

CHAPTER 4

The Discourses of Opium: Global, Regional and National War on Drugs

This chapter examines the discourses of opium by different actors: the state and regional and international agencies at different periods of time in order to understand the opium production in Myanmar. First, this chapter will look briefly at the way that people perceived and used opium in the old time and the way that the British attempted to control opium trade to gain profit. Then, this section deals with the international discourse and analyzes international drug policy, particularly those of the West and China. Then, the chapter briefly discusses ASEAN and its drug policy in the region. Finally, this chapter will look into the dilemma of Myanmar government's discourse on opium in recent decades. On one hand, opium is perceived as a dangerous substance to the societies. On the other hand, Myanmar government has long been involved in the opium business.

4.1 Traditional Discourse of Opium

Opium was not discovered as an evil but it was rather a miracle drug (McCoy, 1972). Opium was widely used by ancient people such as Sumerian, Assyrian, Egyptian, Indian, Minoan, Greek, Roman, Persian and Arab Empires for pain relief and surgical procedures. The standard medical use of opium persisted in many societies throughout the centuries. In Islamic communities, opium was a home medical manual directed toward ordinary citizens for self-treatment if a doctor was not available. Western societies treated opium as the "father of English medicine". As a treatment for many diseases from diabetes to malaria, and to alleviate pain and diarrhea, opium was used by members of all levels of British society from the rich to urban poor (Renard, 1996).

Although the discovery of morphine from raw opium by American doctors was an important medical breakthrough and they greatly improved the quality of medical

treatment in the nineteenth century, widespread use of morphine and opium-based medicines such as codeine soon produced a serious drug addiction problem (McCoy, 1972). Another development of opium occurred in 1874 when the British chemist C.R. Alder Wright boiled a sample of morphine with acetic anhydride and produced diacetylmorphine, or heroin; he chose to discontinue his experiment. However, German scientists claimed that heroin was the ideal nonaddicting substitute for morphine and codeine which they decided to manufacture as medicine under the Bayer chemical company (McCoy, 1972). Later on, amphetamine was first made in 1887 in Germany and methamphetamine, more potent and easy to make, was developed in Japan in 1919¹.

As stated by McCoy (1972), opium continued to merit the admiration of physicians and gained in popularity; in eighteenth- and nineteenth-century England, for example, opium-based medicines were among the most popular drugstore remedies for such ordinary ailments as headaches and the common cold. However, in 1924, unrestricted distribution by physicians and pharmacies created an enormous drug abuse problem and the growing heroin addiction finally convinced authorities that heroin's liabilities outweighed its medical merits in the United States (McCoy, 1972). In England, opium use came to be considered deviant due to the development of new drugs, changing social conditions and mental disease resulting from opium use in the late nineteenth century (Renard, 1996).

In addition to medical reason, Opium was said to have been used for recreational purposes in Europe, Middle East and United State supplied by Turkey from the 14th century to 19th century. The recreational use of this drug appeared in the 15th century in China. At the time, opium was a symbol of wealth and luxury due to its rarity and expense. The use of opium in China continued to increase dramatically in the following centuries as the British wanted to trade with China and British traders started importing opium from India. Opium began to raise a major concern in the 19th century when opium addicted increased rapidly in Europe, US and China, since opium use was common and legal.

¹ <http://www.drugfreeworld.org/drugfacts/crystallmeth/history-of-methamphetamine.html> (Accessed 2014 Apr. 23)

As opium went from medicine to mass drug food, patterns of consumption altered, demand increased, and the understanding of opium use changed (Brook and Wakabayashi, 2000). Opium was turned from a powerful medicine to a threat to the entire humanity from communist societies to democratic societies. Don Chip, founder of Australian Democrats, stated “Narcotics misuse undermines the social structure of any country and the simplest way to end the problem is to eliminate the poppy” (Nyo Mya, 1973).

4.2 Colonial Discourse: Opium as a Commodity

British’s opium trade to China was believed to have begun in the 17th century as China opened itself to foreign trade. Initially, British and other European nations were eager to do trade with China as Chinese products such as tea, silk and porcelain were in great demand in Europe. Although the Chinese sold their products to the British, they didn’t buy anything in return. The British desperately attempted to find a solution because of the imbalance of trade. Eventually, opium was the solution and soon the opium trade developed rapidly.

When the British East Indian Company gained power over British India in the following century, it allowed the company to exercise a monopoly on opium cultivation, production and export. Large numbers of Chinese were becoming addicted to opium as the importation of opium to China grew steadily and the British were able to generate profits enormously. In 1839, Lin Zexu, the governor of Hubei and Hunan, sent a letter to Queen Victoria appealing to halt opium trade in China.

“There is a class of evil foreigner that makes opium and brings it for sale, tempting fools to destroy themselves, merely in order to reap profit. Formerly, the number of opium smokers was small; but now the vice has spread far and wide and the poison penetrated deeper and deeper. I am told that in your own country opium smoking is forbidden under severe penalties.” (Hanes and Sanello, 2002:39)

By 1830, Britain’s dependence on opium was at its highest levels ever, with consumption reaching 22,000 pounds of opium in that year (Santella, 2007). In the

nineteenth century, the potency and use of opium increased across Europe and Asia, and its lethal grasp began to take root in America (Santella, 2007). Since then the use of opium and drugs came to be viewed widely as dangerous. However, the consumption of narcotics continued to rise in the twentieth century.

The initial prohibition of opium started in 1729 when the Chinese emperor officially banned the domestic sale of opium by punishing the seller and opium den, but not the users. A small amount of opium use for medical purpose was allowed. It was completely prohibited in 1799 and this ban continued until 1860. However, the Chinese opium ban was disrupted by the British policy toward China, India and Burma. The British East India Company failed to comply with this ban and continued to import opium from India because of the large monetary benefits from opium trade. The illegal sale of opium became one of the world's most valuable single commodity trades and has been called "the most long continued and systematic international crime of modern times" (Newsinger, 1997).

In response to the growing numbers of opium addiction, Chinese authorities took strong action to stop the import of opium including seizure of goods. Because the British suffered economic loss, the British government objected to opium seizure and used military power to enforce violent action which led to the First Opium War in 1840 which the British Empire took over Hong Kong and trade concession. Following China's defeat in the Second Opium War in 1858, China was forced to legalize opium trade and began to sell opium to Bengal to reverse the trade deficit. The importation, production and consumption of opium reached the highest point between 1879 and 1906 in China. In the late nineteenth century, the British made an attempt to discourage the use of opium in China, India and Burma, but this effectively promoted the use of morphine, heroin, and cocaine that further exacerbated the problem of addiction.

In 1886, England's Society for the suppression of the opium trade requested the viceroy of India to forbid the sale of opium to China and Burma (Renard, 1996). However, the British government declined to respond favorably due to lucrative profit from opium trade. Following the establishment of Royal Commission on Opium in 1893 after the liberal government was elected, the commission held hearings in London before making

an investigation in India and Burma (Renard, 1996). However, the addiction of opiates continued to grow at alarming rates in the turn of 20th century.

In 1906, Chinese official prohibition of opium was renewed with the intention to eliminate drug problems within 10 years. This program was designed to turn public attitude against opium with coercive legal actions on opium cultivation, producer and users. This action included opium burning in public and required users to register for a license. Action against opium farmers centered upon a highly repressive incarnation of law enforcement in which rural populations had their property destroyed, their land confiscated and/or they were publically tortured, humiliated and executed. Because few farmers received compensation or support for alternative livelihood creation, the intervention pushed many deeper into poverty (Windle, 2013).

4.3 International Discourse and War on Drugs

In the early 20th century after monumental heroin abuse, the international medical community finally recognized the dangers of unrestricted heroin use and the League of Nations began to regulate and reduce the legal manufacture of heroin (McCoy, 1972). Prior to this, the International Opium Commission was founded as a result of the Shanghai convention, participated in by international delegations including the British and the United States, which agreed that the production and importation of opium should be diminished. Following the conventions of the Hague in 1912, Geneva in 1925 and 1931, and Bangkok in 1931 (Renard, 1996), the world's total legal heroin production plummeted from its peak of nine thousand kilograms in 1926 to little more than one thousand kilos in 1931 (McCoy, 1972).

In the 1930s, although legal pharmaceutical output was sharply declined, there was no sign to end the widespread of heroin addiction as Chinese warlords, European criminal syndicates and American mafia continued to carry out heroin production and international illicit drug trade. While the international drug traffic was disrupted by the outbreak of World War I and II, law enforcement efforts failed to stem the flow of illegal heroin to United States (McCoy, 1972). During the wars, not much attention was paid to opium production and drug trade in the global trend. The consequence of the wars resulted in the increase of narcotic prices (Nyo Mya, 1973).

In 1945 after WWII, the role of the League of Nations was later taken up by the International Narcotics Control Board of the United Nations under the Single Convention on Narcotic Drugs, and subsequently under the Convention on Psychotropic Substances. According to Article 9 of the Single Convention on Narcotic Drugs 1961, the Board shall endeavor to limit the cultivation, production, manufacture and use of drugs to an adequate amount required for medical and scientific purposes, to ensure their availability for such purposes and to prevent illicit cultivation, production and manufacture of, and illicit trafficking in and use of, drugs. Thus, the Single Convention on Narcotic Drugs (1961) seeks to allow medical and scientific use of psychoactive drugs while preventing illicit production and recreational use.

The Board also had the responsibility of allocating quotas among parties concerning licit cultivation, production, manufacture, export, import, distribution and trade in an attempt to prevent leakage of drugs from licit sources into the illicit traffic (INCB, 1961). Legal opium production is allowed under the Single Convention on Narcotic Drugs and other international drug treaties, subject to strict supervision by the law enforcement agencies of individual countries. Legal production of opium for medical purposes is found in developed nations such as India, Australia, Turkey, France, Japan, United Kingdom, the United States while illegal production exists in developing countries like Afghanistan, Pakistan, Colombia, Guatemala, Mexico and the Golden Triangle region, particularly Myanmar.

During the 1950s, the Chinese communist government was able to eradicate both the consumption and production of opium in China. However, the success of opium suppression in China has led to the relocation of opium production in the Golden Triangle, comprising Burma, Lao and Thailand with the involvement of Western agencies.

In the United States of America, according to Richard Nixon, the 37th President of the United States serving from 1969 to 1974, "America's public enemy number one in the United States is drug abuse. In order to fight and defeat this enemy, it is necessary to wage a new, all-out offensive" (The American Presidency Project). He also justified this "by shifting public perception, and making us believe that drug users were dangerous

and a threat to America" (Dufton, 2012). Nixon's special message to the congress on Drug Abuse Prevention and Control on June 17, 1971 indicated enormous drug abuse in the United States.

"Narcotic addiction is a major contributor to crime. The cost of supplying a narcotic habit can run from \$30 a day to \$100 a day. This is \$210 to \$700 a week, or \$10,000 a year to over \$36,000 a year. Untreated narcotic addicts do not ordinarily hold jobs. Instead, they often turn to shoplifting, mugging, burglary, armed robbery, and so on. They also support themselves by starting other people - young people - on drugs. The financial costs of addiction are more than \$2 billion every year, but these costs can at least be measured. The human costs cannot. American society should not be required to bear either cost. ...drug addiction destroys lives, destroys families, and destroys communities" (Nixon, 1971).

In Nixon's eyes, drug use was rampant in 1971 not because of grand social pressures that society had a duty to correct, but because drug users were law-breaking hedonists who deserved only discipline and punishment (Dufton, 2012).

Although efforts to control dangerous drugs such as opium had started since the 19th century, the term "War on drugs" came to be known just in the early 1970s after Nixon delivered a special message on Drug Abuse Prevention and Control. The term commonly refers to a campaign against drugs such as opium related substances, marijuana, and cocaine. According to his special message of war on drugs on June 17, 1971,

"If we cannot destroy the drug menace in America, then it will surely in time destroy us. I am not prepared to accept this alternative. Therefore, I am transmitting legislation to the Congress to consolidate at the highest level a full-scale attack on the problem of drug abuse in America. I am proposing the appropriation of additional funds to meet the cost of rehabilitating drug users, and I will ask for additional funds to increase our enforcement efforts to further tighten the noose around the necks of drug peddlers, and thereby loosen the noose around the necks of drug users.

At the same time I am proposing additional steps to strike at the "supply" side of the drug equation--to halt the drug traffic by striking at the illegal producers of drugs, the growing of those plants from which drugs are derived, and trafficking in these drugs beyond our borders. America has the largest number of heroin addicts of any nation in the world. And yet, America does not grow opium of which heroin is a derivative nor does it manufacture heroin, which is a laboratory process carried out abroad. This deadly poison in the American life stream is, in other words, a foreign import” (Nixon, 1971).

The doctrine of his special message has problematized a situation between opium consuming countries and producing countries. While consumption was a problem in the western world, the production had to be defined as a problem of the counties where opium is produced, particularly the Golden Triangle and the Golden Crescent. In this regard, a problem of the developed countries is externalized and so redefined as a problem of local communities in opium producing countries (Djedje and Korff, 2002).

President Nixon said “the national program will be stepped up in four directions: (1) halting illicit traffic at foreign sources (2) prosecuting the smugglers (3) treating the addicts (4) a massive information program on how the drug habit begins and how one eventually ends up with heroin, a hard drug which virtually is a point of no return for many ” (Nyo Mya, 1973). Even though opium has come to America since the birth of the nation, the drug control measure became serious only after World War II.

In supporting the global war on drugs, the United Nations International Drug Control Program (UNDCP) was established in 1991 and incorporated into the United Nations Office on Drugs and Crime (UNODC) in 1997. The role of UNODC is to assist the UN in better addressing a coordinated, comprehensive response to the interrelated issues of illicit trafficking in and abuse of drugs, crime prevention and criminal justice, international terrorism, and political corruption. One of the main themes of UNODC is alternative development which is drug-oriented approach to reduce cultivation of illicit crops. Currently, UNODC implements alternative development projects in six countries

Afghanistan, Bolivia, Colombia, Lao People's Democratic Republic, Myanmar, and Peru.²

The Global Commission on Drug Policy (2011) declares that "the global war on drugs has failed, with devastating consequences for individuals and societies around the world. Fifty years after the initiation of the UN Single Convention on Narcotic Drugs, and years after President Nixon launched the US government's war on drugs, fundamental reforms in national and global drug control policies are urgently needed."

4.4 Development Discourse of Opium Replacement

Since drug abuse has become a major problem in the United States, Europe and China, crop substitution projects are seen as a way of externalization of problem solving to fight drug abuse. It is believed that if the drugs are not produced anymore, the abuse problem will automatically disappear. In this regard, international agencies have put efforts toward the development of opium growing communities in Southeast Asia particularly in Lao, Myanmar and Thailand. The approach to development is fundamental different in Western and Chinese discourses of development.

4.4.1 Western Alternative Development

In Western development discourse, alternative development offers an alternative vision of human and social development that emphasizes the value of equity, participation and environmental sustainability (Cohen, 2009). UNODC has adopted these principles into a specifically drug-oriented alternative development approach which is the international aid component of supply-side policies, replacing crop substitution.

UNODC works to reduce the cultivation of illicit crops through a variety of development-oriented poverty reduction and rural development strategies, including agricultural-based initiatives that lie at the heart of much of UNODC's operational activity at the national, regional, subregional and

² <http://www.unodc.org/unodc/en/alternative-development/index.html?ref=menuaside> (Accessed 2014 Mar. 25)

international levels.³ The international agencies including UNODC had launched alternative development programs in rural upland Thailand in the 1980s. As noted by Renard (2001), the impacts of alternative development were both positive and negative. The positive results were decreased opium production and use, good progress in rural development, positive standard of living and improved health and education services while negative impacts included increased heroin availability, greater stress on environment, more chemical inputs and decline in self-reliance (Renard, 2001). However, the great success in opium reduction in Thailand has become a good example for neighboring countries like Myanmar and Lao.

Various UN agencies including UNODC and international NGOs tried to address immediate food shortages resulting from the opium ban and initiated alternative development projects in Wa and Kokang regions in Northeast Shan State in the 1990s. However, UNODC closed its office and all projects terminated in 2009 after funding from donors ended. In 2011, UNODC initiated new projects in several villages of Southern Shan State where opium cultivation has increased in the recent years. The project aims to assist farmers to improve their farming techniques and increase their income, enabling them to invest in sustainable legal agricultural practices that will benefit the wider community.⁴ Nonetheless, with limited funding, UNODC is not able to expand their projects to all affected populations in Shan State.

4.4.2 China's Opium Replacement Projects

In the 1980s, China's drug problem re-emerged after the success of opium suppression in the 1950s, as China's government was unable to control the flow of heroin from the Golden Triangle. As a result, China has responded by launching "People's War on Drugs" and to intervene at sources of supply

³ <https://www.unodc.org/unodc/en/alternative-development/index.html?ref=menuaside> (Accessed 2014 Mar. 25)

⁴ <http://www.unodc.org/unodc/en/alternative-development/myanmar-projects.html> (Accessed 2014 Mar. 25)

across borders with its own opium-replacement policy, focusing on promoting rubber cultivation in neighboring countries of Laos and Burma (Cohen, 2009). This policy is designed, on the one hand, to alleviate poverty in (ex-) opium growing communities and to support the increasing rubber demand in the mainland on the other hand. Chinese opium replacement projects in Burma and Laos are mostly privately owned and are supported by the Chinese government through an array of subsidies, loans and tariff exemptions (Cohen, 2009). In addition to this project, China donated 10,000 metric tons of rice directly to local cease-fire authorities across the border in 2007 and again in 2008 to offset food shortages (TNI, 2012).

China believes that their opium replacement project would bring socio-economic development, civilization of local people and the end of shifting cultivation and opium production. However, it is argued that the Chinese business-oriented approach which contradicts Western alternative development has not benefitted local people and caused great harm to the environment (TNI, 2012). The benefits rather go to local authorities and Chinese businessmen, as there is a lack of regulation, corruption, and land concession resulting from the rubber boom. However, a senior manager of a Chinese rubber company justified that “the westerners have been here for so long, building one bridge, one hospital, one school...villagers are still poor, still living the way they did ten, twenty, fifty years ago. What we bring is real development, real modernity” (Cohen, 2009). Thus, it is clear that the Chinese opium-replacement policy highlights a fundamental difference between Western and Chinese models of development.

4.5 Regional War on Drugs

Similar to international mainstream drug discourse, the Association of Southeast Asian Nations (ASEAN) also embraces zero-tolerance approaches and deadline-oriented thinking through focusing on law enforcement (TNI, 2014). However, the region, particularly Myanmar, is still the second largest producer of opium in the world and the demand of methamphetamine is growing rapidly in the region. The growing market of drugs is perceived as a threat to regional security.

Jeremy Douglas, UNODC regional representative for Southeast Asia and the Pacific, said: "Methamphetamine production is now the major drug threat in the region, while at the same time opium-poppy cultivation in the Golden Triangle has rebounded significantly over recent years, and rising drug seizures suggest the market is expanding." Liu Yuejin, deputy permanent secretary of the National Narcotics Control Commission of the Ministry of Public Security asserts "illicit drugs undermine development and pose a growing and significant threat to China and our Greater Mekong Subregion neighbors. Greater regional cooperation is important, as our countries face enormous pressures from drug trafficking" (The Nation, May 30, 2014).

ASEAN has collectively launched its policy in response to narcotics abuse and illicit drug trafficking. ASEAN called for the intensification of cooperation among member states as well as with the relevant international bodies in the prevention and eradication of the abuse of narcotics and the illegal trafficking of drugs in 1976.⁵ Since then, the ASEAN Senior Official on Drug Matters (ASOD) was established and it has a plan of action on drug control which is reviewed regularly by ASEAN members. In 1998, ASEAN signed the Joint Declaration for a Drug-Free ASEAN by 2020 affirming the association's commitment to eradicate the production, processing, trafficking and use of illicit drugs in Southeast Asia by the year 2020. However, it was agreed to advance the target year for realizing a drug-free ASEAN from the original schedule of 2020 to 2015 (ibid).

ASOD's action plan on drug control is undertaken by national agencies which are under the respective ministries of each member state. National agencies of ASOD are as follow:

Narcotics Control Bureau (NCB), Brunei Darussalam

National Authority for Combating Drugs (NACD), Cambodia

National Narcotics Board (NNB), Indonesia

National Commission for Drug Control and Supervision (LCDC), Lao PDR

National Anti-Drugs Agency (NADA), Malaysia

⁵ <http://www.asean.org/communities/asean-political-security-community/item/cooperation-on-drugs-and-narcotics-overview> (Accessed 2014 July 28)

Central Committee for Drug Abuse Control (CCDAC), Myanmar

Dangerous Drugs Board (DDB), Philippines

Central Narcotics Bureau (CNB), Singapore

Office of the Narcotics Control Board (ONCB), Thailand

Standing Office on Drug Control (SODC), Viet Nam

Although it is clear that the aim of a drug free ASEAN 2015 seems unattainable, the mission was reaffirmed at the Prime Minister's meeting in Brunei, 2013. According to the Brunei Minister of Energy, "we have reaffirmed our determination to resolve and work closely together to realize the vision of a drug free ASEAN 2015 and beyond, realizing that combating the drug menace is no longer just the individual responsibility of each ASEAN state, but the collective responsibility of all" (TNI, 2014).

Drug control agencies in the region are thus forced to implement and design strategies with goals that are unrealistic and unachievable. These lead to negative and expensive policies, focusing on arrest of drug users, opium farmers and small traffickers, rather than on more positive outcomes that are achievable and could potentially bring immediate and long term benefits to affected communities (TNI, 2014).

Recognizing that China plays an important role in combating illicit drugs, ASEAN together with China has established the ASEAN-China Cooperative Operations in Response to Dangerous Drugs (ACCORD) (ASOD, 2009). The main objectives of the Plan are to strengthen regional coordination, monitor regional progress, and provide policy-level commitment to reach the goal of "Drug free ASEAN and China" by 2015 and this plan is an activity-based framework with the four pillars⁶:

1. Proactively advocating civic awareness on dangers of drugs and social response;
2. Building consensus and sharing best practices on demand reduction;
3. Strengthening the rule of law by an enhanced network of control measures and improved law enforcement co-operation and legislative review;

⁶ <https://www.unodc.org/southeastasiaandpacific/en/2009/08/ACCORD/asean-and-china-cooperative-operations-in-response-to-dangerous-drugs.html> (Accessed 2014 July 29)

4. Eliminating or significantly reducing the supply of illicit narcotic crops by boosting alternative development programs

As ASEAN will open up to a single market that will allow free movement of goods, services, skilled labor, investments and capital, many worry that it will encourage the drug trade in the region. Jeremy Douglas states “rapid regional integration provides ample incentives for international drug trafficking syndicates. While we’re seeing an increase in production of methamphetamines and heroin for nearby markets, we’re also seeing trade barriers dropping. As legal trade accelerates, it is possible that illegal drug trade will also accelerate” (The Nation, March 4, 2014). Even some officials from member state have expressed the fear that the improved infrastructure and connectivity in the region as a result of greater ASEAN integration will facilitate a growing drugs trade (TNI, 2014).

4.6 Myanmar State’s Contradictory Discourse and Practice

Myanmar has long suffered from the unrest of civil war with its own ethnic groups under military rulers. Counterinsurgency has been the first priority of the Tatmadaw, or military, who believe themselves to be nation builders. Thus, the Myanmar government’s perception of opium has not changed much since independence as the policy toward narcotics has always been something of a dilemma. On one hand, opium is seen as an illegal crop and it is shown that opium eradication is a national responsibility. On the other hand, opium has been perceived as a commodity and used as a way to generate personal profits and as a political tool to counter ethnic resistance and ideological insurgency.

4.6.1 Eradication Efforts

During *Tatmadaw Day*, or Armed Forces Day, on March 27, 1996, former Senior General Than Shwe delivered a speech regarding the danger of narcotics and the effort of military on drug eradication. His speech was later excerpted and printed out with a metal frame and exhibited in the entrance of the Narcotics Museum in Yangon.

“The drug abuse control because it is related to all the peoples of the entire world is a very huge and difficult task. We (Tatmadaw or Military) are willing to warmly welcome sincere participation by anybody. Even if there is no assistance whatsoever, we will do our utmost with whatever resources and capability we have in our hands to fight this drug menace threatening the entire humanity” SG Than Shwe (CCDAC, 2001).

His speech presents the good intention of military’s effort on drug elimination. However, as impressive as the plan appears on paper, and despite its vigorous promotion in the state controlled media, the 15 year plan and its components are aimed more at impressing the international community than pursuing a sustainable drug eradication program (ALTSEAN Burma, 2004). Another significant speech with a metal frame addressing drug problem exhibits in Yangon Narcotic Museum is by former general Soe Win.

“Today, the problem of drug is confronting not only one nation nor one people, but all mankind. It is very important to unravel the underlying causes of the drug problem which is threatening mankind. Furthermore, it is equally important that the international community actively cooperate with sincere intentions” former Gen. Soe Win (CCDAC, 2001).

Although opium is a drug that needs to be eradicated, in the discourse of military government, they have never succeeded in eliminating opium during the last five decades. The first anti-narcotic attempt was made right after independence by U Nu’s government by announcing a plan to eradicate poppy cultivation and opium use. Consequently, the Opium Enquiry Committee was established and the Compulsory Registration Act was enacted to bring an end of opium use and cultivation (Renard, 1996). However, this ambitious aim seemed unrealistic and achieved little success

since this act didn't apply in Shan State as the Kuomintang (KMT) started to invade Eastern Shan State and expand opium production.

With pressure from the United Nations, Myanmar signed the 1961 Single Convention on Narcotic Drugs at the United Nations on 30 March 1961. The convention came into force on 29 July 1963 and parties to the convention were obliged to promulgate laws and regulations in their countries on drug abuse control, to cooperate among the signatory countries, and to permit the production of drugs for medical and scientific purpose only (CCDAC, 2001). Following the 1962 Ne Win coup, the Revolutionary Council formed an Opium Enquiry committee and assigned it to carry out programs on treatment of drug addicts, their rehabilitation and to amend the outdated opium laws (CCDAC, 2001).

At the same time, Myanmar asked the UN to approve opium-growing regions in the Trans-Salween States as sites for legal poppy cultivation (Solomon, 1978) as opium was grown legally in India, Turkey, Australia and France for medical purposes⁷. The government apparently saw this as a way of both deriving needed income as well giving the growers a legitimate way of making a living. However, UN rejected the legalization of opium cultivation in Myanmar because the instability in this area would preclude adequate control (Renard, 1996). Myanmar attended the UN conference on the Convention on Psychotropic Substances of 1971 but failed to sign the convention since the use of such substances was negligible in Myanmar and thus did not pose a serious problem (Mg Thit Nwe, 2001).

In October, 1965, the Revolutionary Council government prohibited the sale of opium in Shan State (Nyo Mya, 1973). In order to eradicate poppy cultivation, the government formed a committee to draw a program for the development of Kokang region in the Shan State (CCDAC, 2001). The government set up four year plan from 1965 to 1969 to eliminate opium

⁷ <http://opiumproject7d.wordpress.com/where-is-opium-grown/> (Accessed 2014, Apr. 25)

poppy cultivation which was followed by a development project to improve economic and social conditions. However, the substitutional crop project was interrupted by the lack of local participation, inadequate of staff and unfavorable climatic factor (Nyo Mya, 1973).

In 1974, a new constitution was promulgated and the Revolutionary Council turned itself to implementing the Socialist Republic of the Union of Burma's "Burmese Way to Socialism", which was a one party system run by Ne Win. During this period, the Burmese government seemed to put more effort into fighting narcotics as some of the insurgent groups who derived income for drug trade posed a political threat to the government.

The 1974 Narcotic and Dangerous Drug Act was enacted on 20 February 1974. The act comprised thirteen chapters and prohibits the cultivation, production, processing, trafficking, and the sale of drugs. It also contained procedures to take action against those who violate the provisions of the Act. According to the provisions in the Act, production and hoarding for the purpose of sale and trafficking or for the purpose of import and export of drugs could be sentenced to a minimum ten years imprisonment or to a death sentence (CCDAC, 2001).

An agreement was signed between Myanmar and the US government to cooperate in fighting against narcotics in 1974. From 1974 until 1988, fifteen separate bilateral pacts were concluded by which the United States gave Burma over US \$86 million (Renard, 1996) in the forms of 6 Fokker aircrafts, 28 helicopters, 5 Turbo Thrush Aerial Spraying aircrafts and some military equipment (PYO, 2014) which arrived in Myanmar in 1985 to support military operation against drug production in Shan State. However, this aerial crop spraying had some adverse effects and led to dispute. It was argued that spraying from an altitude of 250 meters was inaccurate, polluted streams, and caused chemicals to contaminate villagers' vegetables and fruits (Renard, 1996).

In 1975, the Central Committee for Drug Abuse Control (CCDAC) was established to work on crop substitution, livestock breeding, treatment, rehabilitation, students' and youths' preventive education, public relations, law enforcement, seizure of narcotic drugs administration, international relations. Other work committees were formed as required⁸. The government set up a 15 year plan to operate between 1976 to 1991 to eliminate narcotic drugs in cooperation with United Nations, during which time opium production reached its peak in the year of 1991(PYO, 2014). The impact of such efforts has been difficult to measure given the lack of outside access to the growing regions. The Burmese government, however, has not publicized any notable crop-substitution successes, nor has rehabilitation or demand reduction achieved success (Renard, 1996).

Following the nationwide uprising in 1988, the military retook power in the country. General Saw Maung repealed the 1974 constitution and established the State Law and Order Restoration Council (SLORC)⁹. The United States and other donor countries stopped funding the Myanmar government's war on drugs due to the brutal crackdown on demonstrators. It is believed that some key military officials were angered by the US act of cutting off funds to Myanmar. One military general responded to the fund cut saying that "drugs are not a serious issue in Myanmar but it is rather the international problem."

"We are fighting the war (on drugs) for them (international community) and they boycott us. This drug thing is not a big problem for us in this country and these efforts are for the benefit of the international community" said Col Hla Min (ALTSEAN Burma, 2004:36).

⁸ <http://www.ccdac.gov.mm/articles/article.cfm?id=277> (Accessed 2014, July 29).

⁹ http://en.wikipedia.org/wiki/8888_Uprising (Accessed 2014, July 29).

In responding to US reaction, the military then encouraged the Wa and related groups including defectors from the BCP to produce more opium (Renard, 1996). The opium production in Shan State continued to rise dramatically until 1996.

During 1989 - 1990, SLORC was condemned and criticized by the international community for not having put enough effort into elimination of narcotic drugs (PYO, 2014). In 1993, SLORC promulgated the Narcotic Drugs and Psychotropic Substances Law which is one of the major laws for the control of the drug trade. However, the law is designed more for international show than as a legal basis for pursuing effective drug suppression (ALTSEAN Burma, 2004). The actions of the Burmese army, which indicate a belief that narcotics problems are less serious than ethnic rebellion have shown signs of playing off the drug dealers while trying to put the Karens and other such rebels out of commission (Renard, 1996).

Although SLORC was able to reach cease-fire agreements with 17 ethnic armed groups and able to expand military troops in ethnic controlled areas between 1989 and 1996, there was no sign of success in eliminating opium production and narcotic use (PYO, 2014). The United Wa State Army (UWSA) had continued its business without interruption and was the leading trafficking organization in Burma (Sai Lone, 2008). The surrender of Khun Sa in 1996 made no impact on the drug trade. The US State Department stated that if SLORC's anti-narcotics rhetoric was genuine, the increased government military presence in the area would presage a fall in opium cultivation; instead, the opposite is true, with opium cultivation doubling since it took power in 1988, equaling legal exports (Brown, 1999).

In 1997, SLORC was abolished and reconstituted as the State Peace and Development Council (SPDC). Due to the increasing pressure from China, one of the countries most adversely affected by the outflow of narcotic drugs from Myanmar, the military government announced a 15 year master plan of opium eradication in 1999. The plan consisted of three phases in

different geographical areas. Phase 1 lasted from 1999-2004, and was applied mainly in northern Shan State and Monglar Special Region 4. Phase 2 was planned from 2004-2009, and includes large parts of eastern Shan State, the Wa Region, and Danai and Sedun areas in Kachin State. Phase 3 covers 2009-2014 in Kayah State, parts of southern Shan State, and northern Chin State (Sai Lone, 2008). The 15 year plan has five main aims: eradication of drug production, demand reduction, law enforcement, mobilization of people's participation and international cooperation (ALTSEAN Burma, 2004).

The initial plan seemed to succeed to some extent as the military government was able to declare "opium free zones" in Monglar region and Wa region in Northern Shan State with the cooperation of cease-fire groups. Opium production in Burma declined from an estimated 1680 tons in 1997 to 315 tons in 2006 (UNODC, 2006). This success could be attributed to the efforts of central government and armed groups as well as China (TNI, 2012). The central government's significant effort in elimination of narcotic drugs included spending US\$ 3 million on the Drug Elimination Museum in Yangon (ALTSEAN Burma, 2004) which was completed in 2001. It seems, however, that not many tourists—or locals, for that matter—know of or are interested in visiting the museum.¹⁰

While opium production had decreased to some extent in Burma, the production of amphetamine-type stimulants (ATS) – methamphetamine in particular - has increased significantly in the last decade (TNI, 2012). The opium decline in Shan State didn't seem to last, as opium cultivation has doubled since 2006. Although the new government has made several reforms in politics and economics, the policy toward narcotic drugs remains unchanged. In 2012, Thein Sein's government has extended the 15 year plan by another 5 years for drug free zone by 2019 and has signed the agreement

¹⁰ <http://www.irrawaddy.org/history/rose-tinted-history-at-rangoons-drugs-elimination-museum.html>
(Accessed 2014, July 30).

with 13 cease-fire groups to cooperate in eradicating narcotic drugs (PYO, 2014).

4.6.2 The Complicity of Military Generals in Drug Trade

Although the Myanmar government aims to eliminate narcotic drugs, there have been many claims about its own involvement in the opium business. The International Narcotics Control Strategy Report 2002 states that,

No Burma Army officer over the rank of full Colonel has ever been prosecuted for drug offences in Burma. This fact, the prominent role in Burma of the family of notorious narcotics traffickers (e.g., Lo Hsing Han Clan), and the continuance of large-scale narcotics trafficking over years of intrusive military rule have given rise to speculation that some senior military leaders protect or are otherwise involved with narcotics traffickers (U.S. Department of State, 2002).

Despite the regime's persistent official anti-narcotics stance and stiff sentences for the rising number of drug users and addicts, there have been repeated instances of official complicity. It is claimed that the SPDC government was benefiting directly from the opium trade in Shan State, both politically as it makes territorial gains through cease-fire agreements, and economically as it skims income from the trade (Brown, 1999). While there is no evidence directly linking the regime and the illegal trade on a policy level, the military involvement in the drug trade is systemic and multi-layered, reaching from the generals in Yangon to troops on the ground (ALTSEAN-Burma, 2004).

According to the Australian Parliament Committee of Foreign Affairs, Burma's narcotics trade was protected at the highest level of the Government and SLORC's involvement occurs on an individual basis for personal profit, covering areas of responsibility for transport, protection and patronage; and as a matter of policy, either explicit or covert, in order to raise government revenue (Brown, 1999). Lintner, a Burma expert, and

Black also state that the role of the military authorities is not to buy and sell drugs but to protect the trade. In return, there is much less fighting in the frontier areas - and proceeds from the trade are reinvested in the mainstream economy, to the benefit of the drug lords as well as the government (Lintner and Black, 2009).

One study claims that members of the regime invested in heroin refineries based on business links gained through their personal relations with druglords (Ball, 1999). Lieutenant General Khin Nyunt, the former head of Military Intelligence, personally gained from the business relationship he developed with Lo Hsing Han during the ceasefire rounds of the late 1980s and early 1990s, and in links with Sai Lin in Special Region 4 (ALTSEAN-Burma, 2004). Khin Nyunt was also alleged to hold shares in five ATS labs close to Mong La (Ball, 1999). His widespread nickname in Burma was “No.4 (Methamphetamine) Khin Nyunt” for his widely suspected involvement in protecting the heroin trade (ALTSEAN-Burma, 2004). It is also believed that the former top military regimes such as SG Than Shwe, Maung Aye, Thura Shwe Mann (speaker of Pyithu Hluttaw) have close ties with Lo Hsing Han.¹¹ In 2006, SG Than Shwe was able to spend hundreds of thousands of dollars on the lavish wedding of his youngest daughter. Asia World, Burma’s biggest conglomerate, headed by retired drug lord Lo Hsing-han and his son Steven Law, was said to have provided the catering, while well-known Burmese tycoon Tay Za’s Htoo Trading Company footed the bill for many of the other arrangements and Lieutenant General Myint Swe, commander of Yangon Division is thought to have provided the wedding gown (Lintner and Black, 2009).

As druglords were protected by and had close relation with higher rank military authorities, money laundering from drugs wasn’t unusual in Myanmar. It is reported that the regime systematically encourages major

¹¹ <http://freedomnewsgroup.com/2014/02/15/myanmar-president-wealth/> (Accessed 2014, Apr. 19).

drug traffickers to invest in large-scale development projects which are of high priority to the ruling junta.¹² The control of money laundering law was enacted on 17 June, 2002.¹³ However, it contained a lot of loopholes and was not up to international standards. The money laundering monitoring system in Myanmar is very weak; there are many ways to launder money in Myanmar. The Anti-Money Laundering Bill is now in the process of being approved by parliament and the president.¹⁴

Official complicity in black market activities is not limited to some local units in Shan State and elsewhere (Lintner and Black, 2009). The middle level of official collusion involves regional military commanders and the commanders of local battalions that operate in drug producing areas (ALTSEAN-Burma, 2004). Yard Serk, SSA's commander in Chief, states that Burmese division commanders and brigade commanders get bribes from drug dealers, cultivation tax from poppy fields, tax from drugs traders and protection fees (ALTSEAN-Burma, 2004). The higher rank officials usually don't rely on their monthly meager salary from central government since they have access to alternative sources of income. A former Burmese army officer from the central War office said that he used to sign shipping orders in the capital, getting between 50,000 and 300,000 kyats each time (Lintner and Black, 2009).

The system is that farming communities are encouraged by units to grow opium in locations difficult to detect, pay tax to the unit for the plantation, and then sell the opium to either the unit members or merchants they recommend (ALTSEAN-Burma, 2004). In Shan State, the military commanders are not the only ones who collect tax from poppy farmers; police officers, militia forces and other officers from government divisions

¹² http://www2.irrawaddy.org/research_show.php?art_id=487 (Accessed 2014 Apr.19).

¹³ <http://www.ccdac.gov.mm/articles/article.cfm?id=268> (Accessed 2014 Apr. 19).

¹⁴ <http://www.irrawaddy.org/business/clean-bill-health-yet-burmas-anti-money-laundering-drive.html> (Accessed 2014 Apr. 19).

are also involved. In 2012 – 2013 opium growing season, a village in Southern Shan State had to pay 120,000 *kyat* per household.

During the 1990s, the expansion of military and the weakening of the economy has led to financial problems for the war office and affected the assistance to battalions throughout the entire country. Regional commanders have been instructed to institute self-sufficiency programs to either produce their own food or take it from local people in order to meet their basic needs. An officer stated that “we soldiers are also desperate, because we have been forced to support ourselves and our own families. But if all of you grow poppies, we may be able to tax you for our own upkeep. At the same time, your own life will be easier” (ALTSEAN-Burma, 2004).

According to Lintner and Black (2009), military involvement in the drug trade also appears to have grown in recent years with more taxes on production and the expansion of the army’s poppy fields. Burma Human Rights (2001-2002) also reported that thousands of acres of land have been confiscated from civilians, without compensation for army food production or factories. The benefits provided by the drug trade are undoubtedly a major reason why there are more than 120 infantry battalions in Shan State out of a nationwide total of 528; few other parts of the country can offer similar access to money in order to make the units self-sufficient (Lintner and Black, 2009). This has put major hardships on the population including security concerns such as forced portering, tactical road building, sentry duty on roads and materials for constructing barracks, for instance, but also straight out extortion (ALTSEAN-Burma, 2004).

4.6.3 Government Militia in the Drug Business

The idea of militia in independent Myanmar had already started in U Nu’s administration when he established a program called *Pyusawhti*, or local militia (ALTSEAN-Burma, 2004). The role of this program was primarily to assist military in countering the ethnic resistant groups in the frontier areas. However, they soon turned into criminal gangs for the rural population as

they were poorly paid, equipped and were hardly controlled by the center.¹⁵ Following Ne Win's takeover in 1962, he as head of military instituted his own militia units known as Ka Kwe Ye (KKY), home guard units. The units were designed to control Shan rebels and the communists to the northeast and east of Shan State.

Like their Pyusawhti predecessors, KKY was not funded by the government but relied on local support. Subsequently, KKY transformed into drug barons and later became involved in the drug trade themselves. The two infamous militia leaders of KKY were Lo Hsing Han and Khun Sa who engaged in lucrative drug business in collaboration with some top military authorities. The Burmese military believed that it could weaken rebel groups in Shan State by granting KKY the right to use government-controlled towns as opium trading centers and major highways as smuggling routes and removed all restrictions on the refining of opium. Nevertheless, it turned out that while it has weaned a number of rebel armies to the government side, just as many local militias have become rebels (McCoy, 1972). KKY was disbanded in 1973, when the international community condemned Burma's growing drug trade.

In 1980, Lo Hsing Han was released from jail by general amnesty and back to militia force, after his punishment of death sentence for treason on the grounds of his brief association with the insurgent Shan State Army (SSA). Later on, Khin Nyunt found in Lo a useful intermediary in quickly arranging cease-fire agreements and, in return, Lo was given lucrative business opportunities and unofficial permission to run drugs with impunity along with the mutineers.¹⁶ According to Shan Drug Watch (2010), the ceasefire groups were created to aid in the fight against non-ceasefire opposition movements as they were allowed involvement in the drugs trade in 1989.

¹⁵ http://www2.irrawaddy.org/article.php?art_id=2822&page=1 (Accessed 2014 Apr. 20)

¹⁶ http://en.wikipedia.org/wiki/Lo_Hsing_Han (Accessed 2014 Apr. 21)

The SLORC/SPDC have conditionally resurrected the project of state controlled militia known as Pyithu Sit (People's Militia) which operate in ethnic states, especially Shan (ALTSEAN-Burma, 2004). The junta backed militia forces have been afforded special favor within the drug business since the start of 2005 (Shan Drug Watch, 2010). Burmese military commanders [are] giving the green light to People's Militia Forces (PMFs)- the paramilitary forces built up among the local populace by the Army - to establish their own drug production plants and trafficking networks and thereby wrest the market away from the ceasefire groups (Shan Drug Watch, 2011).

According to article 340 in the 2008 constitution, the role of the People's Militia Forces (PMFs) is as follows: "With the approval of the National Defense and Security Council (NDSC), the Defense Services has the authority to administer the participation of the entire people in the Security and Defense of the Union. The Strategy of people's militia shall be carried out under the leadership of the Defense Services" (Myanmar constitution 2008). There are several major groups of militias such Wanpang, Naryai, Markkieng and Homong that currently run drug business in Southern Shan State (PYO, 2014). Shan Drug Watch (2011) notes that some druglords or militia leaders were elected to Parliament by proxy of Union Solidarity and Development Party (USDP).

4.7 Summary

Opium was widely used as a powerful medicine and for recreational purposes until the 19th century. At the same time, the British exerted colonial power to control opium trade in Asia in order to gain huge benefit despite local resentment. With the development of new drugs, the international perception of opium expanded from it as a valuable medicine to also being a dangerous drug. The Chinese effort of counter narcotics led to "the Opium War" in the nineteenth century. Subsequently, the wide range of drug elimination efforts and alternative development has started since the last century. This chapter has uncovered that the approaches between the west and China to development are fundamentally different from one another. The chapter also reveals that the regional

drug policy of a drug free region by 2015 is unattainable. For the Myanmar government, the policy towards opium has not changed much since independence, as the policy towards narcotics has always posed a strategic dilemma. On one hand, it has shown that opium eradication is a national responsibility. On the other hand, opium has been used as a way to generate personal profits and as a political tool to counter ethnic resistance and ideological insurgency.



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