

## Myanmar, Illicit Drug Trafficking and Security Implications

ZARINA OTHMAN

### ABSTRAK

*Tumpuan kajian dan perbincangan dalam makalah ini ialah negara Myanmar, iaitu sebuah negara pengeluar dadah yang utama di Asia Tenggara. Kajian ini membincangkan pengeluaran dadah dan implikasinya kepada keselamatan negara Myanmar dan rantau Asia Tenggara. Objektif kajian adalah untuk: mengkaji sejarah pengeluaran opium di Myanmar; mengenal pasti bagaimana aktiviti pengedaran dadah haram memberi kesan kepada keselamatan negara Myanmar, rantau Asia Tenggara dan di peringkat global; dan mencadangkan pembaharuan yang lebih efektif dalam menangani masalah dadah. Hasil kajian menunjukkan magnitud pengedaran dadah di Myanmar semakin meningkat dan mengancam keselamatan negara itu sendiri, juga seluruh Asia Tenggara, terutamanya dengan keadaan jurang sempadan yang semakin menipis. Kajian ini merumuskan, walaupun ancaman rentas sempadan tersebar tanpa mengenal sempadan nasional, namun Myanmar terus mendefinisikan dan menggubal strategi keselamatan negeranya secara tradisional. Kajian ini juga merumuskan bahawa ancaman kemanusiaan selalunya berpotensi untuk mengganggu kestabilan sesebuah negara dan juga rantau. Pembabitian jenayah terancang rentas sempadan memerlukan kerjasama serantau. Dengan itu, sesebuah negara perlu berusaha mencapai keadaan keselamatan dan keamanan pada masa yang sama ia berusaha memperbaiki keadaan 'keselamatan insan' yang terdapat di dalam negara itu.*

### ABSTRACT

*This paper focuses its research on Myanmar, a major opium producer in Southeast Asia. The paper discusses illicit drug trafficking and its implications on the security of Myanmar and the Southeast Asian region. Objectives of the study are to: examine the history of opium production in Myanmar; determine how illicit drug trafficking activities in Myanmar affect national, Southeast Asian region and global security; and suggest innovative responses that could be more effective to deal with the illicit drug problem. Results from the study show that illicit drug trafficking in Myanmar is growing in magnitude and has seriously threaten its national security as well as the entire Southeast Asia, particularly, as borders become even more permeable. This study concludes that despite the fact this transnational threats spread without regard for*

*national borders, Myanmar has continued to define and design its national security strategies in a traditional way. It also concludes that threats to humans, always has the potential to disrupt the stability of a state and eventually of the region. The study suggests transnational cooperation to deal with transnational threats. A true state of peace and security can exist only when 'human security' is ensured, meaning that basic human needs and human rights must be provided for and protected. Peace and stability therefore must be sought by state entities concurrently with efforts to improve the security of the individual human beings within their states.*

## INTRODUCTION

In recent years, especially after the end of the Cold War, transnational security threats have rapidly moved to centre stage in the world of international affairs. Similarly, illicit trafficking in human beings, especially women and children, and trafficking in weapons and illicit drugs, has become widespread enough to pose threats to the security and well-being of whole states and regions. The involvement of criminal organizations in such trafficking cannot be denied (Appleyard 2000; Schaeffer 1997; William 1994). Traffickers have exploited global interdependence to expand their activities. The growth of world trade, the increasing unification of financial markets along with computerized transfer of funds, and decreasing transport costs—all have worked together to facilitate the growth of transnational organized crime and the illicit trafficking that criminals find so profitable.

Like the more traditional military and other external security threats, these transnational threats are also capable of undermining law and order and creating devastating political-military, economic, and social impacts. Thus the threats create insecurity for a state and for its society as a whole. Although these threats may be called by different names, they have common characteristics. They are all situated in a very complex global web created by modern communication, transportation and information technologies, and they all involve transnational and non-state actors (Mathew & Shambaugh 1998: 163).

Transnational threats are growing in magnitude as they penetrate more and more national boundaries that have now become more permeable. The problems are not limited to one country or one region alone, but spill over into an ever-widening geo-political context, with increasing consequences for world security as a whole. Furthermore, transnational threats are not new phenomena. However, they had long been overshadowed by the Cold War, wherein the world was preoccupied by traditional security threats of 'high politics'. Traditional security frameworks have focused on states as the main actors, and on national security as a matter of defending against foreign attack by maintaining an adequate military force.

Meanwhile, transnational threats during the Cold War were referred to as 'low politics', because they were deemed less important and thus were given a lower priority. Only after communism fell apart—first marked by the fall of the Berlin Wall in 1989 and then by the disintegration of the Soviet Union in 1991—did world politics begin to pay much attention to these transnational political issues. Although more attention has since been given to transnational threats, traditional security measures have been insufficient to combat these threats, which are both mobile and fluid (William and Black 1994; Shelley 1995). The mechanisms used by the states to address transnational threats have been inadequate because the challenges have grown far beyond the range of any state's direct control.

It is the purpose of this paper to add to our understanding of one specific transnational threat, illicit drug trafficking, by focusing on the problem in Myanmar, and to explore its impact on the regional security of Southeast Asia. Included in that is the effort to understand why Southeast Asia is increasingly vulnerable to illicit drug trafficking. The objectives of the paper are to: examine the history of opium production in Myanmar; determine how illicit drugs affect national, regional and global security; and suggest innovative responses that could be more effective to deal with the illicit drug problem.

It is hoped that any understanding gained, may contribute to the design of more comprehensive regional security strategies to address threats that cannot be confronted by one country alone. Further, the study may contribute toward a deeper understanding of total national security—including not only the protection of a country's political, economic, and military interests, but also of the general internal security of the society as a whole—a concept now coming to be known as 'human security'. By focusing on the case of Myanmar, because of its key role in the illicit drug trafficking of Southeast Asia, the research was made manageable, and the core issues of the problem are better addressed. For the purpose of this paper, illicit drug trafficking is defined as criminal activity involving illegal drugs. The activities include cultivation of drug-producing crops, laboratory production and processing, and buying, selling, transporting, taxing and distributing of the drugs across national borders.

## THEORETICAL PERSPECTIVES ON SECURITY

While transnational problems such as transnational organized crime and illicit drug trafficking have been steadily emerging, the general literature in security studies has been concerned instead with how national security is threatened and/or how states are vulnerable to such threats. In the past, these transnational problems were generally treated as domestic problems. Accordingly, illicit drug trafficking and use of illicit drugs were not perceived as an immediate and urgent threat in most countries, and few studies appeared in the security literature.

The existing literature however, can be grouped under two main schools of thought: Realism (including Neo-Realism) and Pluralism (Viotti and Kauppi 1998). The Realism, or 'power politics' school professes to see the world 'as it is'. Realists (and neo-realists) believe that in international relations, the state is the main actor in an anarchic world—meaning, a world without one overall government. Since there is no sovereign global body to maintain law and order, each state has to depend on itself to preserve its security, mostly by maintaining adequate military forces, but also by forging strategic alliances (Morgenthau 1954; Walt 1991; Waltz 1979). This school of thought is concerned mainly with 'immediate threats', especially military threats, to national security. Realists explain security in terms of war, survival of the state, and the important role played by the military in settling disputes.

The major competing view of security comes from Pluralism. This school of thought also sees non-state actors (besides states actors), including regional entities, and non-governmental and international organizations, as important in international politics. This view contends that the international political agenda is not limited to military-security issues—as Realists maintain—but that it includes many socio-economic issues as well. It argues that disputes can also be settled peacefully including through the actions of various institutions, not just by the military and police.

The Pluralist view of international politics has heavily influenced the concept of 'complex interdependence', wherein multiple links connect societies, and no clear hierarchical relationships exist—e.g., between the 'high politics' of military security and the 'low politics' of economic affairs (Keohane and Nye 1989). Military force is seen as less useful while the government is not necessarily the main actor in the interdependent world. This view provides a better framework for examining the newly important transnational security issues and threats of today, and so further challenges the traditional Realists' and neo-realist's state-centric view of security.

In short, in the view of 'traditionalists', based on the Realism perspective, security is about protection of the state, which can be damaged or destroyed by 'immediate' external threats. While to the Pluralism school, especially those who are known as the 'broadeners', non-military threats such as domestic poverty, crime and environmental degradation and hazards, among others, should be part of the overall security agenda. Their basic argument is that anything that threatens human existence and well-being can eventually become a threat to the overall security of the state and society.

## GLOBAL DRUG SCENARIO

As discussed earlier, illicit drug is an example of a transnational threat. Following Rosenau, Gay and Mussington (1997: 146), a transnational threat is defined as

having at least two of the following characteristics: it has causes and effects that cut across national borders; it is related to the erosion of the nation-state's power and authority, and it involves the action of non-state actors. Weapons and illicit drug trafficking, together with the transnational organized crime, are among the problems that have become transnational security threats. In the sub-field of international security studies, some scholars refer to these problems as 'gray area phenomena', or 'low intensity conflicts', because they do not pose an immediate and obvious danger to a state or region in the way that traditional military threats do, but they are dangerous too (Cusimano 2000; Mandel 1999; Chalk 1997; Rhodes & Lupsha 1993).

For example, it is estimated that global arms trafficking involves more than US\$50 billion per year. Of that total, 75 percent of arms sales are made to developing countries, particularly in the Middle East, and most of the countries buying them are engaged in internal military conflicts (William & Black 1994). Based on this analysis, this flow of arms has significant strategic implications for national and regional security. This is because it fuels existing conflicts and may form new ones. Thereby, this trafficking makes many states vulnerable and strife-ridden. Plus, states that are riddled with strife and conflict are rendered largely incapable of effectively countering this and other transnational threats.

Illicit drug-producing countries such as Colombia, Peru, Afghanistan, and Myanmar are marked by persistent corruption, conflict and civil wars. In some producing countries such as Peru, drug cultivation has also contributed to environmental destruction. The extent of the damage caused by the illicit drug trade is difficult to comprehend. As has already been well recognized, it threatens public safety, causes loss of economic productivity and widespread health problems, wreaks havoc with social relationships, and hinders professional advancement and educational accomplishment. Furthermore, it serves to de-legitimize public institutions, because corruption undermines public confidence in them. All of these effects undermine a country's economic and political development.

The illicit drug problem as a whole is complicated by the fact that the drugs are available through the black market through illegal sellers. Heroin, for example, as sold on the street, usually contains less than 5 percent pure heroin. By the time illegal heroin reaches the street it has been mixed with baking soda, or some other such ingredient. This decreases its purity but raises its price. According to the *World Drug Report* (1997), the retail and wholesale distributors of the illicit opium industry in Pakistan receive only one-tenth of the retail price of heroin. That means that more than 90 percent of the retail price charged later in Europe or the United States represents the 'value added' after the opium leaves Pakistan (UNDCP 1997: 131).

In a similar way, farmers in Peru grow the coca leaf, which sells for US\$2.10 per kilogram. Local entrepreneurs then process it into a crude paste that they then sell to the cartels for US\$875 per kilogram. The cartel next refines it into a

base, and then into pure cocaine, and sells it for US\$10,000 per kilogram. The cocaine is then sold to street retailers who dilute the cocaine and sell it for a total of US\$90,000.00 (1990 prices) (Cited in Schaeffer 1997: 331). This is certainly deceptive since the same kilo is not being measured throughout this process. The producers are typically peasants or poor farmers. While the syndicates and the drug smugglers profit, the victims are to be found at both ends of the trafficking. They are the farmers at the producing end and the drug addicts at the consuming end.

The dangers of the illicit drug problem have also been outlined by Giorgio Giacomelli, the Executive Director of the United Nations International Drug Control Program: “The drug phenomenon is unique in the number of aspects of people’s lives which it affects—the health of the individual, political and economic development, the safety of the streets and the stability of governments” (UNDCP 1997: 7). Among the most widely abused illicit drugs are heroin, cocaine, marijuana and, increasingly, amphetamine-type stimulants (ATS) (Ibid: 32). Table 1 shows the magnitude of the illicit drug problem, in the 1990s. The pattern shown has worsened over the years.

TABLE 1. Estimated number of drug abusers in the world (1990)

Type of drug	Estimated total (millions of people)	Percent of total population
Heroin and other opiate type substances	8.0	0.14
Cannabis	141.2	2.45
Cocaine	13.3	0.23
Hallucinogens	25.5	0.44
ATS	30.2	0.52
Sedative-type substances	227.4	3.92

Source: UNDCP. 1997. *World Drug Repor*. New York: Oxford University Press. p. 32.

The United Nations has estimated that the heroin drug trade alone accounts for about US\$200 billion of the total illicit drug trafficking profits per year. The profit is so huge that it is impossible to hide it. It is further estimated that more than 100 countries are involved in the total criminal enterprise of illicit drug trafficking. The United States (US) is the largest consumer, with approximately 30 million American users, spending altogether about US\$28 billion per year on cocaine, US\$468 billion on marijuana, and US\$10–US\$12 billion on heroin (Mandel 1999: 56).

Major illicit drug producers include Latin America, and Southwest and Southeast Asia. The ‘Golden Crescent’ of Southwest Asia, comprising Pakistan, Iran and Afghanistan, and the ‘Golden Triangle’ of Southeast Asia which includes regions of Myanmar, Thailand and Laos, are both currently leading opium poppy

producers in the world. The Andean countries, Bolivia, Peru and Colombia in Latin America, are sites of the major producers of the coca leaf as well as the refined cocaine.

Investigations of drug trafficking in Colombia, the major cocaine producer and trafficker in the world, have revealed that the main criminal organizations involved, e.g. the Cali and Medellin cartels, include networks of professional chemists, lawyers, and intelligence agents, among others (Lee 1995). Their activities involve sophisticated weapons, and estimated earnings of between US\$4 billion to US\$7 billion annually. Overall, the evidence suggests that their activity is based more on greed than on desire to control government and the economy, although their impact on government and the economy is considerable.

In the case of Latin America, the problem of illicit drug trafficking poses a serious threat to the regional security, contributing to problems of disease, political instability, terrorism, lack of institutional development, and blocks to democratic development (Mac Donald 1988; Bagley & Walker 1995; Griffith 1997). The trend is that illicit drug cultivation is migrating to new regions, including Central Asia and the former Soviet Republics. There are also no signs of a decline in cultivation despite record numbers of seizures of drug shipments by law enforcement.

Some observers fear that Southeast Asian states are in danger of becoming like the Latin American countries, such as Colombia, where the drug lords are believed to be more powerful than the state. In Southeast Asia, Myanmar is the leading producer of opium (only second in the world after Afghanistan), Laos is the second biggest producer, and Thailand is a major producer of the illicit ATS drugs as well as being a major consumer of those and other illicit drugs produced in the region. Nearby, Phnom Penh in Cambodia has been identified as one of the major money laundering centers for illicit trafficking of various kinds, including weapons and illicit drugs and human.

## ILLCIT DRUG IN SOUTHEAST ASIA

Southeast Asia as a whole has also become the largest and fastest growing illicit drug market as well as producer. As stated in the *Far Eastern Economic Review*, "In the midst of the Asian financial crisis, at least one business is still booming: the trade in narcotics from the Golden Triangle" (Lintner 1998: 179). The seriousness of the problem of illicit drug trafficking in Southeast Asia has attracted the attention of the Association of Southeast Asian Nations (ASEAN), which acknowledged that the problem is threatening the region's security, stability, and resilience.

In June 1998, ASEAN officially declared the problem of illicit drug trafficking to be a threat to its regional security, and signed the Joint Declaration for a Drug-Free ASEAN, which commits them to eradicate the problems of illicit drug

trafficking, including production, processing and drug abuse, by the year 2020. However, the target date for a drug-free ASEAN was shifted to the year 2015, five years earlier than the original plan (*Bangkok Political Declaration 2000*). The declaration shows that the region is very serious about combating the illicit drug problems, but perhaps not so realistic about the time that it will take to beat down a problem that is still growing larger.

In addition to the established illicit drug trafficking in the region, there are other factors that further complicate the problem. On the one hand, the region's natural resources, such as petroleum, natural gas, tin, gold, and tropical rainforests, to name just a few, contribute to its fast economic growth, except during the financial crisis of 1997-1998. Southeast Asian's geo-strategic location also makes it important as the site of sea-lanes connecting the Middle East, Japan and Australia. On the other hand, the differences among its political and economic systems, together with its wide variety of ethnic and tribal groups, with their different cultures—languages, customs and religions (Islam, Christianity, Buddhism and Hinduism), and so on—marks the complex diversity of this region, and creates many conflicts.

Despite the transnational nature of illicit drug trafficking, most states have adopted traditional security measures to deal with the problem. It has been seen as a strictly domestic problem and usually it is viewed as being caused by the producing countries. Thus, most efforts to reduce the problem have been focused on eradicating the source crops—in the producing or supplying countries. The supply-reduction approach often includes crop substitution and destroying the crops by aerial spraying. It may also include government interdiction to stop illegal drugs from crossing borders. Even when law enforcement is supplemented by other efforts at various levels, by both governmental and non-governmental agencies, the problem has grown.

Similarly, despite Southeast Asia being a major opium poppy and heroin producer, scholarly studies focusing on illicit drug trafficking in the area have been very limited. Although illicit drugs from Southeast Asia have long been illegally exported to the Western Hemisphere, mainly to Europe and the US, most studies have focused on Latin and Central America, including the Caribbean. Perhaps learning from those countries, Southeast Asian countries are beginning to realise that they have to be stable and strong domestically in order to be strong in dealing with outside threats, figuring that instability often invites unwanted outside intervention.

Internal threats in many of these countries include ethnic and religious conflicts, and they are especially persistent in Indonesia, Myanmar, Thailand, and the Philippines. While the region has declared that the illicit trafficking of drugs is a threat to regional stability, views have been mixed in regard to the issue. Thailand, which is Myanmar's closest geographic neighbour in Southeast Asia, has declared illicit drug trafficking to be the number one threat to its national security, and Malaysia and Singapore are among the countries that



have adopted mandatory penalties for drug traffickers. In contrast, Myanmar, the main producer in the region, has never admitted that illicit drugs are a threat to its national security.

Similarly, despite being one of the most insidious of the new transnational threats to security, illicit drug has received little attention among scholars in security studies. Especially since the Cold War ended this threat should now be an important object of study in security. The fact that states are having to spend so much money to counter the illicit drug trafficking problem – money which otherwise could be used for development purposes, is reason enough to increase our understanding of the problem. However, the complexity of the problem demands in-depth study of its various aspects, including the growing of crops for illicit drug production, laboratory production and processing; buying, selling, transporting, and distributing the drugs, money laundering, and the destructive consequences of illicit drug abuse.

## ILLCIT DRUG TRAFFICKING, MYANMAR AND SECURITY IMPLICATIONS

### MYANMAR'S POLITICAL BACKGROUND

Being one of the world's leading illicit drug producers, Myanmar's ruling regime has been criticized by the international community. The US government has estimated that Myanmar alone produces approximately 80 percent of the total production of Southeast Asia opium (US State Department 2000: 4). Also, there have been accusations that the current military regime of Myanmar, called the State Peace and Development Council (SPDC), is involved in the illicit drug trafficking in the country. The US, for example, has referred to the country as "a narco-dictatorship", based on the belief that there is a close connection between the ruling regime and the illicit drug trade. Further, Myanmar has been identified as one of the four countries in the Asian region that have been most severely hit by HIV/AIDS, and it is believed to be one where the epidemic is growing the fastest. Most of the victims are heroin addicts, which links that disease with the whole illicit drug trafficking issue (SAIN 2000).

Myanmar was once known as the 'Golden Peninsula', due to its large areas of uncrowded land, mostly mountains and jungles, as well as its abundant minerals and gems. With about 50 million population, Myanmar today is the most ethnically diverse state in mainland Southeast Asia. Majority of the population live in the rural areas and work as farmers. The ethnic Burmans (refer to the main ethnic group while Burmese refers to the citizens of Myanmar, of any ethnic origin), comprise about 68 percent of the population, and there are more than one hundred other ethnic groups. These other groups have long resisted Burman domination and over time that resistance has deepened the divisions in today's Myanmar society.

Myanmar (then known as Burma) gained its political independence from the British in 1948 and practiced parliamentary democracy. The road to independence was partly led by General Aung San and General Ne Win as well as Burmese Communist Party (BCP). Aung San however, did not live long. Someone who envied his popularity shot him to death. Almost immediately after independence, revolts from various ethnic and political factions began. The BCP was among the first to revolt, seeking to replace the constitutional government ruled by Prime Minister U Nu. Several ethnic minority groups followed suit, fighting for outright independence from the new state of Burma, as promised under the constitutions of Burma. Later, these groups, turned into armed guerrilla insurgents, pursuing their goals from the remote hills in the border areas.

In 1962, a coup d'état took place, ended Burma's democratic political system, and began an era of military rule in the country since then. Under the leadership of the late General Ne Win, the Burma Socialist Program Party (BSPP) began its 'Burmese Way to Socialism', (BWS) which took the country into economic isolation from foreign countries. With BWS, most daily commodities became scarce and expensive, which in turn resulted in a growing 'black market'. Burma's economy turned from bad to worse, and finally the decline in the economy led to riots in 1974 and 1975.

In 1987, Burma was classified as one of the world's least developed nations and remains so until today. The following year anti-government protest occurred in Rangoon (now Yangon) demanding an end to the military rule. General Ne Win resigned as the head of the ruling BSPP. Many (believed to be hundreds of them) were killed during the protests, and some of those who survived found refuge in the jungle areas near the border of Thailand, joining the many rebel ethnic groups that already had established their own territory, including the Karenni, Karen, Mon, and the Pa-O.

Being isolated from other sources of income, these insurgents, except for the Karen, turned to illicit drug trafficking as a major source of money. They also taxed timber, gems, and other black-market goods that passed through their territories. These avenues continue to provide income to buy food and weapons. Similarly, heroin refineries that are located along the Thai-Burma and Sino-Burma borders have come to play a major role in the economy of the insurgents.

Although the survival of these groups largely depends on the illicit drug business, they do not themselves have the means to distribute the heroin to other parts of the world. That would require a well-organized crime network, and the forces of globalization and economics have inexorably strengthened the transnational organized crime networks operating around the world (Passas 1999). Thus, in Myanmar the infrastructure for illicit drug trafficking is extremely well developed and local collaboration with transnational organized crime networks is natural and inevitable.

Burma by then was under a newly formed military regime, called the State Law and Order Restoration Council (SLORC) that changed the name of Burma to

Myanmar. SLORC promised that changes will take place and a national election was finally held in 1990, an almost thirty years lapse since the military took over in 1962. Surprisingly, the opposition party called the National League for Democracy (NDL), led by Aung San Suu Kyi, (daughter of Aung San), won the election. However, the military would not accept the result and refused to transfer power to the NDL. Aung San Suu Kyi was put under house arrest, but won the Nobel Peace Prize in 1991 for her non-violence approach standing up against the military junta. She was released in 1995, but was put under house arrest again in 2000 when she traveled outside the capital city and was only released two years later. Since May 2003, she has been imprisoned, due to some internal conflict between her political supporters and the Burmese army.

Meanwhile, the SLORC began tactics to neutralize the insurgencies and made a cease-fire agreement with the BCP in 1989, agreeing to allow them to retain their weapons and to continue in 'any kind' of business to sustain themselves. The BCP split along ethnic lines into four smaller groups, with the United Wa being the largest and strongest group. United Wa is based in the Wa hills along the Yunan frontier, which currently is the major opium-growing area in the country (Chalk 1997). Meanwhile, in 1996 the Myanmar government made a cease-fire agreement with Khun Sa (Chang Chifu), an infamous drug lord who heads his private Mong Tai Army (MTA). Khun Sa is one of the wanted person listed by the US government. In 1997 the SLORC was dissolved and replaced by the State Peace and Development Council (SPDC). Although different in name, the role of the government and its policies remained pretty much the same as they had been under the former regime.

## THE PROLIFERATION OF OPIUM

Myanmar and the Golden Triangle as centre of opium producer began hundred years ago. It was the Arab traders who first brought opium to the region in the eighth century A.D. Later, in the sixteenth century, Portuguese merchants brought opium, and the poppy plants from which it is derived, from India to East Asia, and it began to be grown in the southern provinces of China. By the late 19<sup>th</sup> century, hill tribes in southern China introduced the poppy plant to the Golden Triangle, a very remote area which included the Shan state in the northeastern part of Burma (Du Pont 1999: 3; Boucad & Boucad 1992: 23). With its cool climate in the mountain ranges, Golden Triangle provides an environment well-suited for the growing of the opium poppy.

Since 1886, Burma had been ruled by the British as part of colonial India, and then became a separate colony only in 1937. The British-based East India Company had found their monopoly on the drug market to be very profitable during the colonial era (Renard 1996: 2; Boucad & Boucad 1992: 2). Initially, the British merely encouraged opium plantations, as a means to generate government

revenue. However, when China was defeated in the ‘Opium Wars’ of 1839 and 1856, the emperor of the ruling Qing Dynasty was forced to sign a trade agreement with the British, legalizing both cultivation and import of opium. Eventually, opium came to dominate Indo-Chinese trade.

The opium market greatly expanded after World War II, when the Kuomintang (KMT, or Nationalist Party) fled mainland China to escape the communist regime under Mao Zedong, which had gained control of China in 1949. The remnants of the KMT who found their way to the Shan hills of Burma became active in the illicit drug trade as a way to finance their costly struggle against the communists back in mainland China (Du Pont 1999: 442; Lintner 1994: 11). The KMT also established a close relationship with the Chinese networks that distributed the opium, and its derivative heroin, in the region. France’s intelligence agency—*Direction de Documentation Exterieur et de Contre-Espionage* (SPDEC) and the U.S. Central Intelligence Agency (CIA) are also believed to have helped foster the growth of the Golden Triangle’s illicit drug production, by supporting the area’s independent warlords as a buffer against the extension of communism in the region (McCoy 1991). More recent developments in this web of drug trafficking is the increasing production and trafficking of synthetic drugs (ATS) with its concurrent increase in drug abuse and addiction among consumers of the drugs.

#### AN ANALYSIS OF ILLICIT DRUG TRAFFICKING SECURITY IMPLICATION IN MYANMAR

Today, Myanmar continues to be condemned by the international community for abusing its citizens’ human rights and for general political repression, as well as for its continuing house arrest on Nobel Peace Laureate Daw Aung San Suu Kyi. Economic sanctions have been imposed by the US and by the European Union (EU). Insurgent groups still exist, including the Karen National Union, as well the pro-democratic movement called the All-Burma Students Democratic Front (ABSDF). Thus far, we can summarize factors that have had causative effects in developing the current situation of Myanmar in regard to illicit drug trafficking, and its security implications, by grouping them into five categories.

First, is the cultural factor. Very strong cultural identities held by the minority groups in Myanmar, based partly on geographical location of their respective home areas. This sense of identity has created a general tendency toward separation and segregation. The diversity of the ethnic groups, with their diverse languages and dialects, has been maintained to a large degree by the two natural geographical regions, which are the plains, including the urban areas of Yangon and Mandalay dominated mostly by the Burmans; and the hills, mostly along the borders of Thailand, China, and India, which have come to be home to most other ethnic groups. Animosity between different ethnic groups prevent the

unity necessary to tackle the country's serious social problems, and that leave the way open to military dictatorships as seeming to be perhaps the only viable form of government. They also make it easy for both the ruling regime and for outside groups, such as those engaged in transnational organized crime, to manipulate and exploit, playing one ethnic group against another. Drug (opium) use is also culturally accepted as a way of life. Opium has been cultivated for more than 150 years by the ethnic minorities, and mostly by peasants who barely sustain themselves and make little or no profit from the production. Alternate means for making a living appear to be extremely limited for the hill tribe people.

The second factor is physical geography. Natural weather conditions in the remote areas of the Golden Triangle is very conducive to growing opium, while preventing growth of other crops. The monsoon season, tropical jungle, and cooler climate provides 'just right' conditions for opium to flourish. The absence of modern infrastructure to transport opium out of the country, makes it the 'best available' cash crop in the remote and least developed areas. In addition, the remote areas serve as ideal hiding places for strongholds of various political insurgents and criminal groups.

Third factor is form of government. A military state providing conditions in which information is easily kept from the people, including knowledge about corruption, bribery, 'money laundering', and other illicit activities. The government refusal to recognize such problems as illicit drug trafficking and AIDS as occurring within a larger context pose a security threat to the country. This also prevents cooperation with other countries to counter such threats as they expand to become regional in their effects. A military regime that is mostly fear based will always be fighting to defend itself against groups that are trying to take over the country from within. There is few resources available and little interest on the part of the government to build a better life for the general citizenry. The 'good life' is only provided for the military. There is little governmental concern to go beyond 'power brokering' and seriously address social and economic problems. The military rulers seem concerned only about protecting their power as shown for example, by their refusing to transfer political power when the NDL won the election in 1990. Another example is the cease-fire agreements between the ruling junta and the ethnic insurgents, which have allowed illicit drug trafficking to continue as long the military regime remains in power, regardless of how harmful the drug trafficking may be to the country as a whole.

The fourth factor is the economic policy that has led to the existence of a flourishing black market. Due to the daily food shortages that have developed during the reign of the military-socialist government, an 'underground economy' (a black market, coupled with a smuggling culture) has come to be the only way for most citizens to obtain goods from outside their region or from outside the country. The 'Burmese Way to Socialism' thus has drastically weakened Myanmar's economy. Economic wealth is controlled by a relatively small number of elites. There is widespread poverty, lack of a strong basic

infrastructure, and natural resources that cannot be accessed by the common people. Very little intention has been shown by the government to reduce, much less eradicate, opium production. To do so would jeopardize their precarious cease-fire agreements with some of the groups that are heavily involved with the illegal production, such as the Wa. The opening of the border between Myanmar and China for trade in 1989 has made it easier for drugs to be trafficked from Burma to China (through the Yunan Province). The country has also a rich diversity of natural resources as well as a large rural population with a relatively low standard of living. These factors make the country largely self-sufficient in meeting the basic needs, which supports isolationism on one hand, and the black market on the other.

The final factor is the influence of the international community. The military junta readily blames the colonial era rulers for being the root cause of their problems, which is a convenient way to avoid accepting responsibility for solving current problems. The demand/consumption side of the illicit drug trade is strong in the US, Europe and other Southeast Asian countries. Thus, profit seeking is inevitable and illicit drug trafficking is seen as a 'crime of opportunity'. Available data regarding the complex factors surrounding illicit drug trafficking are neither reliable nor consistent across sources. There is disagreement among sources in the UN, the US and the Myanmar government itself, which suggests the difficulty of measuring the extent and effects of this illegal trade. For example, some US Government agencies do not agree on their data reports concerning illicit drug trafficking and related activities in Myanmar. (The US State Department, for example, has different data from that of the US Drug Enforcement Administration.) Legalization of some previously illicit drugs in certain European countries (i.e. in Holland) has made the problem of illicit drug trafficking ambiguous. Furthermore, there is no clear legal or social consensus in the international community regarding what is illicit, how to counter the threat, etc. Despite its record of brutality, oppression of its people, and illicit drug producing, Myanmar was accepted as a member of ASEAN in 1997, and this move was strongly criticized by the international community. ASEAN claimed that they planned to stick to their 'non-interference policy' (pledging not to interfere with its members domestic problems). Basically, Myanmar has been accepted into ASEAN in a 'constructive engagement' policy, hoping to wean Myanmar away from Beijing. ASEAN fears strong relations between China and Myanmar, because the two have the strongest armies in East and Southeast Asia, respectively, and an alliance would make them a military threat.

## CONCLUSION

To summarize, this paper has illustrated that the proliferation of illicit drug trafficking in Myanmar is driven by domestic as well as international factors.

Likewise, the transnational organized crime groups have manipulated the country's human insecurity, including poverty, besides its lawless Golden Triangle's area to their advantage, while at the same time reaping benefits from the globalization phenomena. One may say that the illicit drugs are locally produced but globally abused. It is the 'globalised' world that has helped transnational organized crime networks to operate efficiently and grow their power so quickly.

This transnational threat is further complicated by Myanmar's military form of government, and by the diversity of ethnic groups within that country. Thus, illicit drug, which was originally a domestic problem, has now become a cross border issue, and increasingly become a common threat to the region and the world. A common problem requires a common approach. Therefore, the problem appears to require a cooperative regional approach, as well as a global effort for its solution. However, law enforcement efforts in the region are neither uniform nor coordinated across borders, which increases the difficulty of dealing with a problem that cuts across those national borders.

Finally, it can be concluded that it is in the best interests of the international community and of the academic community in particular to pay attention to what is happening with illicit drug trafficking in Myanmar and how it is affecting security in Southeast Asia. Empowering the Burmese people, regardless of their ethnicity, through various human security projects should be implemented in order to deal with the root causes of the problem. Furthermore, the evidence suggests that approaches in both international security and in scholarly security studies need to be broadened, in order to more effectively deal with the problem of illicit drugs and drug trafficking as a whole.

#### NOTE

This paper has been improved from a version that was originally presented at the Women in International Security (WIIS) Summer Symposium Washington, D.C., June 7-12, 2001.

#### REFERENCES

- Appleyard, R. (ed.). 2000. *Perspectives on Trafficking of Migrants*. Geneva: International Organization for Migration and United Nations.
- Bagley, B. & Walker, W. (eds.). 1995. *Drug Trafficking in the Americas*. Miami: University of Miami Press.
- Bangkok Political Declaration: In Pursuit of Drug-free ASEAN 2015*. 2000. Bangkok. Unpublished documents, 11-13 October 2000.
- Ball, D. 1993/1994. Arms and Affluence: Military Acquisitions in the Asia Pacific Region. *International Security* Pgs. 78-112.
- Boucad, A. & Boucad, L. 1992. *Burma's Golden Triangle: On the Trail of the Opium Warlords*. Bangkok: Asia Books.

- Chalk, P. 1997. *Grey-Area Phenomena in Southeast Asia: Piracy, Drug Trafficking and Political Terrorism*. Canberra, Australia: Strategic and Defence Studies Center, Research School of Pacific and Asian Studies, Australia National University.
- Cusimano, M. K. (ed.). 2000. *Beyond Sovereignty: Issues for a Global Agenda*. New York: St. Martin's Press.
- Du Pont, A. 1999. Transnational Crime, Drugs, and Security in Southeast Asia. *Asian Survey* 39(3): 433-455.
- Griffith, I. 1997. *Drugs and Security in the Caribbean: Sovereignty Under Siege*. University Park: Pennsylvania State University Press.
- Holden, J. F. & Lupsha, P. A. 1993. Horsemen of the Apocalypse: Gray Area Phenomena and the New World Order. *Low Intensity Conflict and Law Enforcement* 2: 212-226.
- Keohane, R. & Nye, J. 1989. *Power and Interdependence: World Politics in Transition*. 3<sup>rd</sup>. ed. New York: Harpers and Collins Publishers.
- Lee, R. 1995. Global Reach: The Threat of International Drug Trafficking. *Current History* 94: 592, 207-209.
- Lintner, B. 1998. Global Reach: Drug Money in the Asia-Pacific. *Current History* 97: 179.
- \_\_\_\_\_. 1994. *The Drug Trade in Southeast Asia*. Surrey, England: Jane's Information Group.
- MacDonald, S. 1988. *Dancing on a Volcano*. New York: Praeger.
- Mandel, R. 1999. *Deadly Transfers and the Global Playground: Transnational Security Threats in a Disorderly World*. Westport, Connecticut: Praeger.
- Mathew, R. & Shambaugh, G. 1998. Sex, Drugs and Heavy Metals: Transnational Threats and National Vulnerabilities. *Security Dialogue* 29(2): 163-175.
- Morgenthau, H. J. 1954. *From Politics Among Nations*. New York: Alfred A. Knopf.
- Passas, N. (ed.). 1999. *Transnational Crime*. Dartmouth: Ashgate.
- Renard, R. D. 1996. *The Burmese Connection: Illegal Drugs and the Making of the Golden Triangle*. Boulder, CO: Lynne Rienner Publishers.
- Rhodes, Holden J. F. & Lupsha, P. A. 1993. Horsemen of the Apocalypse: Gray Area Phenomena and the New World Order. *Low Intensity Conflict and Law Enforcement* 2: 212-226.
- Rosenau, W., Gay, K. & Mussington, D. 1997. Transnational Threats and U.S. National Security. *Low Intensity Conflict and Law Enforcement* 6(3): 144-161.
- SAIN. 2000. *Out of Control 2: The HIV/AIDS epidemic in Burma*. Southeast Asian Information Network (SAIN).
- Schaeffer, R. 1997. *Understanding Globalization: The Social Consequences of Political, Economic, and Environmental Change*. New York: Rowman and Littlefield.
- Shelley, L. 1995. Transnational Organized Crime: An Imminent Threat to the Nation-State. *Journal of International Affairs* 48(2): 463-489.
- UNDCP. 1997. *World Drug Report*. New York: Oxford University Press.
- US Department of State. 2000. *International Narcotics Control Strategy Report 1999*. Washington DC: Bureau for International Narcotics and Enforcement Affairs.
- Viotti, P. & Kauppi, M. 1998. *International Relations Theory*. 3<sup>rd</sup> ed. Boston: Allyn and Bacon.
- Walt, S. 1991. The Renaissance of Security Studies. *International Studies Quarterly* 18.
- Waltz, K. 1979. *Theory of International Politics*. New York: McGraw Hills, Inc.



William, P. 1994. Transnational Criminal Organizations and International Security. *Survival*. 1(spring): 96-113.

Williams, P. & Black, S. 1994. Transnational Threats: Drug Trafficking and Weapons Proliferation. *Contemporary Security Policy* 15(1): 127-151.

Zarina Othman

Programme of Strategic Studies and International Relations

School of History, Politics and Strategy

Faculty of Humanities and Social Sciences

Universiti Kebangsaan Malaysia

43600 UKM Bangi

Selangor Darul Ehsan

Malaysia

Tel.: +6-03-8921-3267

Fax: +6-03-8921-3290

e-mail: zo@pkrisc.cc.ukm.my