in January 2005, and failure to expand demand-reduction, prevention and drug-treatment programs to reduce drug-use and control the spread of HIV/AIDS. INCSR (2007), pp. 10-11.
- 35 Interview with KIO official, 18 August 2007.
- 36 Interview with Khuensai Jaiyen, 13 August 2007.
- 37 UNODC (2007), Afghanistan Opium Survey 2007, p.5.
- 38 TNI (2003), pp. 12-13.
- 39 SHAN (2005), Show Business, pp. 45-46.

Poppies and Poverty: The Sustainability of the Decline

- 1 Interview with Western aid worker, 30 August 2007.
- 2 UNODC (2006), Copings with Change, p.6.
- 3 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, p.17.
- 4 Interview with Chinese aid worker, 24 August 2007.
- 5 GTZ (2003), p.4.
- 6 Ibid., p.6.
- 7 UNODC proposal Laos 2007.
- 8 UNODC (2006), Copings with Change, pp.4-5, and: UNODC/ISARA Lyon (2007), pp. 37-38.
- 9 UNODC (2006), Opium Poppy Cultivation in the Golden Triangle, p.26.
- 10 UNODC (2006), Copings with Change, pp.2-4.
- 11 Interview with Western aid worker, 29 September 2008.
- 12 TNI research, July 2008.
- 13 Interview with representative of UWSA, 4 September 2008.
- 14 Interview with representative of MNDAA, 8 September 2008.
- 15 Interview with Western aid worker in Burma, 25 September 2008.
- 16 Lyttleton et al., (2004), pp. 58-59.
- 17 Ibid. p. 96.
- 18 Stuart-Fox (2006), p. 35.
- 19 Interview with villagers in Song Khie Village, Mong Phen District, Mong Pawk Township, 11 September 2003.
- 20 Chinese spelling for a Thai word, also spelled 'Sipsongpanna' - literally meaning 'twelve thousand rice fields'.
- 21 Shi (2008), p.3.
- 22 Interview with representative of international agency, 30 August 2007.
- 23 Diana (2006).
- 24 Interview with Western aid worker in Laos, 12 September 2008.
- 25 Interview with Western aid worker in Burma, 3 October 2008.
- 26 Interview with Western ad worker in Burma, 29 September 2008.
- 27 UNODC (2007), Opium Poppy Cultivation in Southeast Asia, pp. 23-24.

- 28 Vongkhamor (2007), p. ii.
- 29 Lyttleton et al., (2004), p. 41.
- 30 Shi (2008), p.3.
- 31 Interview with Western aid worker in Laos, 26 August 2007.
- 32 Interview with local researcher, 23 August 2008.
- 33 Interview with Western aid worker in Burma, 25 September 2008.
- 34 Interview with Western aid worker in Burma, 3 October 2008.
- 35 Interview with Hu Huabin, 2 September 2008.
- 36 Interview with Lao aid worker in Laos, 30 August 2007.
- 37 Interview with Western aid worker in Laos, 26 August 2007.
- 38 Interview with Western aid worker in Burma, 3 October 2008.
- 39 Sappanwood has many uses. It has medicinal qualities, and is used as an anti-bacterial and for its anti-coagulant properties. It also produces a type of reddish dye called brazilin, used for dyeing fabric as well as making red paints and inks. Sticklac is lac in its natural state when scraped off twigs and dried. It is a resin-like substance secreted by certain lac insects; it is used in varnishes and sealing wax, for example. UNODC (2007), *Opium Poppy Cultivation in Southeast Asia*, p.23; and UNODC (2006), *Copings with Change*, p.11-12.
- 40 See: Global Witness (2003)
- 41 Vongkhamor (2007), p. i.
- 42 Interview with international aid worker in Burma, 25 September 2008.
- 43 Falling rubber prices hit Burmese companies, by Lawi Weng, The Irrawaddy Online, 22 October 2008.
- 44 Interview with representative of international agency in Laos, 11 September 2008.
- 45 Interview with Western aid worker in Laos, 12 September 2008.
- 46 Interview with Western aid worker in Burma, 25 September 2008.
- 47 Interview with Western aid worker in Burma, 3 October 2008.
- 48 *Opium-free Wa: A Costly Sacrifice*, The Nation, 4 July 2007.
- 49 Interview with representative of the NDA-K, 30 August 2008.
- 50 WFP Emergency Operations, Assistance to Food Insecure Households Affected by Multiple Livelihood Shocks (http://www.wfp.org/operations/current_operations/countryproject.asp?country=418).
- 51 Lyttleton et al., (2004), p.96.
- 52 WFP (2006).
- 53 Interview with representative of the MNDAA, 8 September 2008.
- 54 *Opium-free Wa: A Costly Sacrifice*, The Nation, 4 July 2007.
- 55 TNI research, October 2007.
- 56 TNI research, October 2007.
- 57 Confidential interview, September 2008.
- 58 TNI research, October 2007.
- 59 TNI research, October 2007.
- 60 WFP (2006), p.24.
- 61 Ploughed but leaving land unplanted during growing season
- 62 UNODC Myanmar Country Office, KOWI - Kokang and Wa Initiative, UNODC Myanmar website http://www.unodc.org/myanmar/projects_kowi.html.
- 63 Interview with representative of the KIO, 29 August 2008.
- 64 UNODC (2007), *Opium Poppy Cultivation in Southeast Asia*, p.24.
- 65 Ibid., pp. 38-39.
- 66 Interview with Lao aid worker, 27 August 2007.
- 67 Interview with international aid worker in Burma, 25 September 2008.
- 68 ACCORD Plan of Action, see: <http://www.accordplan.net/>. The other three pillars of action are: I. Promoting civic awareness and social response by proactively advocating the dangers of drugs; II. Reducing illicit consumption of drugs by building consensus and sharing best practices in demand reduction; III. Strengthening the rule of law by an enhanced network of control measures and improved law enforcement cooperation and legislative review.
- 69 The Royal Project Foundation in the North of Thailand
<http://www.royalprojectthailand.com/general/english/index.html>
- 70 UNODC (2006), *Opium Poppy Cultivation in the Golden Triangle*, p.123.
- 71 UNODC (2007), *Opium Poppy Cultivation in South East Asia*, p.1.
- 72 The Five Year Action Plan to Eliminate Opium Poppy Cultivation in Lao PDR, September 2001
- 73 This does not match UNODC's estimate that in 2006 that 5,800 households were involved in poppy cultivation
- 74 UNODC (2005), *Laos Opium Survey 2005*
- 75 Lao PDR Protracted Relief and Recovery Operation 10566.0
- 76 Internet Directory of Non-Government Organizations (NGOs) in the Lao PDR. See: <http://www.directoryofngos.org/ngo>.
- 77 UNDCP, *Alternative Development: Sharing Good Practices Facing Common Problems*, Regional Seminar on Alternative Development for Illicit Crop Eradication: Policies, Strategies and Actions, held 16-19 July 2001 in Taunggyi, p.45.
- 78 UNICEF, United Nations Population Fund (UNFPA), World Vision, Terre de Hommes, WFP, UNDP, Adventist Development and Relief Association (ADRA), Aide Médicale Internationale (AMI), Welt Hunger Hilfe (German Agro Action), Association of Medical Doctors of Asia (AMDA), WHO, Japan International Cooperation Agency (JICA), CARE, FAO, Central Committee for Drug Abuse Control, UNODC, Ministry for Progress of Border Areas and National Races and Development Affairs (PBANDRA), Malteser International, EU
- 79 Activities designed to increase the food production (small irrigation schemes and paddy development, for example, sometimes with engineering inputs from the agencies)
- 80 Protracted Relief and Recovery Operation Myanmar 1006.3, Assistance to Vulnerable Families in Myanmar, total budget (as updated in view of rise in food and fuel costs) \$78,325,000

Changing Market: Opium & Heroin

- 1 Westermeyer (1982), p. 282.
- 2 TNI (2008).
- 3 Lyttleton et al., (2004).
- 4 Lyttleton and Cohen (2003), pp. 83-91.
- 5 UNODC (2007), *Opium Poppy Cultivation in Southeast Asia*, p.1.
- 6 UNODC (2007), *Afghanistan Opium Survey*, p.60.
- 7 TNI research in Sedun, Kachin State in July 2008.
- 8 TNI research, July 2008.
- 9 The local weight measure for opium in Burma is a 'viss', equalling 1.6 kg. For ease of comparison prices have been converted to kilogram and local currencies to US dollar. For currency conversion we have used the average exchange rate of 1 US\$=1,150 Kyat for Burma, 1 US\$=7 Yuan for China and 1 US\$=34 Baht for Thailand.
- 10 Interview with NDA-K representative, 30 August 2008.
- 11 McCoy (1991), pp. 5-6; and Dikötter, Laumann and Xun (2004), p.155.
- 12 Ibid., p.6.
- 13 Dikötter, Laumann and Xun (2004), p.156.
- 14 Ibid., pp.167-171.
- 15 McCoy (1991), pp. 285-286.
- 16 Ibid., p. 288.
- 17 Booth (1996), pp.77-78. See also: McCoy (1991), pp. 21-22.
- 18 See for instance: Booth (1996), p.77.
- 19 SHAN (2005), *Show Business*, p.44-45.
- 20 TNI research 2007.
- 21 Interview with member of drug user group in Kunming, 9 September 2008.
- 22 Interview with NDA-K representative, 30 August 2008.
- 23 TNI research 2007.
- 24 Interview with NDA-K representative, 30 August 2008.
- 25 Sullivan and Wu (2007).
- 26 Interview with former IDU in Rangoon, 21 September 2008.
- 27 Interview with drug users in Kunming, 9 September 2008.
- 28 Interview with KIO source, 29 August 2008
- 29 UNESCO, HIV/AIDS in the GMS, *Bulletin for Preventive Education in the Greater Mekong Subregion*, Issue 1, 2004.

The ATS Boom in Southeast Asia

- 1 Thai law enforcement officer quoted 'Feel Good' Drug Inflicts Misery On Millions, South China Morning Post, 7 February 1999, quoted in Jenkins (1999)
- 2 UNODC (2005), *World Drug Report 2005*
- 3 The Greater Mekong subregion in Southeast Asia includes nations and territories located in the Mekong River basin comprising Yunnan Province in the People's Republic of China, Burma, Thailand, the Lao PDR, Cambodia, and Vietnam.
- 4 UNODC (2008), *Global ATS assessment 2008*, p. 31
- 5 Jenkins (1999)
- 6 Reid and Costigan (2002)
- 7 Tamura (1989)

- 8 Suwaki (1991)
- 9 UNODC (2008), Global ATS Assessment 2008, p. 41
- 10 Reid and Costigan (2002)
- 11 UNODC (2008), World Drug Report 2008, p. 158
- 12 Suwaki (1991)
- 13 Ibid.
- 14 Reid and Costigan (2002); UNODC (2008), World Drug Report 2008, p. 158
- 15 UNODC (2003), Ecstasy and Amphetamines Global Survey 2003, p. 95.
- 16 Jenkins (1999); Chouvy & Meissonnier (2004), pp. 68-73
- 17 Thailand's speedy epidemic, Matthew Chance, The Independent (London), August 20, 1997
- 18 Ibid.
- 19 UNODC (2008), World Drug Report 2008, p. 159
- 20 Devaney, Reid & Baldwin (2006), p. xiv
- 21 DEA (2004), China: Country Brief, Drug Intelligence Brief, February 2004
- 22 Ketamine sweeps the rave scene, UNODC, 10 November 2008
- 23 UNODC (2007). Patterns and Trends in Amphetamine-Type Stimulants in East Asia and the Pacific 2006.
- 24 Ibid., p. 66; UNODC (2008), Global ATS assessment 2008, p. 31
- 25 Chouvy & Meissonnier (2004), p. 89
- 26 Interview with ONCB official, Bangkok, September 19, 2008
- 27 Treerat et al., (2000), p. 6
- 28 Ibid. Phenylpropanolamine can be chemically reduced into amphetamine, just as ephedrine is chemically reduced into methamphetamine.
- 29 Ibid.
- 30 Jelsma (2005), p. 169
- 31 UNODC (2008), Global ATS assessment 2008, p. 31
- 32 Chouvy & Meissonnier (2004), pp. 70-71
- 33 UNDCP (1996), p. 116
- 34 Devaney, Reid & Baldwin (2006), p. 254
- 35 Aramrattana (2008)
- 36 Bezziccheri (2003)
- 37 Phongpaichit (2003)
- 38 A similar pattern – rising prices and adulterated heroin leading to increased amphetamine use – had been observed in 1980 and 1981 after a few years of drought in Burma, the Laos and Thailand and a reduction in heroin output. The trend reversed in 1982 when the price of heroin fell again. Suwanwela & Poshychinda (1986).
- 39 Chouvy & Meissonnier (2004), p. 62
- 40 Phongpaichit (2003); Roberts, Trace and Klein (2004)
- 41 Phongpaichit (2003)
- 42 Interview with ONCB official, Bangkok, September 19, 2008
- 43 Human Right Watch (2004).
- 44 'War on Drugs' probe draws a blank, The Nation, January 16, 2008; Thailand: New Anti-Drug Campaign Risks Abuses, Human Rights Watch, November 12, 2008
- 45 Of the 84,073 ATS-related arrests in 2007, 97% were for methamphetamine tablet related offences, 2% for crystalline methamphetamine and less than 1% for 'ecstasy'-related offences. UNODC (2008), Global ATS assessment 2008, p. 31
- 46 Fresh war on drugs to begin Friday, The Bangkok Post, March 19, 2008; PM revives war on drugs, The Bangkok Post, 7 November 2008; Thailand: New Anti-Drug Campaign Risks Abuses, Human Rights Watch, November 12, 2008
- 47 Round table interview with harm reduction workers of the Asian Harm Reduction Network (AHRN) in Chiangmai, September 16, 2008.
- 48 Burrows et al., (2005), p. 4
- 49 Aramrattana (2008).
- 50 UNODC (2008), Global ATS assessment 2008, p. 31; ONCB (2006), p. 16.
- 51 UNODC (2003), Ecstasy and Amphetamines Global Survey 2003, p. 96
- 52 SHAN (2005), Show Business, pp. 45-46; Fewer refineries but no less output, Shan Herald Agency for News (SHAN), June 28, 2008
- 53 Jelsma (2005), pp. 168-69; Kramer (2007), p. 24
- 54 Lintner (1994), p. 191-192.
- 55 Ibid., p. 414.
- 56 Interview with Police Colonel Hkam Awng, CCDAC, 3 February 2006.
- 57 SHAN, From Hongpang to Xinhong, No. 14-12/2005, December 19, 2005.
- 58 Kramer (2007), p. 54; US Department of Justice, Eight High-Ranking Leaders of South East Asia's Largest Narcotics Trafficking Organization Indicted by a Federal Grand Jury in Brooklyn, New York, Press release, January 24, 2005
- 59 Kramer (2007), p. 38.
- 60 Information from Ko-lin Chin who is writing a book about drug trafficking along the China-Burma border. Chin, K. The Golden Triangle: Inside Southeast Asia's Drug Trade, Ithaca: Cornell University Press, forthcoming, January 2009.
- 61 According to the US State Department, methamphetamine is produced in areas controlled by other groups such as the ethnic MNDA Chinese in Kokang, and the Shan State Army-South (SSA-S), see: INCSR (2005), p. 303
- 62 Interview with Police Colonel Hkam Awng, CCDAC, 27 September 2008.
- 63 Kramer (2007), p. 23-28.
- 64 Interview with Khuensai Jaiyen, SHAN News Group, Chiangmai, 26 October 2007.
- 65 TNI research, October 2008.
- 66 Ibid.
- 67 Devaney, Reid & Baldwin (2006), p. 172
- 68 Fewer refineries but no less output, Shan Herald Agency for News (SHAN), June 28, 2008
- 69 UNODC (2006), Patterns and Trends of Amphetamine-Type Stimulants (ATS) and Other Drugs of Abuse in East Asia and the Pacific 2005, pp. 69-73
- 70 Ibid.
- 71 Interview with Lao government official, 12 September 2008
- 72 Burrows et al., (2005), p. 100-01
- 73 Lyttleton et al., (2004), pp. 97-101
- 74 Ibid.
- 75 UNODC (2008), Global ATS assessment 2008, p. 33
- 76 Fewer refineries but no less output, Shan Herald Agency for News (SHAN), June 28, 2008
- 77 Ibid.
- 78 Ibid, p. 35
- 79 Devaney, Reid & Baldwin (2006), p. 98-102
- 80 Ibid., p. 280
- 81 Chin & Zhang (2007), p. 20
- 82 UNODC (2008), World Drug Report 2008, p. 159
- 83 Chin and Zhang (2007), p. 21 and pp. 73-74
- 84 Interview with representatives of drug user and treatment organisations, Kunming, (Yunnan), September 8, 2008
- 85 UNODC (2007), Patterns and Trends of Amphetamine-Type Stimulants (ATS) and Other Drugs of Abuse in East Asia and the Pacific 2006, p. 65.
- 86 Interview with representatives of drug user and treatment organisations, Kunming, (Yunnan), September 8, 2008
- 87 TNI research October 2008.
- 88 UNODC (2008), Global ATS Assessment 2008, p. 37.
- 89 Chin and Zhang (2007), p. 73
- 90 See for instance: Yunnan's Sin City: Sex and Drugs Take Their Toll in Border "Play ground", The Irrawaddy, November 2005
- 91 Visits to Ruili and interviews with Burmese commercial sex workers, October 2007 and August 2008.
- 92 For currency conversion we have used the average exchange rate of 1\$=1,150 Kyat for Burma, 1\$=7 Yuan for China.
- 93 New method welcomed by medical sector, China Daily Business Weekly, January 6, 2004
- 94 China Country Brief, Drug Intelligence Brief, Drugs Enforcement Administration (DEA), March 2002
- 95 Clamp down on shipments of raw ingredients, The Oregonian, 6 October 2004
- 96 "Access to affordable, essential medicines in developing countries is one target of the Millennium Development Goals (target 17). This target does not make any exemption for controlled medicines, which are in principle available, but which may not be accessible due to attitude and regulatory impediments," according to the WHO Access to Controlled Medications Programme. "Target 6 is to reduce by three quarters, between 1990 and 2015, the maternal mortality ratio. This reduction would be facilitated by the availability of the essential medicines that are used during delivery." See: World Health Organization, Access to Controlled Medications Programme, WHO/PSM/QSM/2007.2, February 2007.
- 97 UNODC (n.d.). Essential Oils Rich in Saffrole; Plant Oil Contains Precursor for MDMA, Precursor Control Update, January 2005, UNODC Regional Centre for East Asia and the Pacific
- 98 UNODC (2008), Global ATS assessment 2008, p. 103.
- 99 Coppen, Gordon and Green (1995).
- 100 FAO (1995).
- 101 Coppen, Gordon and Green (1995).
- 102 Plant Oil Contains Precursor for MDMA, op. cit; Curbing ATS Manufacturing: Project Prism, Eastern Horizons No. 15, September 2003, at: http://www.unodc.un.or.th/eastern_horizons/15/eh_15.pdf
- 103 Trend of new drugs and their precursors in Vietnam, by the Institute of Forensic

Science, Vietnam, in Drug Net Asia, Nr.1, 2000 <http://www.apaic.org/dc/DrugNetAsiaIssue1.pdf>; Plant Oil Contains Precursor for MDMA, op. cit.

104 INCSR (2007)

105 UNODC (n.d.). Essential Oils Rich in Saffron, p. 39

106 Ibid., p. 49-50.

107 Ecstasy tabs destroying forest wilderness, IRIN, July 20, 2008

108 \$7b 'ecstasy oil' stash goes up in smoke, The Sydney Morning Herald, June 20, 2008; Aust police help fight Cambodian drug trade, Lateline, ABC News

109 Report on Illicit Drug Data and Routine Surveillance Systems in Cambodia 2007, National Authority for Combatting Drugs (NACD)

110 Rocha S.F.R. and Lin Chau Ming. 1999. 'Piper hispidinervum: A Sustainable source of saffron', p. 479-481. In: J. Janick (ed.), Perspectives on new crops and new uses. ASHS Press, Alexandria, VA. <http://www.hort.purdue.edu/newcrop/proceedings1999/v4-479.h>

Coping Strategies: Drugs & Medicines

1 International Narcotics Control Board (INCB), Abuse Of Prescription Drugs To Surpass Illicit Drug Abuse, Says INCB, Press Release, 1 March 2007.

2 Wolfe and Caravatti (1995).

3 US Department of Justice, National Drug Intelligence Center, Intelligence Bulletin (2004 L0424-029) DMX (Dextromethorphan)

4 Erowid.org: Diphenhydramine (accessed 5 March 2008).

5 Erowid.org: Cheese Heroin (accessed 5 March 2008).

6 Slate.com: Newsweek's Cheese Drug Story (accessed 5 March 2008)

7 Sobey et al. The use of tramadol for acute heroin withdrawal: a comparison to clonidine, Journal of Addictive Diseases, 2003; 22(4):13-25.

8 US Department of Justice, Drug Enforcement Department, Office of Diversion Control (2007) Drugs and Chemicals of Concerns - Tramadol.

9 Yourdictionary.com: Pentazocine, (accessed 19 March 2008).

10 Burrows et al. (2005), p. 33.

11 Like many plants in the region Kratom is known under different names such as: Ketum, Kakuam, Ithang and Thom

12 Matsumoto K, Horie S, Ishikawa H, et al (March 2004). "Antinociceptive effect of 7-hydroxymitragynine in mice: Discovery of an orally active opioid analgesic from the Thai medicinal herb *Mitragyna speciosa*". Life Sci. 74 (17): 2143-55.

13 Suwanlert S. (1975), A study of Kratom users in Thailand. Bulletin on Narcotics, 27:21-27.

14 The districts Khok Pho and Saba Yoi are said to be the centre of the kratom juice supply

15 In 2007 the ONCB registered 3160 Kratom related cases, most of them for possession

16 Hacked By The Needle, by Neha Dixit, Tehelka Magazine, Vol. 5, Issue 14, April 12, 2008.

17 Government of India (2004). National Survey on Extent, Pattern and Trends of Drug Abuse in India.

18 Hacked By The Needle, op. cit.

19 See the special issue of the International Journal of Drug Policy, Volume 19, Issue 4, August 2008.

20 Parliament of Victoria (2007), p. 99.

21 Ibid. p. 89.

22 Addicts Kicking Heroin With Painkillers, Prescription Drugs Flood Illicit Market: Study, National Post, Canada, 30 April 2008.

23 NDIC (2007), p. 66.

24 In Guilty Plea, OxyContin Maker to Pay \$600 Million, The New York Times, May 10, 2007

25 New Publications: Stimulants and narcotics, New York Times, book review, January 4, 1872.

26 World Health Organization, Access to Controlled Medications Programme, Briefing Note, March 2007

27 Reichart and Philipsen (2005).

28 Subhuti Dharmananda (2006). The fate of Areca: from abuse to loss? Institute for Traditional Medicine Portland, Oregon at: <http://www.itmonline.org/arts/areca.htm>

Harm Reduction and Law Enforcement

1 Leadership Statement on Injecting drug use and HIV/AIDS, XV International AIDS Conference in Bangkok, 11-16 July 2004.

2 TNI (2006).

3 WHO (2005), p. 9.

4 Sullivan and Wu (2007).

5 UNAIDS/WHO (2006), Epidemiological Fact Sheets on HIV/AIDS and Sexually Transmitted Diseases, China 2006 Update, December 2006.

6 Yiming Shao (2006), AIDS epidemic at age 25 and control efforts in China, Retrovirology, 2006; Volume 3, p. 87.

7 HIV/AIDS Asia Regional Program (HAARP), Country Programme China <http://www.haarp-online.org/www/html/211-china.asp>

8 UNAIDS, Myanmar at a Glance, www.youandaids.org, downloaded in May 2006.

9 Progress of HIV Epidemic in Myanmar, Wiwat Peerapatanapokin, 8th International Congress on AIDS in Asia & the Pacific, Colombo, Sri Lanka, 20 August 2007.

10 Interview with representative of international NGO in Burma, 23 September 2008.

11 HAARP, Current Situation: HIV and AIDS in Burma (Myanmar), <http://www.haarp-online.org/www/html/123-current-situation-hiv-and-aids.asp>

12 Interview, 21 September 2008.

13 Interview with representative of international NGO in Burma, 23 September 2008.

14 ICG (2002).

15 UNAIDS/WHO, AIDS Epidemic Update: December 2005, Asia.

16 Interview, 27 August 2008.

17 Personal communication from representative of international NGO in Burma, May 2006.

18 UNAIDS (2004). Epidemiological Fact Sheets on HIV/AIDS and Sexually Transmitted Infections, Myanmar, 2004 Update.

19 HAARP, Country Programme Laos, <http://www.haarp-online.org/www/html/212-laos.asp>.

20 Interview with representative of the Lao government, 12 September 2008.

21 Interview with representative of international agency in Laos, 11 September 2008.

22 Cook 2008.

23 UNAIDS (2003/2005). Coverage of HIV Prevention, Treatment, Care and Support in Resource Poor Settings.

24 Prasada Rao, JVR, UNAIDS, Opening Ceremony speech, International Harm Reduction Conference, Warsaw, Poland, 14 May 2007.

25 Speech by the Director of the UNAIDS Asia Pacific Regional Support Team, Dr JVR Prasada Rao, at the opening plenary of the First Asian Consultation on Prevention of HIV related to drug use in Goa, India, 28 January 2008.

26 UN Secretary-General Ban Ki-moon, Deadly Denial: Confronting AIDS in Asia, UN Chronicle, 28 March 2008.

27 Devaney, Reid & Baldwin (2006),

28 Ibid., p. 264.

29 Ibid., p. 259

30 UNODC (2008), Drug-Free ASEAN 2015: Status and Recommendations

31 UNODC (2007), Patterns and Trends in Amphetamine-Type Stimulants in East Asia and the Pacific 2006

32 Lines (2007).

33 Human Right Watch (2004)

34 Personal communication with representative of international NGO in Burma, May 2006.

35 All information in this section comes from TNI interviews during August and September 2008.

36 Personal communication with representative of AHRN, Thailand, August 2008.

37 Room (1999).

38 'Conversation with Hans Halbach', British Journal of Addiction, Vol. 87 (6), pp. 851-855, June 1992.

39 Bewley-Taylor (2001); Sinha (2001); McAllister (2000); Bruun, Pan and Rexed (1975).

- BibliographyAmnesty International (1998), Myanmar: Atrocities in the Shan State, ASA 16/005/1998, 15 April 1998.
- Aramrattana, Apinun (2008). New Methamphetamine Epidemic in Thailand, presentation at the 1st Global Methamphetamine Conference, Prague, September 15-16, 2008.
- Bewley-Taylor, David R. (2001), The United States and International Drug Control, 1909-1997, London & New York: Continuum
- Bezziccheri, Sonia (2003). Synthesis by Country on Existing Amphetamine-Type Stimulants (ATS) Demand Reduction Data Collection Sources, UNODC Regional Centre for East Asia and the Pacific, May 2003.
- Booth, Martin (1996), Opium a History, London: Pocket Books.
- BMJ (1910), 'The International Opium Commission', The British Medical Journal, January 8, 1910, p. 93
<http://www.pubmed central.nih.gov/articlerender.fcgi?artid=2330532>
- Brook, Timothy and Bob T. Wakabayashi (eds) (2000). Opium Regimes: China, Britain, and Japan 1839-1952, Berkely: University of California Press
- Bruun, Kettel, Lynn Pan and Ingemar Rexed (1975), The Gentleman's Club: International Control of Drugs and Alcohol, Chicago: University of Chicago Press, 1975.
- Burrows, Dave, Nick Walsh, Apinun Aramrattana and Palani Narayanan (2005). Assessment of injecting drug use and related HIV infection for program planning in Kingdom of Thailand and Lao People's Democratic Republic, Sidney: AIDS Projects Management Group
- Chouvy, Pierre-Arnaud & Joël Meissonnier (2004). Yaa Baa: Production, Traffic and Consumption of Meth-amphetamine in Mainland Southeast Asia, Singapore: Singapore University Press.
- Cook, Catherine and Natalya Kanaef (2008). Global State of Harm Reduction 2008: Mapping the response to drug-related HIV and hepatitis C epidemics, Regional overview Asia, London: International Harm Reduction Association.
- Coppen, J. J. W., A. Gordon y C. L. Green (1995). Piper species as new, sustainable sources of natural saffrole, in: The developmental potential of selected Amazonian non-wood forest products: An appraisal of opportunities and constraints, Natural Resources Institute. Overseas Development Administration.
FAO website (<http://www.fao.org/docrep/t2354s/t2354s09.htm>)
- Devaney, Madonna, Gary Reid & Simon Baldwin (2006), Situational analysis of illicit drug issues and responses in the Asia-Pacific region, Research paper 12, Australian National Council on Drugs: Canberra
http://www.ancd.org.au/publications/pdf/rp12_asia_pacific.pdf
- Diana, Antonella (2006). Socio-Economic Dynamics of Rubber in the Borderlands of Laos (Muang Sin, Luang Nam Tha), Canberra: Research School of Pacific and Asian Studies, Australian National University, April 2006.
- Dikötter, Frank (2003). 'Patient Zero': China and the Myth of the 'Opium Plague', Inaugural Lecture, School of Oriental and African Studies, University of London, 24 October 2003.
- Dikötter, Frank, Lars Laamann and Zhou Xun (2004). Narcotic Culture: A History of Drugs in China, Chicago: The University of Chicago Press.
- Drugs Enforcement Administration (DEA) (2003), Methamphetamine: The Current Threat in East Asia and the Pacific Rim, Drug Intelligence Brief, September 2003
<http://www.shaps.hawaii.edu/drugs/dea/03052/dea03052.html>
- Evans, Grant (2002). A Short History of Laos, The Land in Between, Chiangmai: Silkworm Books
- FAO (1995), Flavours and fragrances of plant origin, Rome: Food and Agriculture Organization
<http://www.fao.org/docrep/V5350E/V5350e03.htm>
- Global Witness (2003), A Conflict of Interests : The uncertain future of Burma's forests. London: Global Witness
- Government of India (2004). National Survey on Extent, Pattern and Trends of Drug Abuse in India. Government of India, Ministry of Social Justice and Empowerment & UNODC Regional Office for South Asia.
- GTZ (2003). Study Report: Drug Free Villages in Sing District, Luang Namtha Province, Lao-German Program, Integrated Rural development in Mountainous Regions of Northern Lao PDR.
- Human Right Watch (2004). Not Enough Graves: The War on Drugs, HIV/AIDS, and Violations of Human Rights, Human Right Watch, Vol. 16, No. 8(C), July 2004
- ICG (2002), Myanmar: The HIV/AIDS Crisis, Bangkok/Brussels, International Crisis Group, April 2002.
- INCSR (1995), International Narcotics Control Strategy Report 1995, Washington: US Department of State Bureau for International Narcotics and Law Enforcement Affairs.
- INCSR (1996), International Narcotics Control Strategy Report 1996, Washington: US Department of State, Bureau for International Narcotics and Law Enforcement Affairs.
- INCSR (2002), International Narcotics Control Strategy Report 2002, Washington: US Department of State, Bureau for International Narcotics and Law Enforcement Affairs.
- INCSR (2007), International Narcotics Control Strategy Report 2007, Washington: US Department of State, Bureau of International Narcotics and Law Enforcement Affairs.
- Jelsma, Martin (2005). Burma in the Global Drug Market: Causes and Consequences of the Opium Production Decline, in: Jelsma, Martin, Tom Kramer and Pietje Vervest (eds.), Trouble in the Triangle, Opium and Conflict in Burma, Chiangmai: Silkworm Books
- Jenkins, Philip (1999). Amphetamine Drugs on the Pacific Rim, Conference on Crime and Public Policy on the Pacific Rim, San Francisco, August 1999 (<http://www.personal.psu.edu/faculty/j/p/jp1/pacific.htm>)
- Ko-lin Chin & Sheldon X. Zhang (2007), The Chinese Connection: Cross-border Drug Trafficking between Myanmar and China, Final Report to the United States Department of Justice, Office of Justice Programs, National Institute of Justice, April 2007
- Kramer, Tom (2007). The United Wa State Army: Narco-Army of Ethnic Nationalist Party? Washington: East West Center
- Lines, Rick (2007). The Death Penalty for Drug Offences: A Violation of International Human Rights Law, London: International Harm Reduction Association.
<http://www.ihra.net/DeathPenalty>
- Lintner, Bertil (1994). Burma in Revolt. Opium and Insurgency Since 1948, Bangkok: White Lotus
- Lyttleton, C. and P. Cohen (2003). 'Harm Reduction and Alternative Development in the Golden Triangle', Drug and Alcohol Review, Volume 22, Issue 1, March 2003 , pages 83 - 91
- Lyttleton, C. et al. (2004). Watermelons, bars and trucks: dangerous intersections in Northwest Lao PDR: An ethnographic study of social change and health vulnerability along the road through Muang Sing and Muang Long, Vientiane : Institute for Cultural Research
- Strithirath, Soubanh (2006). Report on Implementation of the National Strategy Programme for the Elimination of Opium Poppy Cultivation (2000-2006) and Actions to be undertaken in the future, Lao National Commission for Drug Control and Supervision, Programme Facilitation Unity, February 14, 2006
- Manivong, V., and R.A. Cramb (2007). Economic of Smallholder Rubber Production in Northern Laos, Contributed Paper (Revised Version), 51st Annual Conference Australian Agriculture & Resource Economic Society, 13-16 February 2007, Queenstown, New Zealand.
- McAllister, William B. (2000), Drug Diplomacy in the Twentieth Century: An International History, London & New York: Routledge
- McCoy, Alfred (1991). The Politics of Heroin, CIA Complicity in the Global Drug Trade, New York: Lawrence Hill Books
- NDIC (2007). National Drug Threat Assessment 2008, US Department of Justice, National Drug Intelligence Center, October 2007
- Newman, R.K. (1995). 'Opium Smoking in Late Imperial China: A Reconsideration', Modern Asian Studies, Vol.29, No.4, October 1995.
- ONCB (2006), Annual Report 2006, Bangkok: Office of the Narcotics Control Board
- Parliament of Victoria (2007). Inquiry Into Misuse/Abuse of Benzodiazepines and other Pharmaceutical Drugs, Final Report, December 2007.
- Palaung Women's organisation (2006). Poisoned Flowers: The Impact of Spiralling Drug Addiction on Palaung Women in Burma, Mae Sot (Thailand).

- Peerapatapanokin, Wiwat (2007) Progress of HIV Epidemic in Myanmar, 8th International Congress on AIDS in Asia & the Pacific, Colombo, Sri Lanka, 20 August 2007.
- Phongpaichit, Pasuk (2003). Drug policy in Thailand, paper presented at the 2003 Lisbon International Symposium on Global Drug Policy, 23-25 October 2003
- Reichart, P.A. and Philipsen, H.P (2005). *Betel and Miang, Vanishing Thai Habits*, Bangkok: White Lotus Press
- Reid, Gary and Genevieve Costigan (2002), Revisiting 'The Hidden Epidemic': A Situation Assessment of Drug Use in Asia in the context of HIV/AIDS, The Centre for Harm Reduction / The Burnet Institute, Australia, January 2002
http://www.ahrn.net/library_upload/uploadfile/Rapidassessment.pdf
- Renard, Ronald D. (1996). *The Burmese Connection, Illegal Drugs & the Making of the Golden Triangle*, Lynne Rienner, Boulder and London.
- Renard, Ronald D. (2001). *Opium Reduction in Thailand 1970-2000*, Chiangmai, UNDCP/Silkworm Books.
- Roberts, Marcus; Mike Trace and Axel Klein (2004). *Thailand's 'War on Drugs'*, London: DrugScope and The Beckley Foundation
- Room, Robin (1999). *Alcohol Monopolies and Alcohol Control*, Alcohol Research Group, Medical Research Institute of San Francisco
- Schroeder, Peter (ed.) (2005). *Para Rubber Cultivation in Northern Laos; Constraints and Changes*, Study by Charles Alton, David Blum, Somsouk Sananikone, Lao-German Programme, Rural Development in Mountainous Area of Northern Laos, GTZ, May 2005.
- SHAN (2005). *Hands in Glove, The Burma Army and the Drug Trade in Shan State*, Chiangmai: Shan Herald Agency for News
- SHAN (2005). *Show Business, Rangoon's 'War on Drugs' in Shan State*, Second Edition, Chiangmai: Shan Herald Agency for News
- Shi, Weiye (2008). *Rubber Boom in Luang Namtha, Vientiane: Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)*
- Sinha, J. (2001). 'The History and Development of the Leading International Drug Control Conventions', Report prepared for the Canadian Senate Special Committee on Illegal Drugs, Ottawa: Senate of Canada
- Srithirath (2006), Report on Implementation of the National Strategy Programme for the Elimination of Opium Poppy Cultivation (2000-2006), Lao National Commission for Drug Control and Supervision, Vientiane:Minister of the President's Office, February 14, 2006
- Stuart-Fox, Martin (2006), 'The Political Culture of Corruption in Lao PDR', in *Asian Studies Review*, Vol. 30, pp. 59-75
- Sullivan, Sheena G. and Zunyou Wu (2007). 'Rapid scale up of harm reduction in China', *International Journal of Drug Policy*, Nr.18, 118-128.
- Suwanwela, Charas & Vichai Poshayachinda (1986). 'Drug abuse in Asia', *Bulletin of Narcotics*
- Suwaki, Hiroshi (1991), *Methamphetamine Abuse in Japan*, in: *Methamphetamine Abuse: Epidemiologic Issues and Implications*, National Institute on Drug Abuse (NIDA), Research Monograph 115, 1991
<http://www.nida.nih.gov/pdf/monographs/115.pdf>
- Tamura, M. (1989). *Japan: stimulant epidemics past and present*, Bulletin on Narcotics, Issue 1, 1989, pp. 83-93.
- TNI (2003). *Drugs and Conflict in Burma (Myanmar)*, Dilemmas for Policy Responses, Drugs & Conflict Debate Paper 9, December 2003.
- TNI (2005). *Downward Spiral. Banning Opium in Afghanistan and Burma*. Drugs & Conflict Debate Paper 12, July 2005.
- TNI (2006). *HIV/AIDS and Drug Use in Burma/Myanmar*, TNI Drug Policy Briefing 17, May 2006
- TNI (2007). *Missing Targets, Counterproductive drug control efforts in Afghanistan*, TNI Drug Policy Briefing 24, September 2007.
- Treerat, Nualnoi, Noppanun Wannathepsakul & Daniel Ray Lewis (2000). *Global Study on Illegal Drugs: The Case of Bangkok, Thailand*, United Nations Drug Control Programme, February 2000
- Trocki, Carl A. (1999). *Opium, Empire and the Global Political Economy, A Study of the Asian Opium Trade 1750-1950*, Routledge
- Tullis LaMond (1995). *Unintended Consequences; Illegal Drugs & Drug Policies in Nine Countries, Studies on the Impact of the Illegal Drug Trade*, Volume Four, Lynne Rienner, Boulder and London
- UNDCP (1996). *Amphetamine-type Stimulants: A Global Review*. United Nations International Drug Control Programme: Vienna, 1996 (UNDCP Technical Series Number 3).
- UNESCO (2004). *HIV/AIDS in the GMS, Bulletin for Preventive Education in the Greater Mekong Subregion*, Issue 1.
- UNODC (2001). *Global Illicit Drug Trends 2001*, Vienna: United Nations Office on Drugs and Crime
- UNODC (2003). *Ecstasy and Amphetamines Global Survey 2003*, United Nations Office on Drugs and Crime, New York: United Nations
- UNODC (2005), *Country Profile Vietnam*.
- UNODC (2005), *World Drug Report 2005*, United Nations Office on Drugs and Crime, New York: United Nations
- UNODC (2006). *Copings with Change: The Poppy Growers of Myanmar and Lao PDR*, Bangkok: UNODC Regional Centre for Asia and the Pacific
- UNODC (2006), *Opium Poppy Cultivation in the Golden Triangle*, Vienna: United Nations Office on Drugs and Crime, October 2006
- UNODC (2007), *Afghanistan Opium Survey*, Vienna: United Nations Office on Drugs and Crime, October 2007
- UNODC (2007). *Opium Poppy Cultivation in Southeast Asia, Lao PDR, Myanmar, Thailand*, Vienna: United Nations Office on Drugs and Crime, October 2007
- UNODC (2007). *Patterns and Trends in Amphetamine-Type Stimulants in East Asia and the Pacific 2006*, Bangkok: UNODC Regional Centre for East Asia and the Pacific
- UNODC (2008). *World Drug Report 2008*, Vienna: United Nations Office on Drugs and Crime
- UNODC (2008). *Global ATS Assessment 2008*, Vienna: United Nations Office on Drugs and Crime
- UNODC (2008). *Drug-Free ASEAN 2015: Status and Recommendations*. Bangkok: UNODC Regional Centre for East Asia and the Pacific
- UNODC (nd). *Essential Oils Rich in Safrrole. Survey on Production, Trade and Use in East and South East Asia*, Bangkok: UNODC Regional Centre for East Asia and the Pacific & Forest Research Institute Malaysia
- UNODC/ISARA (2007), *Northern Wa Region Socio-Economic and Vulnerability Analysis*, Vienna/Lyon: United Nations Office on Drugs and Crime
- Vongkhamor, Simone, and Khanchana Phimmasen, Bounnao Silapeth, Bounthavy Xayxomphou and Erik Petterson (2007). *Key Issues in Smallholder Rubber Planting in Oudomxay and Luang Prabang Provinces, Lao PDR*, Upland Research and Capacity Development Programme, NAFRI, August 2007.
- Walker, Anthony R. (1992). 'Opium: Its Cultivation and Use in a Lahu Nyi (Red Lahu) Village in North Thailand', in: Anthony Walker (ed.), *The Highland Heritage; Collected Essays on Upland North Thailand*, Singapore: Suvarnabhumi Books
- Westermeyer, J. (1982). *Poppies, Pipes and People, Opium and Its Use in Laos*, Berkely: University of California Press.
- WFP (2006), *Protracted Relief and Recovery Operation Myanmar 10066.3*, World Food Programme, WFP/EB.2/2006/9-A/2, 22 September 2006.
<http://www.wfp.org/eb/docs/2006/wfp105315~2.pdf>
- WHO (2005). *Biregional Strategy for Harm Reduction 2005-2009, HIV and Injecting Drug Use*, World Health Organization, Regional offices for South-East Asia and Western Pacific http://www.wpro.who.int/publications/PUB_9290611952.htm
- Wolfe, Timothy R and E. Martin Caravatti (1995). *Massive Dextromethorphan Ingestion and Abuse*. Utah: Saunders Company
- Yawnghwe, Chao Tzang (2005). *Shan State Politics: The Opium-Heroin Factor*, in: Jelsma, Martin, Tom Kramer and Pietje Vervest (eds.), *Trouble in the Triangle, Opium and Conflict in Burma*, Chiangmai: Silkworm Books
- Yin Shaoting (2001). *People and Forests, Yunnan Swidden Agriculture in Human-Ecological Perspective*. Yunnan Education Publishing House

Abbreviations

ACCORD	ASEAN and China Cooperative Operations in Response to Dangerous Drugs
AHRN	Asian Harm Reduction Network
ATS	amphetamine type stimulants
ART	antiretroviral treatment
ASEAN	Association of Southeast Asian Nations
ASOD	ASEAN Senior Officials on Drugs
CCDAC	Central Committee for Drug Abuse Control (Myanmar)
CIA	Central Intelligence Agency
CPB	Communist Party of Burma
DEA	Drugs Enforcement Administration
Detox	Detoxification
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
Ha	hectare
HAARP	HIV/AIDS Asia Regional Program
IDU	injecting drug user
INCB	International Narcotics Control Board
EU	European Union
KIO	Kachin Independence Organisation
KKY	Ka Kwe Ye
KMT	Kuomintang
KNPP	Karenni National Progressive Party
KNU	Karen National Union
KOWI	Kokang and Wa Initiative
LCDC	Lao PDR Lao People's Democratic Republic
MDMA	Lao Commission on Narcotics Control 3,4-methyleendioxyamfetamine (ecstasy)
Meth	methamphetamine
MNDAA	Myanmar National Democratic Alliance Army
MTA	Mong Tai Army
NDAA	National Democratic Alliance Army
NDA-K	National Democratic Army – Kachin
NDF	National Democratic Front
NGO	Non Governmental Organisation
NLD	National League for Democracy
NMSP	New Mon State Party
NNCC	National Narcotics Control Commission (China)
NTFP	non-timber forest products
ONCB	Office of the Narcotics Control Board (Thailand)
PNO	Pao National Organisation
PRC	People's Republic of China
SLORC	State Law and Order Restoration Council (Myanmar)
SPDC	State Peace and Development Council (Myanmar)
SSA	Shan State Army
SSA-N	Shan State Army – North
SSA-S	Shan State Army – South
SUA	Shan United Army
TNI	Transnational Institute
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDCP	United Nations International Drugs Control Programme
UNGASS	United Nations General Assembly Special Session
UNODC	United Nations Office on Drugs and Crime
US	United States
UWSA	United Wa State Army
WADP	Wa Alternative Development Project
WFP	World Food Programme

WHO

WNC

World Health Organisation

Wa National Council

Glossary

Baht	Thai currency: 34 Baht equals about 1\$
Balloon effect	name to describe effect of squeezing in one area which leads to a rise elsewhere
Betel nut	name for practice of chewing the leaves of the betel vine with areca nuts
Bingdu	Chinese term for 'ice' (sometimes also 'ping-koi')
Cheroot	Burmese cigar
Dross	residue after smoking opium that is scraped out of opium pipe, and sometimes smoked again
Formular	term used in Burma of mix of various substances, including opium, cough syrup, and pharmaceuticals
Ice	crystal form of methamphetamines
Ka Kwe Ye	government sanctioned militia in Burma
Kakoo	method of smoking opium (see also 'khatpung')
K-feng	Chinese term for ketamine powder
Khatpong	method of smoking opium (see also 'kakoo')
Kratom	name of tree; when chewed its leaves produce a mild stimulant effect
Kyat	Burmese currency: 1,150 kyat equals about 1\$
Laoban	Chinese businessman
Madak	opium combined with minced roots of local plants and hemp, boiled in water and mixed with tobacco, and smoked in a pipe
Ma-huang-su	Chinese term for ephedrine pills
Mu	Chinese area measure: 16 Mu equals 1 hectare
Nat	Burmese term for 'spirit'
No.4	short for 'heroin No.4', the most pure form of heroin
Nyha phun	Kachin term for credit system for advanced opium sales by farmers before harvest
Panlap	fibres from banana leaves or other plants that are mixed with opium for smoking 'khatpong'
Rupee	Indian local currency: 49 rupee equals about 1\$
Shabu	term used for 'ice' in several countries in Southeast Asia
Taw Pa	Burmese term for smoking balls of opium with a pipe
Viss	Burmese weight measure: 1 viss equals 1,6 kilogram
Yaba	Thai term for amphetamines, literally meaning 'crazy medicine'
Yama	Thai term for amphetamines, literally meaning 'horse medicine', common in Burma and Laos
Ya-ice	Thai term for ice
Ya-K	Thai term for ketamine used as recreational drug, also common in Burma
Yao-tou-wan	Chinese term for ecstasy, literally meaning 'head-shaking pills'
Yasaw	Chinese term for compressed heroin in stick form
Yuan	Chinese currency (also known as 'renminbi'): 7 Yuan equals about 1\$

TNI Drugs & Conflict Debate Papers

The Drugs and Conflict Debate Papers series is intended to encourage a re-evaluation of current policies and advocate policies. The papers are based on the principles of harm reduction, fair trade, development, democracy, human rights, protection of health and the environment, and conflict prevention.

No. 1

Europe and Plan Colombia, April 2001

No. 2

In the heat of the debate. Fumigation and conflict in Colombia, September 2001

No. 3

Merging wars. Afghanistan, drugs and terrorism, November 2001

No. 4

Failed balance. Alternative development and eradication, March 2002

No. 5

Breaking the impasse. Polarisation & paralysis in UN drug control, July 2002

No. 6

Change of course. An agenda for Vienna, March 2003

No. 7

Cross Purposes. Alternative development and conflict in Colombia, June 2003

No. 8

Transcending drug control. Forward Operating Locations in Latin America, September 2003

No. 9

Drugs and conflict in Burma (Myanmar). Dilemmas for policy responses, December 2003

No. 10

Coca or death? Cocalero movements in Peru and Bolivia, April 2004

No. 11

A pointless war. Drugs and violence in Brazil, November 2004

No. 12

Downward spiral. Banning opium in Afghanistan and Burma, June 2005

No. 13

Coca yes, cocaine no? Legal options for the coca leaf, May 2006

No. 14

'Paco' under scrutiny. The cocaine base paste market in the Southern Cone, October 2006

No. 15

Losing ground. Drug control and war in Afghanistan, December 2006

No. 16

Withdrawal Symptoms. Changes in the Southeast Asian drugs market, August 2008

TNI Crime and Globalisation papers

The Ecstasy industry. Exploring the global market, December 2004

The global fix. The construction of a global enforcement regime, October 2005

TNI Drug Policy Briefings

No. 1

New possibilities for change in international drug control, December 2001

No. 2

Conflict flares in the Bolivian tropics, January 2002

No. 3

Peru: from virtual success to realistic policies? April 2002

No. 4

The erratic crusade of the INCB, February 2003

No. 5

Coca, cocaine and the international conventions, April 2003

No. 6

Measuring progress. Global supply of illicit drugs, April 2003

No. 7

The re-emergence of the biological war on drugs, May 2004

No. 8

Super coca? September 2004

No. 9

Colombia: drugs & security, January 2005

No. 10

Plan Afghanistan, February 2005

No. 11

Broken promises and coca eradication in Peru, March 2005

No. 12

The United Nations and harm reduction, March 2005

No. 13

The United Nations and harm reduction - revisited, April 2005

No. 14

The politics of glyphosate. The CICAD study on the impacts of glyphosate and the crop figures, June 2005

No. 15

Aerial spraying knows no borders. Ecuador brings international case over aerial spraying, September 2005

No. 16

Political challenges posed by the failure of prohibition. Drugs in Colombia and the Andean-Amazonian region, May 2006

No. 17

HIV/AIDS and drug use in Burma/Myanmar, May 2006

No. 18

International drug control: 100 years of success? TNI comments on the UNODC World Drug Report, June 2006

No. 19

The Sierra de la Macarena. Drugs and armed conflict in Colombia, September 2006

No. 20

The politicisation of fumigations. Glyphosate on the Colombian-Ecuadorian border, February 2007

No. 21

Sending the wrong message. The INCB and the un-scheduling of the coca leaf, March 2007

No. 22

Colombia coca cultivation survey results. A question of methods, June 2007

No. 23

Coca, petroleum and conflict in Cofán territory. Spraying, displacement and economic interests, September 2007

No. 24

Missing targets. Counterproductive drug control efforts in Afghanistan, September 2007

No. 25

Crop spraying: a déjà vu debate. From the Andean strategy to the Afghan strategy, December 2007

No. 26

Rewriting history. A response to the 2008 World Drug Report, June 2008

No. 27

Alternative development, economic interests and paramilitaries in Urabá, September 2008

Opium production in Southeast Asia has decreased significantly in the past decade and the international community is trumpeting success. There is little reason for optimism, however. The supply of opium and heroin on the global market has not been reduced and there are serious questions about the decline's sustainability. The abrupt decline in production has caused untold misery for opium farmers in the region because they do not yet have sufficient alternative livelihoods in place. The situation is further complicated by acute land shortages that are exacerbated by Chinese investment in commercial plantations. Meanwhile, current levels of development assistance for Burma and Laos remain low.

The fall in opium production has led users to shift from smoking opium to injecting heroin, significantly contributing to the HIV/AIDS epidemic in the region. Now signs are that the quality of heroin is also declining while the price is increasing causing drug users to experiment with pharmaceutical cocktails. The new health risks are not yet known.

Meanwhile, the market of amphetamine-type stimulants (ATS) has increased rapidly in the region. East and Southeast Asia have become major producers of methamphetamine and almost two thirds of the world's methamphetamine users live there. Users are increasingly switching from swallowing pills to smoking and, more recently, to injecting methamphetamine. Use of the even more addictive and damaging crystalline form of methamphetamine is also on the rise. The ATS boom is thus also fuelling the HIV/AIDS epidemic in the region.

There is an urgent need to harmonize drug policies with HIV policies. Long-term support for harm reduction and health care programmes for drug users must be prioritised. Only a small proportion of intravenous drug users harm reduction programmes have access to these services. Sentences for minor drug offences are disproportionately high and need to be reviewed. Repressive legislation that criminalizes drug users further hampers access to treatment and prevention services.

The international community should not abandon (former) opium growing communities and drug users at this critical stage of market changes in the Golden Triangle. National and local authorities in the region need to acknowledge that these are complicated issues and there can be no quick fixes or one-size-fits-all solutions.

This TNI report aims to contribute to a better understanding of current market dynamics in Southeast Asia, which is essential for designing more effective and sustainable policy responses that are consistent with human rights and harm reduction principles.

The Transnational Institute (TNI) was founded in 1974 as an independent, international research and policy advocacy institute. It has strong connections with transnational social movements and associated intellectuals who want to steer the world in a democratic, equitable, environmentally sustainable and peaceful direction. Its point of departure is a belief that solutions to global problems require global co-operation.

Since 1996, TNI's Drugs and Democracy Programme has analysed trends in the illegal drugs economy and global drug policies, the causes and effects on the economy, conflict situations and democracy. TNI has been one of the very few non-governmental organisations to focus concerned with the production side of the drugs issue.

The programme does field research, fosters political debate, provides information to officials and journalists, coordinates international campaigns and conferences, produces analytical articles and documents, and maintains an electronic information service on the topic.

Over the past decade the programme has gained a reputation worldwide as one of the leading advocates on international drug policy and as a serious critical watchdog on the United Nations drug control institutions.

The goal of the programme is a reconsideration of conventional repressive drug policy approaches in favour of pragmatic policies based on harm reduction principles for consumers as well as small producers. Our efforts are guided by our intention to contribute to a more coherent policy approach, one in which illicit drugs are regarded as a cross-cutting issue within the broader goals of poverty reduction, human security, public health promotion, human rights protection, peace building and good governance.