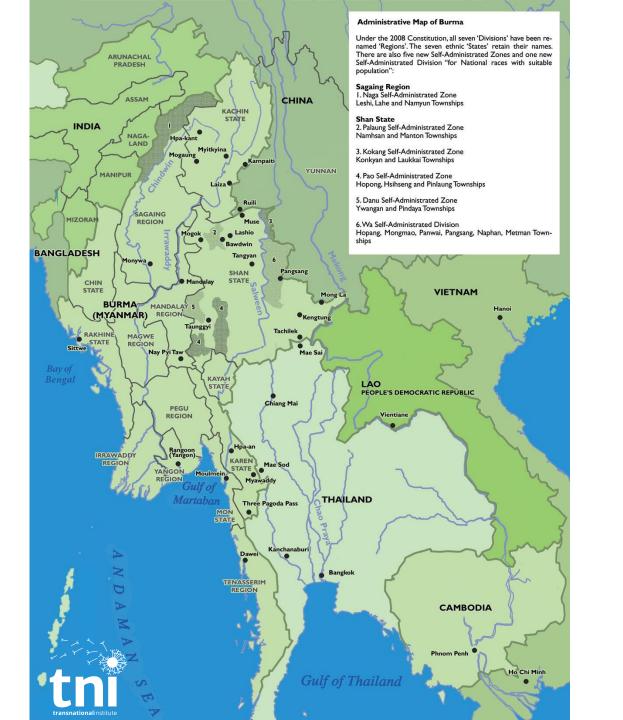
Counternarcotics Policy and Drug Reform Debates in Myanmar

Tom Kramer

Transnational Institute (TNI)

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Relevance for China?

- Most opium grown in Shan State near China border
- Large quantity of heroin produced in Myanmar exported to China
- Precursors heroin imported from China
- Ethnic Chinese criminal networks involvement in regional drug trade
- China implements opium substitution programme in Myanmar
- China involved in peace process in Myanmar

Myanmar background

- Decades of ethnic conflict and civil war
- Military rule since 1962
- Many ethnic armed opposition groups
- Large number of militia groups under control Myanmar army
- Poor country
- Sanctions by West; good relations with China
- Political reform process since 2011
- End of Western isolation; deterioration relations with China – fighting along the border

Drug issues in Myanmar - production

- 2nd largest producer of opium in world, after Afghanistan
- After decade of decline, opium cultivation tripled since 2006
- Most of it turned into heroin, exported to neighbouring countries, mainly China
- Large production of ATS mainly methamphetamines, including for export









Drugs use issues - consumption

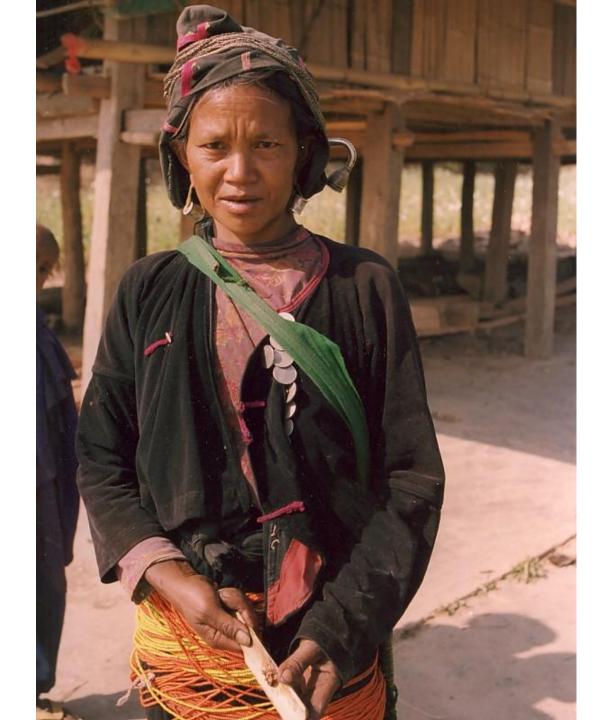
- Traditional opium use recreational, medicinal and cultural use – often nonproblematic
- Shift from smoking opium to smoking heroin to injecting heroin
- Large numbers of injecting heroin users
- Many of them infected with HIV and Hep C.
- Large scale ATS use



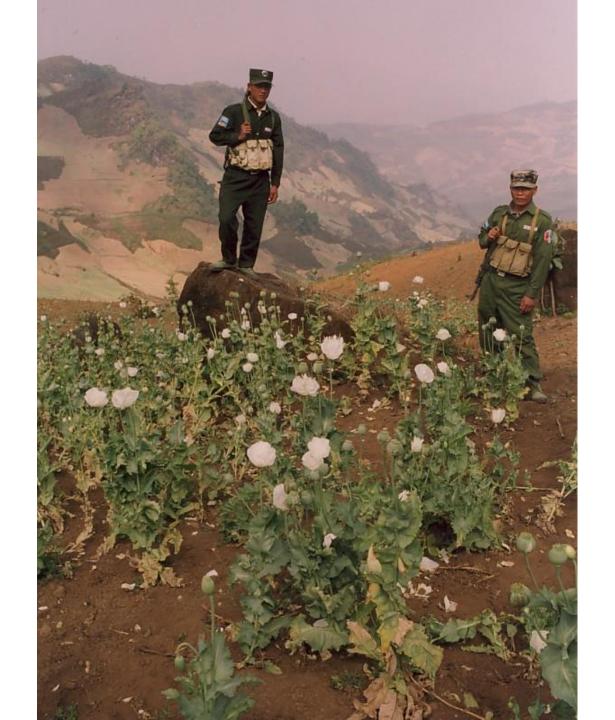
Drivers of opium cultivation

- Most growers are impoverished ethnic minorities; address food insecurity and buy access to basic household items
- Access to health and education
- Medicinal use in areas with no access essential medicines
- Traditional non-problematic use
- Decades of ethnic conflict and civil war
- Access to credit & market
- Demand from the region (China)









Heroin production

- Mostly in northern Shan State
- Chemical precursors imported from China and India
- Now mainly produced by militia groups controlled by Myanmar army ('managing conflict')
- Some militia leaders accused of involvement drug trade in Parliament
- Security = first concern (not drugs)

Drug trafficking

- Many links between drugs and conflict
- Many conflict actors involved (including Myanmar Army) – few have clean hands
- Blame political opponents or 'kings of opium' (Khun Sa) and 'narco armies' (UWSA) = convenient
- Ignores corruption and involvement in the region
- Financed and controlled by ethnic Chinese groups from abroad (now smaller groups)





Pressure on Myanmar

- From China: opium bans ethnic groups along border
- ASEAN drug free deadline 2015
- Myanmar drug free deadline postponed to 2019
- Thailand: export of ATS (but precursors imported via Thailand)
- Less pressure from US now most heroin on US market from Latin America + Afghanistan
- Domestic: HIV epidemic among IDUs

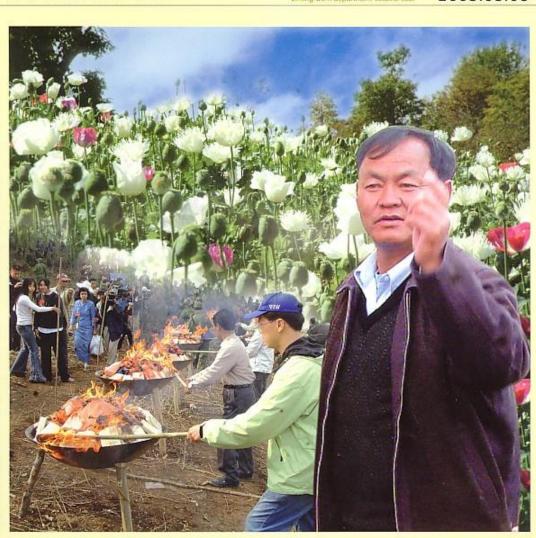
United Government of Myanmar Wa Central Authority Of Myanmar Political&Justice Committee Of Sumao City, Yunnan, China United Nations Office On Drugs & Crime/Wa Project World Food Programme An On The Spot Report Of Jointed Ceremony On Drugs Burning And Poppy Fields Slashing

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Current Government Policy

- Strict drugs laws and harsh policies
- Long sentences for drugs use and small trafficking
 many in jail, overcrowding
- Very few large dealers arrested some MP
- Few quality services for drug users
- Eradication of poppy fields but limited access to AD programmes for opium farmers
- Lack of resources
- Drug Free by 2019?

China's Opium Substitution Policy

- Promote Chinese companies to invest in monoplantations in northern Myanmar (and Laos) – especially rubber
- Tax returns, loans and import quota's
- Mainly benefits Chinese companies and local authorities
- No benefits for (ex)poppy farmers losing access to land and livelihoods
- Dependent on rubber (prices down)
- Environmental consequences mono-cropping



AD Principles and Practices

- Development first
- No eradication before alternative livelihoods are in place
- Community-based approach
- Involvement of farmers
- Holistic approach addressing poverty in widest sense of the term
- But resources limited very little international support for AD in Myanmar

Challenges for Myanmar

- Continuing conflict (along China border)
- Myanmar army priority is security (not drugs)
- Drug free deadline + unachievable targets
- Focus on law enforcement
- Lack of resources
- Resistance to harm reduction
- Little support for AD
- No services for problematic ATS users

Recommendations

- Development led approach to problems related to illicit opium cultivation
- Health oriented approach to address drug use related problems
- Involvement affected communities (drug users and opium farmers)
- Towards achievable objectives
- Inclusive peace process and political dialogue