

## CHAPTER 6

### Conclusion and Recommendations

Accounting for 18 percent of global opium production, Myanmar remains the world's second largest opium producing country after Afghanistan. Within the country, Shan State has been the major source of Burmese opium. The boom in Shan State opium cultivation started after independence, followed by ethnic struggles and the invasion of the Kuomintang, the anti-communist Chinese troops in the 1950s. In 1974, the government of Myanmar officially outlawed opium cultivation, production, possession, trafficking, transfer and sale by the 1974 Narcotic Act. However, opium production continues to take place in the rural uplands of Shan State up to the present day. A decline in opium production between 1998 and 2006 can be attributed to drastic measures taken to suppress opium farming without providing sufficient alternative sources of livelihood for the farmers which led to food insecurity and other negative consequences after 2006.

This final chapter centers on four distinct dimensions. A summary of major findings of the thesis according to research questions is presented and followed by the discussion of the findings based upon the relevant theories and concepts. The third dimension presents policy implications and recommendations to policy makers and other concerned state authorities in order to enhance the livelihood of upland opium farmers. Finally, this chapter describes the limitations of this study and lessons learned for further research.

#### 6.1 Major Findings of the Study

##### 6.1.1 The Historical Development of Opium Cultivation in Shan State

This study suggests that the British rule from nineteenth century to the mid 20<sup>th</sup> century resulted in the development of opium cultivation, consumption and

opium trade in Burma. Having popularized opium and allowed its cultivation and use throughout the colonial period to maximize profit for their operation, a troublesome legacy left by the British continues to have greater effect on the present Burma opium politics. The opium trade was further developed following the invasion of the KMT in Shan State after the communists came to power in 1949. In addition to U.S and Taiwan military support, the KMT armed force relied on income from opium in order to support the fight against the communists back home in China. However, their anti-communist movement was a failure and many of the KMT leaders became druglords.

Following Ne Win's coup in 1962, the Burmese Way to Socialism was introduced and this disastrous economic policy exacerbated the conflict and the country was plunged into civil war. Ethnic rights granted by the 1947 constitution were also abolished and insurgent movements rose up consequently. The CPB initially opposed opium cultivation due to an ideological stance, but it switched its attention to lucrative drug business when China cut off their funds. The outcome of the conflict led the country to become one of the major opium producing countries in the world. The situation in Shan State became complex since there were many kinds of armed groups with different interests who earned their revenue from the opium trade. Moreover, the policies of the United States, China, Taiwan and Thailand also played a major role in transforming the landscape of upland Shan State and contributing to the rise of opium production during the cold war.

### **6.1.2 International, Regional and National Discourses and War on Drugs**

This research also indicates that the discovery of new drugs in the nineteenth century transformed the international perception of opium from miracle drug to dangerous substance although it had been used as medicine and for recreational purpose for centuries. The exercise of monopoly by East Indian Company on opium cultivation, production and export in Asia caused resentment towards the British. The attempts to counter narcotics

resulted in “the Opium Wars” between British and China in the nineteenth century. Subsequently, the wide range of drug elimination efforts and alternative development started globally in the last century; however, it wasn’t popular until U.S president Nixon declared “War on Drugs” in the last four decades.

Since then, crop substitution projects are seen as a way of externalization of problem solving to fight drug abuse. Nevertheless, the approaches to development between the west and China are fundamentally different with one another. It is also mentioned that the regional drug policy of being a drug free region by 2015 is unattainable. In the national level, the policy of Myanmar government on opium has not been changed much since independence as the policy towards narcotic has always been a dilemma. On one hand, it is showed 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.

### **6.1.3 Livelihood Strategies of Poppy Farmers**

Opium cultivation wasn’t popular in the studied village until the market of the traditional crops such as cheroot and garlic began to erode about ten years ago. As major studies have already pointed out, poverty plays an influential role in decision making for choosing this illicit crop. This study demonstrates that households rely on opium cultivation to generate income for meeting their basic necessities of food, clothing and medicines. In addition, there are many hidden forces contributing and motivating highland farmers to persist in opium cultivation. These can be traced to multiple sources including lack of market opportunity for legal crops, price advantage of opium, uncertainty of land ownership, and forced development projects.

Moreover, the process of opium cultivation carries high risk and vulnerability due to its illegal nature and local environmental condition. An

unsuccessful harvest can result in a significant loss as poppy cultivation is both capital-intensive and labor-intensive. Although poppy farmers manage political risk by bribing large amounts of money to different groups of local authorities, unpredictable weather is unavoidable. The consequences of forced eradication campaigns are also detrimental to socio-economic, education and health as they have no mean to cope with it. Finally, contrary to popular belief, growing opium poppy is very troublesome and rather more complex than other cash crops because opium requires immense investment of labor and capital.

## **6.2 Theoretical Discussion of the Findings**

Opium is a political crop which has been associated with power relations similar to sugar that Mintx (1986) studied which revealed the international politics and the way that sugar played a role in the game of globalization. However, unlike sugar, opium as an illegal crop also linked with conflict. As stated by Graubner (2007), the linkage between conflict and drugs is a non-linear causality, but they are linked in an interdependent relationship as drug production, trafficking and consumption are indeed favored in situations of crisis and violent conflict. In Shan State, the increase of political tension and conflict among different armed groups and actors since independence in 1948 has been followed by the surge of opium production.

In Burma, central to politics and the underlying cause of conflict is the lack of legitimacy of central government, contested political institutions and uneven ethnic representation, all of which have been compounded by heavy-handed military rule which has steadfastly denied ethnic aspirations (Brown, 1999). The conflict which cannot be separated from economic and political processes has sustained the opium trade. Graubner (2007) stressed that money generated from the illicit drug economy has been proven to finance non-state and sometimes also state armed groups not only in Afghanistan and Colombia, but also in many other places of the world. Similarly, opium as a lucrative crop in upland Shan State has become an economic incentive for different groups of people and served important role in the politics of Burma.

The first and second opium wars in China in the nineteenth century tell the story of Western domination and capitalist exploitation. The Chinese government perceived opium as a primary symbol of corruption and attempted to get rid of it while the British viewed it as a crucial commodity to generate profit. Despite the declaration of the drug's illegality, the Chinese were compelled by British military power to accept its importation and the consequent increase in addiction. Although opium-related drugs had been seen as a social menace and opium eradication had been tried for decades, it only got massive international attention when U.S president Richard Nixon declared “war on drugs”. Nixon stated that drug abuse was public enemy number one.

Following Nixon’s statement of war on drugs, the promotion of alternation development for opium replacement in opium producing countries has been initiated through international aid. Nixon’s statement had problematized the production of drugs in countries that produced opium while the consumption was a problem in the western world. The discourse of drugs produced by the West soon was reproduced by different institutions including regional and international agencies and local governments in the developing countries. In this case, this study concurs with Ferguson’s idea (1990) that discourse is a practice, it is structured and it has real effects which are much more profound than simply mystification. However, this research suggests that Myanmar’s government has been caught up in a dilemma over opium. Although opium is publicized as a dangerous drug, it has strategically been used as a political tool to neutralize divergent ethnic armed groups.

As stated by DFID (1999), a livelihood strategy is a dynamic process in which people combine activities to meet their various needs at different times. Farmers in upland Shan State are active agents and constantly search various means in order to meet basic necessities of their daily life. They have constructed their livelihood based on the economic and political context of Shan State with their available resources and capacities. De Hann (2000) demonstrated that livelihood strategies are complex and concerned with both the local and the broader economic and political context. Since upland farmers in research areas have suffered from long armed conflict and insecurity, opium has been the only cash crop to grow for coping with this condition. It seems they have no other options as the market doesn’t favor other legal crops.

Because of the illegal nature of opium, the livelihood of poppy farmers carries risk and vulnerability resulting from climatic and political factors. In this stage, this study is in line with the notions of Chamber (1995), Adger (1999) and Blaikie et al. (2004), who express that vulnerability is not just related to unfavorable environmental conditions, but is also concerned with the social, economic and political contexts. Farmers in the studied village try to overcome the environmental risk by increasing chemical input while managing to minimize the impacts of state intervention and forced eradication campaigns by bribing various authorities with large amount of cash. The particularly better-off farmers have also managed to diversify their livelihood activities (legal crops) in order to sustain their survival and improve their living standard.

In short, this study argues that the factors contributing to the persistence of opium cultivation in upland Shan State are rooted to the historical, political and economic context of Myanmar. Having prolonged conflict resulting from internal and external forces for decades has transformed the livelihood of upland farmers. The global war on drugs without addressing local reality situates poppy farmers more vulnerably as the decision to grow opium is not taken slightly. Upland farmers in the studied site have constructed their livelihood with all resources and capacities in order for survival.

### **6.3 Policy Implications and Recommendations**

Since an increase in opium cultivation has an apparent association with prolonged political conflict in Myanmar, the political dialogue between state and non-state actors that can lead to equal rights and lasting peace should be held. Although the peace talks have been initiated between the government and major ethnic armed groups since the late 1980s, the agreements have broken up and the fights have resumed. Evidence proves that the military government attempted to achieve peace without negotiating power and by using People's Militia Forces (PMFs) who are granted any kind of business to neutralize ethnic armed groups. Presently, the current Myanmar government seems very enthusiastic to end the armed conflict and has re-opened peace talk. However, the government shows no sign of their political will to share the power. Shan State will continue to be a major source of Myanmar opium unless peace is in place, power is shared, and collective efforts to end opium cultivation are made.

The West likes to posture itself as a champion in the “war on drugs”, but in Asia it is not forgotten that opium brought in by Western traders enslaved millions of people in China and elsewhere during the colonial era (Lintner and Black, 2009). With the global war on drugs, the government of Myanmar has implemented forced eradication campaign without providing alternative livelihood to farmers in order to comply with the regional opium-free deadline. Although there are alternative development projects undertaken by UNODC in Southern Shan State, it is unable to reach the whole population of poppy farmers. Moreover, reducing the land under poppy cultivation through crop substitution programs would reduce the total yield, but will only remain effective as long as the farmers have adequate means to continue to subsist. Since crops from one area decrease, crops elsewhere will increase as evidence proved the shifting production patterns from northern to southern Shan State in 2005.

One of the main contributors to opium cultivation is the lack of market opportunity for licit crops. For this reason, many non-opium farmers from lowland where opium cultivation is strictly banned migrate to highlands and grow opium. Therefore, it is necessary to promote the market for local crops as well as alternative crops. At the same time, infrastructure development is needed in order to facilitate the flow of local products and goods. As many farmers in Southern Shan State have their farming lands confiscated by corporations and military, these lands should be returned to the owners and clear land title should be enacted in order to prevent further confiscation. Serious action should be taken against local authorities who take advantage of opium farmers by demanding large amounts of cash as tax. Rehabilitation programs should be carried out for affected individuals, as opium and drug use is growing at an alarming rate.

#### **6.4 Limitations of the Study**

There are a couple of limitations of this study that are essential to identify and acknowledge and these limitations are leading to recommendations for further research. First and foremost, the focus of this research is based on the production side, particularly cultivation of opium poppy. Thus, this study doesn't pay close attention to the whole commodity chain of opium including drug production, trafficking and consumption, as well as the impacts of drug use.

Secondly, since opium is an illegal crop and a sensitive issue, it is very challenging and risky for researchers to conduct fieldwork. Because of the sensitivity of opium, it has a great impact on methodology and analysis of this study. For example, the information about household income from opium cultivation, which is required to analyze the economic differentiation of villagers, was unable to be completed. More importantly, although this study focuses on the production aspect, it was not able to identify the buyers, brokers, traders and manufacturers as well as the opium market where it is sold and bought, as there is no physical market for opium.

One of the constraints of this research is limited academic literature on opium, especially in opium growing regions of southern Shan State. Almost no previous study of relevant issues has been carried out academically in this region.

Finally, since this study was carried out only in one village in Pa-Oh self-administrative zone, it might not be acceptable to generalize my findings; principally, the community strategies across the whole opium growing regions in Shan State. As there are divergent groups exercising their control over the territories, the circumstances differ according with the nature of local authorities, its policy and its interest. In general, the findings of this study, however, do reflect the context of opium growing communities in Shan State.

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