RETHINKING U.S. HEROIN STRATEGY

IN HIS OWN WORDS:
U Maha San

Khun Sa's "Surrender":
The Bigger Picture
KHUN SA'S "SURRENDER":
The Bigger Picture

In January of this year, Khun Sa, one of Burma’s most notorious drug lords, negotiated a settlement with the Burmese military. After decades of armed insurgency, the self-proclaimed Shan nationalist leader and commander of the 10,000-man-strong Mong Tai Army has chosen to "surrender" to Burmese authorities. The terms of the surrender are vague; stories of Khun Sa’s current situation range from retirement to a villa in Rangoon, to operator of a concession of bus routes within Shan State. It is becoming increasingly clear, however, that Khun Sa’s reintegration into Burmese society will not be made difficult. The official press has gone from referring to him as “Satan Masquerading as Prince Charming” to affixing the honorific "U" to his name, and SLORC has refused to extradite him to the United States where he faces an outstanding arrest warrant for drug trafficking. Regardless of the details, this latest development in the murky world of the heroin trade raises a number of questions: What were the real reasons behind Khun Sa’s decision to negotiate with SLORC? How should the international community be reacting? And what, if any, impact will it ultimately have on the production and exportation of heroin throughout the world?

IN HIS OWN WORDS:
U Maha San

The Wa people of Burma have cultivated opium poppies for generations, but in recent years production has increased dramatically to the point that the opium crop of Wa territory is the largest in the world; now accounting for 80 percent of Burma’s cultivation. U Maha San, a leader of the Wa National Organization, discusses the Wa’s involvement in the opium trade; his relationship to Khun Sa; and the role of the ethnic minorities in the cease-fire agreements, the National Convention, and the future of the country.

RETHINKING U.S. HEROIN STRATEGY

Late last year, prominent members of the U.S. House of Representatives called upon the Comptroller General of the United States to conduct a study into U.S. heroin strategy. The recently released report assesses the extent of the heroin threat to the United States; the primary impediments to successful heroin control efforts in Southeast Asia; the effectiveness of the United Nations Drug Control Programme; and the feasibility of direct counternarcotics assistance to the Wa. In preparing the report, investigators discussed counternarcotics issues with representatives of the NGO community; the United Nations Drug Control Programme; the U.S., Thai, Japanese, Australian and British governments in Washington and in the region; and members of the Wa ethnic minority.
A NARCO-DICTATORSHIP IN PROGRESS
Indifference Confirmed
By François Casanier

HOMONG CEREMONY TO FORGE PEACE HAILED AS AUSPICIOUS FOR MYANMAR AND ALL MANKIND

THE SILVER JUBILEE OF THE "WAR ON DRUGS"
By Adrian Cowell

U MAHA SAN
In His Own Words

DRUG CONTROL
U.S. Heroin Program Encounters Many Obstacles in Southeast Asia
The peaceful entry of Burmese troops into Ho Mong and other strongholds of Khun Sa's private Mon Tai Army (MTA) during the first days of January 1996 was an exceptional public demonstration of the failure of the international community's "War on Drugs."

Four months later, the assessment is even less encouraging. More than amnestied or rehabilitated, Khun Sa has been publicly honored and dignified by the powerful generals leading Burma's military detail. For example, by selecting January 1 as the surrender date it was hoped that U.S satellite and field agent observations around the Salween River would not be too carefully scrutinized. If Burmese helicopter and truck movements had been studied by the Americans while they were occurring, as they would be during a period of normal activity, various "negative" reactions could have been anticipated by SLORC — ranging from early and strong U.S pressure to get Khun Sa extradited, to the rebellion of numerous local MTA commanding officers refusing to surrender to what they consider a perfidy of their fight for an independent Shan state.

The surprise effect of New Year's Day served its purpose: the first significant U.S. reaction came only on January 5, with the release of a statement in Bangkok from Assistant Secretary of State for East Asian and Pacific Affairs, Winston Lord, who underlined that the non-extradition of Khun Sa to the United States would constitute a major setback in counter-narcotics efforts. The vigorous condemnation of SLORC's lenient attitude toward the most wanted and best known figure of the heroin trade contained in later reactions was not followed by any threat of sanctions, nor was it perceived by the business community as a discouragement for investment or tourism in Burma.

CONCLUSION OF A BRILLIANT STRATEGY

In Rangoon, it is no secret that Khun Sa's easy reintegration into the SLORC system can be considered nothing other than the brilliant achievement of a strategy initiated in 1989 by the ceasefire agreement signed between Lt. Gen. Khin Nyunt, SLORC, the State Law & Order Restoration Council (SLORC). Furthermore, this red carpet treatment gratifying the most wanted heroin smuggler in the world has escaped criticism from any regional or international body. Instead, proceeding even further down the road toward normalization of relations with SLORC, the Director General of the United Nations Drug Control Programme (UNDCP), Giorgio Giacomelli, visited Rangoon in February to salute a newly created drug-repression organization.

What would have been the reactions of the international community and the world media if Pablo Escobar had been nominated honorary mayor of Medellin instead of being shot by elite Colombian troops assisted by U.S. Drug Enforcement Agents?

Khun Sa's honoring provides a rare opportunity to spotlight both SLORC's true approach to heroin economics with its three tiers of implication, and the "turn-a-blind-eye" attitude of the rest of the world — not only governments and the business community, but the media and human rights groups as well.

It is apparent that strict confidentiality and quick execution were key to SLORC's successful handling of Khun Sa, every move obviously thought out in
Secretary #1 and head of the Directorate of Defense Services Intelligence, and the Wa leadership.

In 1989, less than one year after SLORC reasserted with extreme brutality the military’s grip on Rangoon, the Burma Communist Party (BCP) imploded, its rank and file expelling the old Burmese leadership to China, and forming a new party, the United Wa State Party (UWSP) whose armed branch, the United Wa State Army (UWSA) requisitioned most of the BCP’s uniforms, arms, ammunition and soldiers. The UWSP leadership quickly signed a cease-fire agreement with Rangoon, providing the Wa economic and military autonomy, thus protecting its commerce in opium and its derivatives. In exchange, the Wa recognized Rangoon’s theoretical sovereignty over what they call the Wa State, located northeast of Shan State along the border of China’s Yunnan province. The UWSP agreed not to enter into any alliance with rebel groups or members of the democratic movement opposed to SLORC.

The negotiating talents of General Khin Nyunt were also successfully applied to the cease-fire agreement signed in 1993 with an older guerilla movement, the Kachin Independence Organization (KIO), which inhabits territory traditionally known for poppy cultivation.

Within only seven years and for the first time since independence, the authority in power in Rangoon had permanent and open access to all the borders of Burma, with no armed group seriously contesting its supremacy. During this same period, opium output and heroin exports have tripled.

These cease-fire agreements have served as a real catalyst in the rapid transformation of the relationship between the Burmese Army and guerilla movements engaged in the drug business: Partnership has replaced armed confrontation; huge portions of territory in Shan State (in the northeast), previously battle fields between the guerrillas and Rangoon, have been turned into poppy fields to such an extent that American and French satellite surveys have detected an explosion of poppy cultivation, especially in areas directly controlled by Rangoon.

FORCED NARCO-AGRICULTURE

It has been reported by eyewitnesses that SLORC officers posted in eastern Shan State have visited rural villages, encouraging farmers to plant poppies, explaining that it is the only real means for them to pay the taxes that would be collected after the year’s harvest. (The level of taxation is so high that only opium production can provide the required payment). In some cases, in isolated hamlets located far from traditional poppy growing areas, the military delivers the poppy seed and provides technical assistance during the harvest. Forced labor in Burma is not confined to public works, railway construction or porters for the army. There is also a forced narco-agriculture. In this part of the country, all levels of the opium-heroin trade are directly controlled by special units of the Burmese army.

Official public statements condemning states for their drug involvement are extremely rare, but Mr Robert Gelbard, U.S. Assistant Secretary of...
cash, with huge amounts of money being transferred to anonymous bank accounts in Bangkok and Singapore every week.

Tachilek is somewhat unique in Burma: it has the only airport that can be reached by foot from another country with a sophisticated economy. Every flight from Rangoon or Mandalay carried its lot of Burmese officers who were bringing parcels of bank notes over the bridge, linking Tachilek to the international banking network. The majority of this money came from the heroin trade. Commissions, protection, transportation costs, fees — all means of pumping money from the only locally profitable cashcrop were progressively set up by the Directorate of Defense Services Intelligence along with a dozen or so former high ranking field officers, each continuing to maintain his respective network.

A third tier was recently discovered in Taiwan at the end of March 1996. According to a dispatch from China News, Chang Lien Hsing, a cousin of the opium war lord Khun Sa (whose Chinese name is Chang Chi Fu) was arrested for drug trafficking on March 25. The arrest took place near the Keeling train station immediately after Myo Lwin Myint, a crewman from a Burmese cargoship, was handed US$3,000 by Chang for bringing heroin to Taiwan. Chang Lien Hsing had been in Taiwan as an overseas-Chinese student for years.

This is a very interesting piece of information, which demonstrates that collaboration between SLORC and Khun Sa did not start on January 1. It is well known that SLORC’s intelligence apparatus strictly controls the activities of Burmese seamen. In 1992 for example, SLORC’s agents were able to kidnap, without opposition, a group of Burmese crewmen at Singapore’s International Airport who were trying to escape their slave-like conditions on board a Burmese cargo ship. So, it is highly unlikely that this exchange in Taiwan could have taken place without SLORC’s knowledge.

THIRD TIER CONNECTIONS

The third tier of the SLORC-Khun Sa heroin connection, should be considered as a sector of a wider web, linking other well-known heroin operators to Burmese Intelligence. In its International Narcotics Control Strategy Report of March 1996, the U.S. Department of State declared: "Leaders of these
drug-trafficking armies have benefitted immensely from their good relationships with the Rangoon regime; their businesses — legitimate and illegitimate — have prospered. The top traffickers of these ethnic groups are: U Sai Lin (aka, Lin Ming Shing) of the Eastern Shan State Army (ESSA); Yang Mao Liang, Peng Chia Seng and Liu Go Shi of the Myanmar National Democratic Alliance Army (MNDAA-Kokang Chinese); Pao Yu Chiang, Li Tzu Ju, and Wei Hsueh Kang of the United Wa State Army (UWSA) and U Mahtu Naw of the Kachin Defense Army (KDA). The SLORC has given significant political legitimacy and now refers to them as ‘leaders of national races.’ Several major traffickers now participate in the government’s national constitutional convention in the guise of ethnic leaders.”

SLORC’S BLACK MONEY

It is often said that “small streams create large rivers.” This saying is brilliantly demonstrated in SLORC’s ability to channel Burmese heroin revenue into secret funds and private pockets. It is by the grace of these funds that SLORC has been able to re-equip and expand threefold its army since 1989, unofficially spending upwards of $2 billion with an official currency balance of not more than $250 million. (Off the record, World Bank experts will not deny the validity of this estimation.)

Between the private pockets of high ranking SLORC generals and their relatives on the one hand, and SLORC’s defense spending on the other, it is practically impossible to determine where narco-dollars go. For instance, attempts to research the ownership of the new private airline, Air Mandalay, has met with little success. Based in Singapore, the new holding received loans from a French bank to operate a few French-and-Italian-made ATR aircraft. This commercial operation is considered to be a state secret in France and in Singapore, which allows the amount of the loan and the identities of the true shareholders of the Singaporean holding company to be concealed.

This lack of transparency is paradoxical in a country like Singapore, which claims to apply very strict anti-drug policies, with systematic death penalties for small traffickers. It is also curious that Singaporean monetary authorities have not uncovered a single case of money-laundering in the numerous financial and commercial operations between the two countries, despite the fact that the Far Eastern Economic Review, as far back as 1992, demonstrated that the only substantial source of hard currency for Burma was from the export of heroin.

Official sources consider Singapore to be Burma’s largest single foreign investor. The question Singapore refuses to ask is: What portion of Burma’s capital comes from the hard labor of poor peasants forced to plant poppy seeds? — a question that should apply to all those doing business with this regime.
Homong Ceremony to Forge Peace Hailed as Auspicious for Myanmar and All Mankind

Yangon, 18 Jan — Realizing that the State Law and Order Restoration Council has laid down and is implementing the political, economic and social objectives for the emergence of a peaceful, modern, developed nation, 15 armed groups have returned to the legal fold and are making all-out efforts for development in their regions joining hands with the Tatmadaw.
Similarly, members of Mong Tai Army (MTA), under the command of Khun Sa, absolutely believing in the deeds, genuine goodwill and attitude of the State and abandoning armed struggle line and narcotic drug trafficking, have been returning to the legal fold at battalions and unit of the Tatmadaw in Loilem, Loitung, Mongtaw and Mongta regions, including Homong headquarters since 5 January 1996.

Second group of 1,728 MTA members led by Khun Sa, bringing in 1,096 heavy and small weapons and ammunition, returned to the legal fold at Homong headquarters on 18 January morning.

Also present at the ceremony to mark their return were members of the State Law and Restoration Council Minister for Progress of Border Areas and National Races and Development Affairs Lt-Gen Maung Thint, Commander of Eastern Command Brig-Gen Tin Htut and Tatmadaw officers.

**EXCERPTS FROM HOMONG CEREMONY**

**Lt.Gen.Maung Thint**: "Esteemed and beloved indigenous fraternal comrades: I would like to extend my greetings and best wishes for your physical and mental well-being, and metta [unconditional love] to the surrendered armed group's comrades led by Khun Sa and to the people present here today. This surrender ceremony illustrates that the MTA has fully understood the objectives and endeavors of the SLORC government and surrendered with full faith. Therefore, today is an auspicious and special day not only for the Union of Myanmar, but also for the people of the world and the international community.

Comrades, I would like to reiterate that our SLORC government as well as the indigenous brothers and sisters warmly welcome this constructive action of the Loimaw [another name for MTA] group in surrendering."

**Khun Shang, on behalf of Khun Sa**: "Esteemed people: I would first like to say that all of us are very happy that the military leaders led by Gen.Maung Thint, SLORC minister, have come to our Ho Mong region. This has been made possible by the correct and noble attitude of the government led by the SLORC. Our organization will continue to work together with the Defense Services and the people under the leadership of the government to make this peace we have obtained lasting and enduring. Let us forget the undesirable deeds of the past. We shall strive under the guidance of the national government on how to bring benefits to the Union and to the entire indigenous people today and in the future.

I am of the view that we will work together to ensure that the peace we obtain is enduring and that it will last in order to benefit the Union and indigenous people, to rehabilitate the lives of the people affected by 40 years of war, and to eradicate the opium and narcotics drugs, which endanger the entire humanity of our country. Our organization has decided to take such a course of action. I fully believe the national government will help our members and give them guidance.

In conclusion, I would like to beg your pardon from the national government and the people for our wrong deeds in the past and our armed opposition against the national government."

Rangoon’s TV Myanmar Network Jan 18, 1996, as translated by the Foreign Broadcast Information Service (FBIS).
They cordially conversed with Khun Sa and MTA members and presented gifts to them.

In his speech, Minister Lt-Gen Maung Thint pointed out that it was an occasion when an armed group bringing in heavy and small weapons returned to the legal fold after accepting work programmes being implemented in accordance with the objectives of the State Law and Order Restoration Council. He also stressed that it was an auspicious occasion not only for the Union of Myanmar but also for all mankind of the world. He greeted MTA members by saying that the State Law and Order Restoration Council as well as national brethren warmly welcomed them.

Our Three Main National Causes, namely, non-disintegration of the Union; non-disintegration of the national solidarity, and perpetuation of sovereignty are of great importance, he added. He stressed that national unity was essential for the Union of Myanmar. After taking up duties of the State, the State Law and Order Restoration Council together with national brethren made endeavors for all-round development especially to uplift the living standard of national brethren in border areas by using quality seeds and fertilizers for bumper harvest, he said. For the emergence of a new, modern and developed nation, the government and the people are implementing dynamically [sic] plans in harmony with the leadership of the State Law and Order Restoration Council, he said.

The minister went on to say that there are 12 objectives for emergence of a new, modern developed nation in accordance with the new State Constitution including four political objectives, four economic objectives and four social objectives.

The four political objectives, he said, are: stability of the State, community peace and tranquility; national reconsolidation; emergence of a new enduring State Constitution, and building of a new modern developed nation in accordance with the new State Constitution.

The four economic objectives are: development of agriculture as the base and all-round development of other sectors of the economy as well; proper evolution of the market-oriented system; development of the economy inviting participation in terms of technical know-how and investments from sources inside the country and abroad, and the initiative to shape the national economy must be kept in the hands of the State and the national peoples.

The four social objectives are: uplift of the morale and morality of the entire nation; uplift of national prestige and integrity and preservation and safeguarding of cultural heritage and national character; uplift of health, fitness and education standards of the entire nation.

In conclusion, he urged national brethren to join hands for emergence of a peaceful, prosperous and modern state.

Altogether 1,894 recruits and 138 heavy arms were handed over to the Tatmadaw on 12 January 1996 and 197 Homong-made launchers, 13,452 grenades, 10,346 mines and 7,407 rounds of heavy arms cache and factory on 14 January.

A total of 9,749 MTA members under the command of Khun Sa, together with 6,004 heavy and small weapons, 25,452 grenades, 18,346 mines, 17,027 rounds of heavy arms, and other ammunition and the entire area under their operation have been transferred to the Tatmadaw.

More MTA members of other areas are expected to follow suit.

This article appeared in the official newspaper, The New Light of Myanmar on January 19, 1996.
Peace is blooming in almost all areas of Myanmar, the latest to bloom forth being in the Homong region where the guns have fallen silent and brethren who had not been able to achieve consensus on the best way to develop their regions have realized the State Law and Order Restoration Council's cetana and turned in their large arsenal of arms and ammo to the Tatmadaw. Moreover, they themselves have returned to the legal fold.

This was the area associated with the notorious Golden Triangle where not peace, but opium poppies bloomed and the deadly derivatives of the drug flowed where the demand was.

In our campaign to combat the menace of hard drugs, we talk about demand reduction and supply reduction. The natural law of supply and demand would suggest that where there is demand, there will be supply.

In the first place, it must need be asked who introduced the deadly drug to Myanmar. For reasons best known to themselves or maybe with the genuine desire to have citizens of this land enjoy the human right of addiction, they did it. Then, as history tells it, the end of World War II and the emergence of the People's Republic of China required Uncle Sam to move his wards, the Kuomintang stragglers, into our territory, specifically Shan State and see to the thriving of poppy cultivation. The CIA found it to their advantage to use the KMT as [a] buffer to stem the flow of Communism, the way it saw fit.

So, if the streets of New York had streaks of Myanmar grown heroin, as they allege, who, but they, are to blame, for they were responsible for KMT incursion into Myanmar which we had to eject with presentation of our case at the United Nations.

Today, we count almost 10,000 of Khun Sa's men, who had come to realize the futility of their act, turn themselves in, together with a huge assortment of arms and ammo, including surface-to-air missiles.

In the time of the State Law and Order Restoration Council, we count 15 armed groups coming to the embrace of the Tatmadaw. Khun Sa's men, who had abandoned what they were up to, have proved they too can come to terms with reality.

After all, they are our brethren and they deserve the right of choice, of forsaking what was wrong and taking up what is right.

Today, as we welcome the MTA men to our embrace, we must resolve to work together to rid the region of that evil, the menace of hard drugs.

By what has been achieved, we are giving humanity a breath of fresh air, life that will eventually be free of hard drugs to say the least.

*This editorial appeared in the official newspaper, The New Light of Myanmar on January 19, 1996.*
The Silver Jubilee of the "War on Drugs"

In the summer of 1971, President Richard Nixon launched his famous "War on Drugs". So the summer of 1996 is an opportune 'milestone' to turn and look back across the intervening 25 years to evaluate its success or failure — to take stock of the Drug War's less than glorious silver jubilee. And if your mental standpoint can rise above the opium anarchy in the Shan State of Burma, then milestones that lift the gaze above the chaos of the surrounding detail serve a welcome purpose.

Photographs by Adrian Cowell

Adrian Cowell is a British television documentary producer. His principal trips with Shan guerrilla forces have been 5 months into the Kengtung mountains in 1964 and 16 months into the center of Shan State in 1972-3. Beside short trips with the SUA in the later 1970s, he has spent a good part of the 1990s with the MTA.
Soldiers and mules of a Law St Han opium convoy.
Thirty years ago, when I was first taken by the Shan National Army into the mountains of Kengtung — primarily to film their resistance against the newly-formed dictatorship of General Ne Win — it seemed possible to discern some sort of pattern in what was happening. Opium was the only cash crop in much of that area close to the border of China, and the guerillas had begun to take a tax of 10 percent to finance their revolution. It was 1964, and the long interdependence between Shan narcotics and the Shan revolution had begun.

But, of course, once this had produced a number of rapidly growing revolutionary armies, Burmese Military Intelligence could no longer afford to ignore it. They decided that as they could not defeat the opium traffic, they would have to turn it to their advantage. And so they began to offer a license to transport opium to any guerilla unit willing to desert the revolution and to become a local militia, known as Ka Kwa Ye, on the Burmese side. This added little to the military effectiveness of the Burmese regime, but it neutralized the opposition by injecting chaos into their revolution. It initiated the opium anarchy of Shan State.

By the early 1970s, when the Shan State Army took us up into the center of Shan State, this process had produced a maelstrom of 30 to 40 revolutionary armies and militias, all fighting each other and changing from side to side. It was a pool of guerilla anarchy in which the forces of nationalism, feudal regionalism and narcotics ricocheted off each other in a series of counter-reactions — but not in a national movement united in a war of independence. The largest non-Burman ethnic nationality in the Union of Burma, with access to the richest source of ready money, the greatest democratic and, potentially, military threat to the dictatorship, had been swept away into this whirlpool — and no one could even guess how it would emerge. For one of the tenets of the chaos theory is that though the overall system is self-sustaining, the fate of the specific trends is haphazard.

Even in the 1990s, when Khun Sa’s MTA (Mong Tai, or Shan State Army) presented a very stable...
Law Sit Han, the first “King of Opium,” with some of his soldiers in 1973 when he controlled about half the narcotics exports from Shan State and his opium convoys consisted of as many of a thousand mules escorted by 500-700 soldiers.

exterior, all these conflicting forces were at play beneath the surface. How else could such completely contradictory policies as a Declaration of Independence from Burma and a total surrender to the Burmese Army follow one another within a couple of years — without the excuse of a military defeat?

Narcotics, of course, was playing its usually significant role. But at a time when the U.S. Drug Enforcement Administration (the DEA) was constantly accusing Khun Sa of controlling the Shan narcotics business, that business was rapidly slipping away from him. Ever since 1989, when Law Sit Han had brokered the deal between the Burmese government and the ex-Communist militias of Kokang and the Wa — who control the vast majority of the opium fields in Shan State — an ever increasing quantity of their narcotics had been diverted away from Khun Sa’s trade routes. The final tightening of the economic noose came when the Burmese Army closed the crossings of the River Salween, and the long files of jewel merchants, traders and cattle drovers ceased trudging into Khun Sa’s capital of Ho Mong.

By 1994 and 1995, the signs of this economic stranglehold had become very evident. What shook the MTA to the core of its being, however, was a mutiny in June 1995, in the area south of the Hsipaw-Lashio road in the center of Shan State. For years, the MTA’s military machine had appeared a monolith, extending its hold over the region west of the Salween until its guerilla control of the countryside stretched north almost up to the Chinese border around Muse. For years, the MTA’s officer training school had molded loyalty and nationalism into its young military leaders, building moral defenses against the factionalism endemic in Shan history. And yet, when the misrule of one old fashioned and despotic commander led his second in command, Kan Yot, to revolt, it seemed as if some virus was decomposing the cement which held the MTA together. Kan Jit, its most respected field commander, was sent north to negotiate with the mutineers, taking with him 800 men and picking up another 700 loyalists on the way. Yet when he crossed the River Salween on his return, his escort numbered not much more than a hundred. Desertion had consumed the rest. This left the commanders of the MTA feeling as though they stood in a sea of anarchy with quicksand running under their feet.
The 30 years of the Shan revolution have produced many dramatic flips of this sort. But almost by definition, opium anarchy means that every situation is different from every other and that common conclusions, applicable elsewhere, are impossible to draw. So it is a relief to step back from this latest twist and to use this anniversary of the "War on Drugs" to see if a longer view reveals simpler and broader trends.

In 1971, what President Nixon highlighted in his speeches was "a worldwide offensive dealing with the problem of the sources of supply" — in short a war against the producers of drugs in foreign countries. And, as cocaine was still considered by many people then to be non-addictive and not particularly dangerous, Nixon's war was primarily directed against opium and its derivative, heroin. Burma has been the dominant source of the world's supply of heroin for most of the last 25 years, thus a primary target of U.S. anti-narcotics policy. How successful has this war been?

Over the previous two years the increasing sickness in Khun Sa's face, his visible need to go to the hospital, had added to that sense of ebbing sand. And when the bitterest enemies of Khun Sa, the ex-Communist militia of the Wa, launched their winter '95 offensive, further desertions meant that outpost after outpost fell round the outer defenses of the great fort at Loi Lang. The survivors claimed that even the central headquarters itself would have gone within 24 hours — if surrender had not brought in the Burmese Army to save them.

For decades Burmese military commanders had been unable to contemplate crossing the Salween Gorge without casualties in the tens of thousands. Overnight Khun Sa let them in — and they just walked into his capital. The great training school became a barracks. The culture department is now the headquarters of the 55th Division. Military Intelligence set up in the foreign liaison office. General Tin Tut, head of the Burmese Eastern Command, spoke from a platform where only Shans, under a Shan flag, had stood before.

The opium poppy of Shan State is notoriously vulnerable to frost, heavy rain and changes in weather, and so opium yield fluctuates from year to year.
In the 1970s, U.S. official estimates of the Burmese opium crop varied in the range from 250 to 400 tons per annum. In the 1990s, the State Department’s figures have been ranging as high as between 2,000 and 2,500 tons a year. The statistics are therefore clear and the conclusion from this over-view undeniable. Over 25 years, the “War on Drugs” in Burma has not just failed in its aim of reducing the crop, it has presided over a massive 10-fold increase. If the last 25 years prove anything, it is that a policy of enforcement does not reduce the production of opium.

Over the years, a number of reports from the General Accounting Office of the U.S. Congress have also severely criticized the effectiveness of U.S. anti-narcotics aid to Burma. In the 1970s, five Fokker troop-carrying aircraft were given to the Burmese Army to transport assault forces up to forward airstrips, and more than two dozen Bell helicopters to ferry them on to positions where they could ambush the convoys carrying opium across Shan State to Thailand. Dozens of U.S. specialists became involved in providing satellite and other intelligence about the movement of these opium convoys, and D.E.A. [Drug Enforcement Administration] agents planted position-tracking transmitters in the opium packs, and, in some cases, implanted them inside the anuses of the mules that carried the packs. Yet despite repeated campaigns through most of the 1970s and
1980s, no convoy was ever captured. Narcotics seizures have never amounted to more than a fraction of 1 percent. During the period of most intensive U.S. aid — when the toxic herbicide 2,4-D was being sprayed down onto Shan opium fields from U.S. gifted Turbo Thrush spray planes — Burma’s estimated opium yield rose from 350 tons in 1985 to 1,280 tons in 1988. That is a more than a threefold increase. U.S. aid has been absolutely ineffective in achieving what it was intended to do.

In fact, its failure is all the more marked since negotiations with the Shan producers of opium were specifically rejected by the United States on the grounds that it would be more effective to attack them than to talk to them.

From time to time during the 25 years of opium anarchy, a new alliance, or the success of some rising group, has produced a near monopoly of the opium trade, and with it, the ability to try to negotiate a way out of chaos. The first of these was in 1973, when the

LEFT: Law Sit Han under arrest, about to be extradited from Thailand to Burma. Proposals he had sent to the U.S. Embassy in Bangkok offering to negotiate an end to the growing of opium and sell the entire crop to the U.S. gave the DEA the chance to invite him to negotiate, only to have him arrested.

BELOW: Meeting between Law Sit Han and other Shan guerilla leaders at which it was agreed to make proposals to the U.S. to end the narcotics trade.
largest of the opium militias, led by Law Sit Han, formed a coalition that combined most of the Shan revolutionary armies with most of the militias. In April 1973, Law Sit Han signed proposals to the U.S. government inviting American experts to enter Shan State to plan the long term eradication of the poppy, and, in the meantime, to buy up the crop for $12 million.

Shortly after these proposals reached the DEA office in Bangkok, a Thai helicopter was sent to invite Law Sit Han to negotiate. Once he had been lured away from the security of his army, however, he was arrested, deported to Burma and sentenced to death — though this was later commuted to eight years in jail.

The U.S. hailed this as a victory in the "War on Drugs" — though it had little effect in reducing the flow of narcotics. What it did do, however, was to create a power vacuum at the head of the narcotics traffic, and thus make a present of the opium trade to the then Shan United Army of Khun Sa. And, by 1977, Khun Sa had established sufficient control over the traffic to try again. He invited members of a U.S. Congressional committee on narcotics to visit his base in Thailand to negotiate an end to the opium trade.

During the previous attempt in 1973, the DEA had suppressed Law Sit Han's proposals. But the narcotics committee organized two sets of hearings which, at least, publicized the option and forced the White House to take a position. The White House rejected the Shan proposals on the grounds that it would be more effective to give the Burmese Army military aid to attack Khun Sa than to negotiate with him.

History may have proved how wrong that judgment was. But there is no question that it was consistent with the philosophy underlying the "War on Drugs." For the essential premise behind Nixon's policy was that it would be more effective — a euphemism for cheaper — to attack the source of supply than to deal with the sources of demand — the addicts of America.

And what the last 25 years have proved — in South America as much as in Burma — is the error of that hypothesis. With a few exceptions, enforcement has been completely ineffective in reducing the foreign supply of drugs.

This does not mean that the police are not an essential part of any drug policy, maintaining the lines of that policy wherever they are drawn, ensuring that criminals who profit from drugs do not escape unscathed. But enforcement cannot — with honesty — be projected to the public, anymore, as a "solution." For if solutions exist, or at least reductions in the intensity of the problem, then the last 25 years have taught us that they lie at the poles of the traffic, amongst the farmers who grow the opium and amongst the addicts who consume it — not in the illegal trade that lies between. For once opium leaves the field, it goes 'underground' and becomes indestructible — you catch, as in Burma, a fraction of 1 percent.
This is why the Shan attempts to negotiate seem the most encouraging of all the trends of the past. Despite each betrayal, every rejection, some Shan leader or organization has always come up with a new proposal.

A year or two ago, Benjamin Tatung brought to Washington proposals from the Wa who seem genuinely perplexed about how to relate to the massive production of narcotics in their mountain state on the border of China. Even Law Sit Han — who brokered the Burmese ceasefire with the Kokang and Wa militias and therefore the political structure of the modern opium trade — recently produced new proposals. He is now in his sixties and one of the wealthiest men in Burma, and when I asked whether or not he was worried that his new proposals could lead to his arrest again, he replied, "I'm not afraid the DEA will catch me because what I'm doing is right. Stopping opium would be a great pleasure for me."

By contrast, the last time Khun Sa's similar proposals were rejected by the Department of State, Robert Gelbard, the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, put it this way, "We don't deal with criminals. The best thing Khun Sa could do would be to turn himself over to American justice."

That may be a satisfying response, but, of course, it is not one that is likely to reduce the opium crop. And one day, amongst the continuing confusion of Shan politics, some such proposal will have to be accepted from some such leader. For how else do you persuade farmers who grow opium, not to, unless you deal through their leaders? And there are no leaders in the opium growing regions of Shan State who have not, in some way, benefited from a tax on opium.

Somebody, someday, will have to talk to someone. And the one thing the last 25 years have proved is that arresting them doesn't help.
U Maha San, leader of the Wa National Organization (WNO), was born a Sawbwa (prince) in Vin Ngeun, a division of Wa State. The WNO is a member of the National Democratic Front and the Democratic Alliance of Burma (DAB), an umbrella organization of ethnic and pro-democracy groups based along the Thai/Burma border. This interview was conducted on April 7, 1996 for *Burma Debate.*
MS • No, he did not. We will decide what he will do now, based on what is best for the Wa. Beyond this, I do not want to say anymore about him.

BD • Were you at one time vice chairman of Khun Sa’s organization?

MS • No. Khun Sa claimed that without my knowledge. When I found out, I confronted him and told him never again to do anything like that. He said he did it because it was necessary to unify the peoples of the Shan States. I said that he had ruined my name, my reputation.

BD • The Wa control major opium production and heroin trafficking areas. Would you care to comment on the opium issue?

MS • Our people grow opium for two reasons: One, because of the civil war, we have no food. Remember that we cannot easily grow rice, the soil and conditions are not good. Two, the opium crop takes only three months and it is a cash crop. At this time, nothing else can compare with it for our people.

Let me say this, if we want to stop opium growing, it is quite straightforward. First, we need a political settlement in the whole country, not just with the Wa. Second, we need to weed out those who demand opium in order to trade and make their fortune. Notice that opium growers make about 5-6 thousand in Burmese currency for one viss of raw opium; the person who refines raw opium makes 20-30 thousand kyats per visa. You can go on from there.

For our Wa people, it is really a curse. I have tried over the years to get other nations, including the United States, to come and learn the actual situation. But they only want to keep listening to what the SLORC or Ne Win’s people tell them. You can draw your own conclusions from this.
MS • Remember that the ethnic minorities did not start the civil war; they responded to the situation of having no rights such as self-determination. There was no other way to express that we would not accept such a situation. The war is wanted by the military rulers, and it only benefits them. Remember that the civil war makes opium cultivation necessary for many. But do we stop the war to end opium cultivation, even if we have no rights? My people say "no". When you have no rights, you must fight. Only a free and democratic government can be the solution.

I want to tell the world, as a Wa leader, that we want peace. We do not want our lives to have to depend on opium cultivation. However, notice that under the SLORC the ceasefire is not peace. Our thinking is that any ceasefire would be a total farce. It is not what we want. We will get neither peace nor justice. Until there is peace, with government reform and self-determination, fighting must continue.

BD • But SLORC credits itself with reaching ceasefire agreements with 15 minority groups, including the Wa...

MS • My personal belief is that the agreements are a total farce and that they will only last a short time. Why? Well, you see, the SLORC tells us that we can talk about rights to self-determination and reform and representative government only when there is an elected government. The SLORC itself is not elected, so it cannot negotiate, so it cannot talk about these rights. Under the cease-fires, the SLORC does not have to give anything by the way of reform. The SLORC has made it materially beneficial for some of our people to stop struggling. This affects the upper and leadership class. The ordinary people have not seen any benefits. I often wonder if these leaders will want to continue the struggle, especially if fighting were to break out again all over the country.

And yet, in the face of a wholesale loss of rights, oppression and extermination of our cultures, what is there to do? Many of our Wa leaders are actually ethnic Chinese who now benefit from association with the SLORC. They help to perpetuate what is not good for our people and for other countries, such as opium. Opium eradication is difficult, although it should be simple and straightforward.

BD • What are your feelings about the National Convention?

MS • Look at the National Convention, are we going to get a truly representative government from that? It is totally fake. They only talk and write about what the SLORC wants. We cannot tell about our wishes and goals. I suggest that we make a big statement to the country and the world about what we want, withdraw from the SLORC convention, then go and meet somewhere else to have our own National Convention.

BD • As a Wa leader, what do you want to say to the other nationalities?

MS • Some are still fighting and many now have a cease-fire. But we must continue the struggle each in our own way. Never give up. For example, I know all the Kachin leaders. I lived and worked with them during the NDF days. Our peoples have shown mutual support in the past. We must continue to build on that alliance. I want to say the same to the Karen. I believe that we must not forget our struggle because of the cease-fires. That is what the SLORC wants us to do.
BURMA IS THE KEY TO IMPLEMENTING AN EFFECTIVE SOUTHEAST ASIAN HEROIN STRATEGY

The key to effective U.S. heroin control efforts in Southeast Asia is stopping the flow of Burmese heroin into the United States. In 1994, Burma accounted for about 87 percent of the opium cultivated in Southeast Asia and approximately 94 percent of the opium production in the region. Most of the heroin smuggled into the United States originates in Burma’s eastern Shan State. Unless the United States addresses opium poppy cultivation and production in Burma, U.S. regional heroin control efforts will have only a marginal impact. However, several factors create substantial difficulties in establishing effective programs in Burma. U.S. policy toward Burma prohibits providing significant levels of counternarcotics assistance until the Burmese government improves its human rights stance and recognizes the democratic process. In addition, the Burmese government does not control the majority of opium cultivation areas within its borders and has not seriously pursued opium reduction efforts on its own. Moreover, ethnic insurgent armies that control most of the opium cultivation and heroin-trafficking areas are reliant on proceeds from the drug trade and are unlikely to relinquish this source of income under the current Burmese government.

U.S. POLICY PROHIBITS COUNTERNARCOTICS ASSISTANCE TO BURMA

In response to Burmese government human rights abuses and unwillingness to restore democratic government, the United States has terminated almost all counternarcotics assistance. In 1988, the Burmese military violently suppressed antigovernment demonstrations for economic and political reform and began establishing a record of human rights abuses, including politically motivated arrests, torture, and forced labor and relocations. In 1990, the Burmese people voted to replace the government in national elections, but the military regime refused to recognize the results and remained in power. Further, for decades, the Burmese government has engaged in fighting with insurgent armies representing ethnic minority groups who want autonomous control of territory they occupy within Burma’s borders. Some of these groups, particularly the Wa people of Burma’s eastern Shan State, control major opium production and heroin trafficking areas and...
have fought successfully to maintain their independence from the central government.

Over the past 8 years, the military regime has consolidated its control and virtually eliminated any threat to its power in Rangoon.

In 1988, the United States discontinued foreign aid to Burma in response to concerns over human rights abuses by the Burmese government. U.S. assistance had supported the Burmese government’s opium poppy eradication program during fiscal years 1974 through 1988. In response to the Burmese government’s insufficient efforts to address increasing opium production and heroin-trafficking within its borders, the President has denied certification for counternarcotics cooperation since 1989.

While the United States does not provide direct counternarcotics funding support, limited U.S. assistance has continued through low-level counternarcotics cooperation between Burmese law enforcement authorities and DEA [Drug Enforcement Administration]. For example, DEA shares drug intelligence with the Burmese police on a case-by-case basis and conducted a basic drug enforcement training seminar in December 1994. In August 1995, a training course was offered to Burmese law enforcement officials on customs screening and interdiction techniques. These activities are closely monitored by the U.S. embassy in Rangoon to ensure the Burmese government does not interpret the cooperation as a sign that the United States is deemphasizing its policy priorities of furthering human rights and democratization.

Although law enforcement cooperation is needed to upgrade a poorly equipped and trained Burmese police force and establish information sharing, U.S. counternarcotics officials believe that the key to stopping the flow of Burmese heroin into the United States is through crop eradication and alternative development support. More importantly, because of the complex Burmese political environment, U.S. assistance is unlikely to be effective until the Burmese government demonstrates improvement in its democracy and human rights policies and proves its legitimacy to ethnic minority groups in opium producing areas.

In October 1995, the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs stated that in the long run, an accountable Burmese government that enjoys legitimacy in opium-growing areas will be more willing and able to crack down on the drug trade.

**BURMESE GOVERNMENT HAS NOT DEMONSTRATED A SERIOUS COMMITMENT TO DRUG CONTROL EFFORTS**

In furthering its consolidation of power, the Burmese government has also furthered opium production and heroin-trafficking activities through cease-fire agreements it has signed with some ethnic insurgent armies. According to the Department of State, in 1989, the Burmese government reached a cease-fire agreement with the United Wa State Army (UWSA), which controls 80 percent of the opium cultivation areas in Burma. In the cease-fire, UWSA agreed to stop its armed insurgency against the government in exchange for government acquiescence to Wa control of Wa territory. According to the Department of State, the agreement also stipulated that the Wa would give up their participation in the drug trade and that the Burmese government would provide developmental support to assist the Wa in raising their standard of living. Other minority groups in opium poppy cultivation areas, such as the Kokang, have reached similar accommodations with the Burmese government.

The Burmese government and UWSA have done little to pursue counternarcotics initiatives. For example, the government discontinued its aerial eradication program with the cutoff of U.S. assistance in 1988 and has only conducted limited eradication efforts in areas under its control since that time. In September 1994, the government proposed an 11-year plan for developmental assistance that also included crop eradication in cultivation areas. However, according to the Department of State, the plan does not provide details on how eradication will occur, and the government lacks adequate resources to support its proposal.

Since 1988, opium production has nearly doubled in Burma, and UWSA has become one of the world’s leading heroin-trafficking organizations. With a force of 15,000
troops, it provides security for Wa territory while controlling up to 80 percent of Burma’s opium crop. UWSA relies on the proceeds from its extensive involvement in the drug trade to fund procurement of munitions and equipment. UWSA is involved in heroin refining and maintains contact with an extensive international drug-trafficking infrastructure to move its heroin out of Burma and into foreign markets.

While elements of the Wa political leadership have recently proposed relinquishing participation in opium poppy cultivation and heroin trafficking in exchange for direct developmental assistance from the United States and other potential donors, it is...
questionable whether UWSA leadership would seriously consider doing so. Such a decision would mean giving up the major funding source that allows it to maintain its army and protect the Wa people from potential renewed aggression from the Burmese government. To equip and maintain its military force, UWSA depends on funds generated from taxes on opium that Wa farmers cultivate and produce. Without these tax revenues, UWSA would have serious funding problems. UWSA has no incentive to reduce its size or end its involvement in opium trafficking until (1) alternative sources of income are found to replace opium-generated revenues or (2) the threat of Burmese government aggression is diminished or removed. Neither of these possibilities appears likely to happen.

The Burmese government has been in armed conflict with another major heroin-trafficking organization operating within its borders—the Shan United Army (SUA) located in the Shan State on Burma’s border with Thailand. SUA has a force of about 10,000 soldiers to defend extensive heroin-refining facilities and drug-trafficking routes into Thailand, Laos, and Cambodia. While SUA claims to be fighting for Shan State independence, until recently, the Burmese government has chosen not to accommodate this group as it has done with other ethnic minority groups. Instead, the government increased military efforts against SUA in late 1993. The conflict has caused significant casualties on both sides and disrupted SUA drug-trafficking and -refining operations. Despite these successes, the operations have had limited impact on the flow of drugs out of Burma. According to Department of State officials, in January 1996, the Burmese army and SUA ended their armed conflict in accordance with a recent cease-fire agreement. The cease-fire will cause temporary disruptions in SUA’s narcotics trafficking operations, but it is difficult to determine the long-term effects of the agreement on the flow of Burmese heroin.

SOUTHEAST ASIAN HEROIN-TRAFFICKING ROUTES POSE SIGNIFICANT LAW ENFORCEMENT CHALLENGES

According to DEA, each heroin producing region has separate and distinct distribution methods that are highly dependent on ethnic groups, transportation modes, and surrounding transit countries. These factors combine to make the detection, monitoring, interdiction of heroin extremely difficult. Heroin-trafficking organizations are not vertically integrated, and heroin shipments rarely remain under the control of a single individual or organization as they move from the overseas refinery to the streets of the United States. These organizations consist of separate producers and a number of independent intermediaries such as financiers, brokers, exporters, importers, and distributors. Since responsibility and ownership of a particular drug shipment shifts each time the product changes hands, direct evidence of the relationship between producer, transporter, and wholesale distributor is extremely difficult to obtain.

From Southeast Asia, heroin is transported to the United States primarily by ethnic Chinese and West African drug-trafficking groups. According to DEA, the ethnic Chinese groups are capable of moving multi-hundred kilogram shipments, while the West African groups usually smuggle heroin in smaller quantities. Generally, the shipment size determines the smuggling method. The larger shipments, ranging from 50 to multi-hundred kilogram quantities, are secreted in containerized freight aboard commercial maritime vessels and air freight cargo. Smaller shipments are concealed in the luggage of airline passengers, strapped to the body, or swallowed.

The impact of U.S. efforts to interdict regional drug-trafficking routes has been limited by the ability of traffickers to shift their routes into countries with adequate law enforcement capability. For example, Thailand’s well-developed transportation system formerly made it the traditional transit route for about 80 percent of the heroin moving out of Southeast Asia. However, in response to increased Thai counternarcotics capability and stricter border controls, this amount has declined to 50 percent in recent years as new drug-trafficking routes have emerged through the southern provinces of China to Taiwan and Hong Kong or through Laos, Cambodia, and Vietnam. Similarly, cooperation between the U.S. and Hong Kong law enforcement authorities has helped reduce the use of Hong Kong as a transshipment point for Southeast Asian heroin, but law enforcement weaknesses in China and Taiwan have encouraged drug traffickers to shift sup-
plies routes into these countries. Until law enforce-
ment efforts aimed at heroin-trafficking organiza-
tions and drug-trafficking routes can be coordinat-
ed regionally, the flow of Southeast Asian heroin to
the United States will likely continue unabated.

UNDCP PROJECT IN BURMA HAS NOT SIGNIFI-
CANTLY REDUCED DRUG FLOW

A key element of U.S. heroin control efforts is
the increasing reliance the United States
places on international organizations, such
as the United Nations, in countries where the United
States faces significant obstacles in pro-
viding traditional bilateral counter narcotics assistance. In Burma, the United States, has been a major donor for
UNDCP [United Nations Drug Control
Programme] drug control projects, pro-
viding about $2.5 million dollars from
fiscal years 1992 through 1994. However,
we found that the projects have not sig-
nificantly reduced opium production
because (1) the scope of the projects has
been too small to have a substantive
impact on opium production, (2) the
Burmese government has not provided
sufficient support to ensure project suc-
cess, and (3) inadequate planning has
reduced project effectiveness.

UNDCP’s project in Burma to
reduce opium production created small
“opium-free zones” in certain areas of
Wa territory. According to U.S. govern-
ment and other officials, the opium-free
zones are merely demonstration pro-
jects; they will have no substantive
impact on opium production. The zones
are located typically along roadways
where it is easy to verify that opium is
not being cultivated. However, the offi-
cials told us that the farmers simply
move their planting sites to other areas,
usually ones that are in more remote
areas. Further, UNDCP projects have
not significantly reduced opium pro-
duction because of a lack of significant
voluntary or forcible eradication.

UNDCP has also experienced dif-
ficulties in obtaining sufficient Burmese government support for its projects in the Wa territory, which has reduced their effectiveness. As part of the project agreements, the Burmese government stated it would provide in-kind resources to support UNDCP activities. However, UNDCP officials told us that the Burmese government did not furnish the necessary civil engineering personnel or basic commodities, such as fuel, that it had committed to supply. As a result, UNDCP had to hire outside people at additional cost. In addition, the Burmese government has not always cooperated in granting
UNDCP worker access to the project areas.

Additionally, inadequate planning has reduced project effectiveness. For example, according to UNDCP officials, aerial surveys of areas designated for opium poppy crop reduction were not conducted until March 1995, 18 months after the projects began. As a result, it will not be possible to evaluate accurately the effectiveness of the supply reduction projects because UNDCP did not establish any baseline data at the outset. Further, the projects lacked measurable benchmarks, such as timetables for eliminating opium poppy fields, and plans were not developed to follow up on eradication efforts to ensure that opium poppy cultivation had not resumed in areas where opium poppy plants were destroyed.

Despite these problems, U.S. counternarcotics officials believe that UNDCP projects offer the only alternatives to U.S.-funded opium poppy crop eradication and alternative development programs in Burma at the present time. Further, the projects are allowing UNDCP access to the Wa. This access could prove useful if the political environment within Burma changes and creates new opportunities for implementing drug control efforts. In fact, UNDCP is expanding its current efforts, with a 5-year $22 million project that will include a supply reduction component. U.S. and UNDCP officials told us that the supply reduction component will provide for aerial surveys to determine cultivation levels and establish a baseline to measure progress during the life of the project. Further, these officials believe that the project should include measurable benchmarks for reduction of opium poppy cultivation in designated areas to ensure that successful eradication is taking place as well as provisions to ensure that UNDCP workers have easy access to project areas. According to a Department of State official, the United States plans to provide additional funding over a 5-year period to increase UNDCP efforts in the region, but the exact amount is still under consideration. However, it is doubtful, for reasons already stated, that these projects will significantly reduce opium production.

Opium cultivation and production in Burma, Laos, and Thailand increased in 1995 with the return of more normal growing conditions after a regional drought significantly reduced both cultivation and production in 1994. In Burma, the world’s largest opium producer, the regime has little authority over the opium producing areas largely in the Shan State that are dominated by ethnic insurgent groups. Opium production in Laos returned to 1993 levels after several years of poor growing conditions. Although opium production increased in Thailand, sustained counternarcotics efforts limited the rebound. Thailand remains a major conduit for trafficking of Burmese-produced heroin. Our second survey in China’s Yunnan Province indicates that cultivation there remains modest and dropped slightly in 1995 to some 1,300 hectares.
Government Offices Respond...

Comments from the Office of National Drug Control Policy

Executive Office of the President

January 25, 1996

Dear Mr. Ford:

Thank you for the opportunity to comment on the draft report: Drug Control: U.S. Heroin Program Encounters Many Obstacles in Southeast Asia (Code #711160).

Overall, the report provides an excellent analysis as to why heroin control is a major foreign policy objective of the United States, and presents an accurate portrayal of the current worldwide heroin trafficking situation. However, as has been discussed with your staff, ONDCP has several areas of concern. The report fails to portray accurately the current interaction of U.S. policy towards Burma and Congressional legislation on Burma, as well as the political and economic situation in Rangoon.

Policy and Legislation

There is no question that the Burmese military regime poses fundamental challenges for U.S. foreign policy interests. It is an anti-democratic dictatorship, commits serious human rights abuses, and has not allowed an elected government to take office. The international heroin strategy signed by President Clinton on November 21, 1995, as a Presidential Decision Directive takes this into account. Accordingly, the departments and agencies involved in developing a United States counternarcotics policy agreed that the U.S. government must:

- address the heroin issue in Burma
- take steps that will improve counternarcotics cooperation effort with the Burmese without undermining our desire for progress on human rights and democratic reconciliation.

This policy decision recognizes that heroin control is a vital national security interest and that the U.S. government has to work with undemocratic governments such as Burma, Afghanistan, China, and Syria in furtherance of international narcotics control. This policy suggests a number of steps to be taken to work with the Burmese on alternative development, law enforcement, and intelligence to further our counternarcotics policy.

Notwithstanding the efforts of the Administration, H.R. 1868, the Foreign Operations FY 1996 appropriations legislation (and accompanying H. Rept. 104-295) which has passed the House and is stalled in the Senate, would restrict the assistance that can be legally provided to the Burmese Government, thus undermining the President's counternarcotics strategy for Burma and blocking progress in attacking the Southeast Asia heroin problem.
Political

Unfortunately, the timeline for GAO's investigation is such that the report fails to account for the recent settlement between the Burmese regime and the Shan United Army (SUA). The ONDCP Director visited the Thailand/Burma border area in 1993 to view fortifications occupied by Shan troops. These fortifications are now manned by the Burmese Army.

Several other key political facts about Burma have been omitted in the report, as follows:

• The military regime has consolidated its control during the past eight years and has virtually eliminated any threat to its power in Rangoon;
• The surge in Southeast Asian heroin production began in 1988 when U.S. suspended counternarcotics aid to Burma. Counternarcotics activities became victims of economic and political realities, since the government of Burma had no reason to continue eradication without U.S. assistance and did not have the economic resources to do so;
• Burma is gradually regaining control over the opium producing areas where ethnic insurgents had previously been operating heroin production and processing for their own benefit;
• It will be extremely difficult for Burma to suddenly cut off all means of livelihood in insurgent areas, now under government control, in view of Rangoon's own precarious economic situation; and
• It is difficult to conclude that the Burmese Government has not made a serious commitment to end the drug trade because it has not been is a position to do so. The US. government has had little discussion with Burma about ending the drug trade, nor been able to provide the resources to assist this vitally important effort.
• Opposition leader Aung San Suu Kyi has publicly stated that it is "the government's duty to suppress narcotics production and trade in the interest of the people."

Departments and agencies of the U.S. government have agreed that the heroin strategy must carefully target those countries and regions that pose the most direct heroin threat to the domestic health and national security of the U.S.: "We believe democratic, market-oriented governments are integral to the overall success of our international counterdrug effort. Nonetheless, we have to recognize that heroin control is a vital national security interest and that we are going to have to deal with countries like Burma."

Democracy, therefore, is not an essential prerequisite for an effective program.

The report assumes, however, that just such a criterion is in fact necessary to pursuing U.S. policy objectives on counternarcotics. This is a policy assumption that is neither based on fact or current U.S. policy. Such a criterion would severely limit our ability to pursue counternarcotics programs in countries like Viet Nam and China.

UNDCP Program in Burma

UNDCP runs a minuscule opium reduction program in Burma. In a country that produces 2,500 metric tons of opium, almost any reduction program is unlikely to make much headway. The report neglects to make note of this critical fact.

The Wa

The Wa leadership acknowledges that its territory is the poorest in Burma. Members of last year's opium production survey team reported that poppies, not food crops, were being grown on the best bottom land. Opium has become the region's cash crop. The report neglects to
discuss the cost of alternative development, speculate as to with whom the U.S. government would work given the split in the current Wa leadership, or discuss why any government in Rangoon, military or democratic, would agree to direct U.S. assistance to the Wa.

We appreciate the opportunity to comment on the draft report and hope that you find our comments both constructive and beneficial.

Sincerely,
Fred W. Garcia
Acting Director/Deputy Director for Demand Reduction

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GAO’s Comments on ONDCP’s Letter dated January 25, 1996

1. We have made appropriate technical changes and the report has been updated to reflect recent developments in Burma.

2. The political realities included the Burmese government’s desire to reach accommodation with ethnic minorities. As part of this strategy, the Burmese government entered into a truce agreement with the Wa and other ethnic minority groups that controlled most of the opium poppy cultivation regions in Burma. These factors, as well as the limited resources of the Burmese government are fully discussed in this report.

3. While the Burmese government has recently entered a cease-fire agreement with a prominent armed drug-trafficking group, the Shan United Army (SUA), it is still unclear whether this will significantly affect the heroin trade in Burma or whether other groups like the Wa will assume control of SUA production and trafficking activities. Moreover, the Burmese government does not control Wa territory, the location of 80 percent of opium poppy cultivation in Burma. Furthermore, we agree that unless the Burmese government has the economic capability to foster alternative means of livelihood, it is doubtful that gaining control will, in and of itself, significantly reduce opium poppy cultivation areas.

4. The Burmese government has not made a commitment to end the drug trade and economic factors alone were not responsible for this lack of government commitment. Over the past 8 years, the primary political objective of the Burmese government was to consolidate its power in Rangoon. To accomplish this consolidation, it entered into truce agreements with ethnic minority groups responsible for opium cultivation and production resulting in the doubling of opium production.

5. Even though ONDCP states this, the U.S. government continues to support an expanded UNDCP opium drug reduction program.

6. This report and appendix I provides detailed discussion on the feasibility of providing direct U.S. assistance to the Wa people.
Comments From the Department of State

The Department has reviewed the draft GAO report and submits the following comments.

[The report states that:]

- in FY 93, the U.S. spent an estimated $52.3 million on international heroin control activities. GAO has not shared the source of this figure; therefore, we cannot determine its accuracy.
- ethnic insurgent armies that control most of the opium cultivation and trafficking are unlikely to relinquish this source of income under the current Burmese government. We believe they are unlikely to relinquish this source of income under any Burmese government absent strong and effective law enforcement efforts. Since these groups are well armed and have been fighting the Burmese for decades or longer, these efforts may well require the use of large scale sustained military operations.
- U.S. assistance is unlikely to be effective until the Burmese government demonstrates improvement in its democracy and human rights policies and proves it legitimacy to ethnic minority groups in opium producing areas. In fact, the issue is much more complex than this statement implies. Improvement in the Burmese government's democracy and human rights policies would not necessarily make U.S. counternarcotics assistance more effective...
- [The report] talks about incentives for the UWSA to end its involvement in narcotics trafficking. It is not clear what is meant by the "threat of Burmese government aggression" nor is it clear how removing this "threat" would induce the UWSA to end involvement in narcotics trafficking. For the past five years, the Burmese have had a cease-fire agreement with the Wa which has in fact allowed the Wa to increase their involvement in narcotics trafficking.
- [It]... has a paragraph on the Shan United Army. This paragraph is out of date as it does not discuss the recent agreement between the SUA and the Burmese authorities that is likely to allow the SUA to continue its narcotics-related activities.
- The section on poor counternarcotics cooperation with China... does not mention the stringent and even harsh law enforcement measures taken by the Chinese authorities themselves. While we would like to see improved bilateral and multilateral counternarcotics law enforcement cooperation with China, we should acknowledge the strong efforts they have taken on their own.
- [It]... lists two reasons why UNDCP projects have not significantly reduced opium production. An additional reason is the lack of significant voluntary or forcible eradication.
- [The report]... describes some problems associated with UNDCP alternative development projects. One problem not mentioned is Burmese government interference in the selection and conditions of employment for both international and Burmese employees.

Finally, the report does not thoroughly address the issue of the severe constraints on U.S. counternarcotics policy in Burma as a result of human rights and political concerns. It mentions that U.S. policy toward Burma prohibits providing significant levels of counternarcotics
assistance until the Burmese government improves its human rights stance and recognizes the
democratic process. However, in discussing the heroin PDD [Presidential Decision Directive]
and other aspects of the problem, it does not really note that the U.S. counternarcotics efforts
in Burma could do much more if not for these constraints imposed largely as a result of
Congressional pressure. Nor does the report discuss the pending legislation that would prohibit
it all counter-narcotics assistance to Burma.

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**GAO’s Comments on the Department of State’s Letter dated January 23, 1996.**

1. We have made appropriate technical changes to the report and updated the section discussing
SUA to reflect the recent cease-fire agreement between the SUA and Burmese authorities.
2. The reference to certification has been deleted from the final report. We have changed the
report to note that executive policy emphasizing human rights concerns and the Burmese
government’s failure to recognize the democratic process were the reasons for eliminating
direct U.S. counternarcotics funding.
3. We understand that this issue is very complex and involves the willingness of the United
States to provide assistance to the Burmese government and the reaction that various ele-
ments of the Wa leadership would have to a central government that improved its human
rights practices. Also, the Department of State appears to be modifying the position it took
in testimony before Congress in July 1995 when it stated that the United States will be in a
stronger position to make real gains at reducing the Southeast Asian heroin threat if there is
progress on U.S. human rights and democracy concerns.
4. While the Burmese government and UWSA have reached a cease-fire agreement, the long-
standing dislike and distrust between the Burmese government and Wa has resulted in both
parties undertaking a large-scale and costly arms build-up. It is doubtful that the current
regime will ever be able to convince ethnic minorities that their autonomy will be secure
without having their own military capability to deter Burmese government aggression. While
a democratically elected government also poses a potential threat to autonomy of ethnic
groups, it may stand a better chance to reach a peaceful accommodation with the Wa military,
especially if it offers economic incentives supported by the international community.
5. The point of this section is not to describe Chinese counternarcotics law enforcement efforts,
but to outline how their lack of cooperation in this area affects U.S. heroin control objec-
tives in the region. Bilateral law enforcement cooperation, including counternarcotics intel-
ligence information sharing, is a key element of U.S. efforts. Without improvements in coop-
eration, DEA will encounter significant obstacles in interdicting important heroin-trafficking
routes in Southern China and assisting the Chinese in improving their counternarcotics law
enforcement capability.
IN BRIEF

LETTERS TO THE EDITOR

All letters must include the writer’s name and address and are subject to editing. Letters may be mailed to BURMA DEBATE, P.O. Box 19126, Washington, D.C. 20036 or faxed to (301) 983-5011.

TOURISM: THE DEBATE CONTINUES

I cannot understand why Mr. Greenwood objects to a travel operator speaking openly on his views on why one should go to Burma [see Letters to the Editor, Jan/Feb 1996]. Mr. Greenwood actively promotes tourism in Burma through his popular guide book and his position as London agent for the Mergui Travel and Tours Company. He is well known amongst UK travel operators active in Burma, or considering going active in Burma, for his relentless offers of consultancy and other services. Is it that it is more politically correct to go to Burma armed with a Greenwood guide or on a Greenwood arranged tour than with the Irrawaddy Flotilla Company? Or has Mr. Greenwood changed his position since he republished his guide last year? It seems a terrible waste to produce so excellent a guide only to tell people not to go! Surely this is another example of the ‘cruel hypocrisy’ I complained of in my article.

Yours Sincerely,
Paul Strachan
Irrawaddy Flotilla Company
Scotland

Paul Strachan, in making a case for tourism in Burma [Nov/Dec 1995] maintains that “the cry of the ordinary Burmese seems to be unanimous – they want the tourists,” and lectures ‘those who advocate that one should not go might put a little bit of the democracy they preach into practice and ask the people.”

Come now, Mr. Strachan! Did you speak to the people who were dislodged from their homes and relocated to barren tracts to make way for construction of hotels, parks, and other facilities to accommodate the anticipated tourist onslaught? Have you spoken to porters and other slaves who managed to escape to Thailand? How about the ethnic people whose homes happen to stand in the path of the proposed natural gas pipeline?

I am willing to wager my bottom dollar that if the ordinary people who have no stake in the tourist dollar were permitted to speak freely they would plead tourists not to fuel the military which has brought nothing but pain and suffering to them.

Mr. Strachan, the people of Burma spoke with a resounding voice in 1990. They said they wanted the military off their back. Shall we ask them again? Can we?

Sincerely,
U Kyaw Win
Laguna Hills, CA

BUSINESS WATCH

PEPSI SELLS STAKE IN BURMA JOINT VENTURE

Bowing to pressure by stockholders and consumers, PEPSICO announced April 22 that it intends to sell its 40 percent stake in PEPSI-COLA PRODUCTS MYANMAR CO. Pepsi formed the joint venture in 1991 with its main partner, Myanmar Golden Star Co., for the bottling and distribution of Pepsi products. Pepsi will continue to honor its contract to sell the sodas’ syrup and allow the use of the Pepsi trademark. According to U Thein Tun, the head of Myanmar Golden Star... “Under the exclusive bottling agreement we will have the right to keep on producing the four existing Pepsi products, namely Pepsi Cola, Mirinda, 7-Up and Mirinda Club Soda, under the same brand name for the next five years... We don’t know what will happen after that.” Because of PEPSICO’s decision to abide by its agreement, some see this move as little more than a public relations ploy and say that educated consumers will not be satisfied until PEPSI products are no longer being sold in Burma.

FIRST SECURITIES COMPANY TO BE ESTABLISHED IN BURMA

Daiwa Institute of Research Ltd., a research arm of Daiwa Securities of Japan, has entered into a joint venture with Burma’s state-owned, Myanmar Economic Bank to set up a securities exchange center which aims to aid state-owned enterprises and joint-ventures in investment research. Daiwa and Myanmar Bank will each own a 50 percent stake in what is to be called, Myanmar Securities Exchange Center Co., which is capitalized at $3.4 million and is slated to begin operations in May. It is expected that the operation will be taken over by the country’s stock exchange once it is launched.

THREE MORE U.S. CITIES IMPOSE SANCTIONS ON BURMA

San Francisco and Oakland, California and Ann Arbor, Michigan have passed bills to bar city contracts to those companies doing business in Burma. In April the three communities joined Berkeley and Santa Monica, Ca. and Madison WI, which had already adopted similar “selective purchasing” legislation. In addition to terminating business operations in May. It is expected that the operation will be taken over by the country’s stock exchange once it is launched.

MYANMAR/BRITAIN BUSINESS ASSOCIATION OPENS

Designed to promote commercial dialogue between the two countries, the Myanmar/Britain Business Association aims to assist its members in the development of trade, industry, investment and economic relations by identifying potential business partners and facilitating access to laws and current business practices. Seminars with visiting dignitaries from Myanmar and a quarterly newsletter will be offered. The Association’s president is Mr. Peter Godwin, Managing Director of West Merchant Bank. Executive committee members include Professor Robert Taylor of the School Oriental and African Studies, London University and Mr. Charles Jamieson, Chief Executive of Premier Oil. For further information contact: Keith Win, P.O. Box 8756, London W13 OWH, England. Tel: 44-181-9974350. Fax: 44-181-810-8796.
Lo Hsing-han [Law Sit Han] is one of the more venerable and prominent drug lords, having plied his trade since the 1960s. Indeed, he served his early apprenticeship as a gofer — it was his job to carry her cigarettes — for the formidable Ms. Yang. Olive is long retired now, but in February 1993, Lo, according to a report in my possession from the Thai government’s Office of Narcotics Control Board, received the “privilege from General Khin Nyunt to smuggle heroin from the Kokang group to Tachileik [on the Thai border] without interception.” With privileges like that, it came as no surprise to be told that he plays golf twice a week with the generals at the exclusive City Golf Resort in Rangoon.

Until recently, investment opportunities within Burma for entrepreneurs like Lo have been limited, which meant that their narcodollars have had to be stashed in more genial business climates elsewhere in Southeast Asia. All that began to change in the early 1990s, especially after a SLORC delegation, facing total collapse of the Burmese economy, visited Singapore for a crash course on how to combine free market development with dictatorship. Among the new businesses that sprang up to take advantage of what the regime likes to call the Free Market Oriented System was Asia World Company Ltd., one of the firms controlled by Steven Law, the son of Lo Hsing-han (Law being the anglicized version of Lo).

When the Traders hotel project — part of a two-hotel deal by the Shangri-La company — was announced in October 1994 as a 100 percent venture of Singapore-based billionaire Robert Kuok, keen-eyed observers were interested to note that Lo junior was listed as Contract Agent.

Regrettably, young Steven was away on business in Singapore when I called at Asia World’s smart new Rangoon headquarters on Wadan Street, but corporate director Maung Kyay, a Kokang Chinese of somewhat weather-beaten appearance, insisted that the company, despite being contract agents for the construction, had no stake in the hotel, a large model of which was on display in his office — “We have a relationship with Mr. Kuok because we import palm oil from him, so when he decided to invest here, we were able to introduce him to some government officials. That’s all. Otherwise, we just deal in traditional agricultural products,” which he identified as “beans and pulses”.

Although there are undoubtedly legitimate international investors seeking development opportunities in Burma, the tourism industry is a perfect resting place for narcodollars. Bertil Lintner, a Bangkok-based journalist who is the greatest living authority on, among other things, the politics of opium in Burma, states flatly, “Visit Myanmar Year is nothing but a massive money-laundering operation.” (Travelers, however, should note that it is not a good idea to discuss this aspect of the economy in public.)

Excerpt from the article, “Dilemma on the Irrawaddy” by Andrew Cockburn, which appears in Conde Nast TRAVELER, June, 1996.

BRIEFINGS AND DEVELOPMENTS

PROFICIENT RANGOON BUSINESSMAN ARRESTED

Leo Nichols, a 65 year old Anglo-Burmese who had served as honorary consul for Norway and contact person for other Scandinavian countries, was taken into custody in early April and remains in detention. Mr. Nichols, who is a close friend of Aung San Suu Kyi but has no formal ties to her National League for Democracy party, was charged with maintaining telephones and fax machines without the permission of the government.

MYANMAR WINS FRENCH TOURISM AWARD

The Salon Mondial du Tourism, an international tourism fair held in Paris from March 27 through April 1, provided a forum for awarding Myanmar with the “Gulliver” trophy for outstanding promotion of tourism related programs. The award is voted on by journalists and members of the press specializing in tourism who noted several of Myanmar’s programs which were broadcast on French television. U Nyunt Tin, Myanmar Ambassador to France, accepted the award at the opening of the fair. Burma’s official newspaper, The New Light of Myanmar reported that France leads other Western European countries in sending tourists to Myanmar. Germany and Italy follow with the next largest number of tourists.

AMNESTY INTERNATIONAL LAUNCHES STUDENT CAMPAIGN ON BURMA

Over 200 student groups throughout the United States are participating in an effort to bring to the public’s attention the human rights situation in Burma. The campaign targets the U.S. government; corporations investing in Burma; and universities and tour agencies planning travel to the country. For more information contact: Meghan Faux by phone at (202) 775-5161.

UN PASSES RESOLUTION ON BURMA

The United Nations Commission on Human Rights passed a resolution by consensus on April 23, denouncing the human rights situation in Burma. The Commission expressed grave concern over the continued detention of political prisoners, the exclusion of the 1990 democratically elected representatives from the National Convention and the Burmese government’s offensive against the ethnic groups, Burmese students and political activists. It urged the UN Secretary General to assist in the implementation of the General Assembly resolution 50/194.
WASHINGTON, DC — A Burma Roundtable was held on February 15 with Dr. Chris Beyrer, Field Director of the Johns Hopkins University/Chiang Mai University Program in HIV/AIDS Research. Dr. Beyrer discussed the report, “Out of Control: The HIV/AIDS Epidemic in Burma,” recently released by The Southeast Asian Information Network (SAIN).

The April 23 Roundtable featured Brian Joseph, Assistant Program Officer for Asia at the National Endowment for Democracy and Michael Beer, Director of Training for Nonviolence International. Mr. Joseph and Mr. Beer recently returned from a trip to New Delhi and Manipur, along the India/Burma border. They reported on their meetings with democracy activists, refugees and members of the various ethnic groups.


NEW YORK — The New York Roundtable is a periodic meeting of organizations and individuals interested in Burma. For more information contact: Burma/U.N. Service Office by phone: (212) 338-0048 or fax: (212) 692-9748.

MASSACHUSETTS — The film, Caught in the Crossfire, was viewed at the Massachusetts Burma Roundtable of April 8. Produced by Images Asia, a NGO based in Thailand, the video details the capture by Burmese troops of Manerplaw, the headquarters of the Karen National Union and the Burmese democracy movement.

The Massachusetts Burma Roundtable is an informal group of individuals and organizations working to promote human rights and democracy in Burma. Meetings are held the second Monday of every month. For information contact Simon Billenness of Franklin Research & Development Corporation by phone: (617) 482-6179 or fax: (617) 482-6179.

SAN FRANCISCO — The Bay Area Burma Roundtable is held the third Wednesday of every month. For more information contact Jane Jerome by phone: (408) 995-0403 or e-mail: janej@bellmicro.com

SEATTLE — The Burma Interest Group met on April 3 to discuss activities around the federal legislation, The Burma Freedom and Democracy Act of 1995 and the growing grassroots movement. The next Roundtable will be held on May 23.

The Burma Interest Group is a non-partisan forum attended by representatives of NGOs, business, academia and other interested parties that meets monthly to discuss Burma related topics. For more information contact Larry Dohrs by phone: (206) 784-5742 or fax: (206) 784-8150.

HONG KONG — Information on Burma Roundtables can be obtained by contacting the Asian Human Rights Commission by phone: (852) 2698-6339 or fax: (852) 2698-6367.

BRUSSELS/PARIS — The NGO communities in France and Belgium host periodic roundtables in Paris and Brussels. For more information on this European forum contact Lotte Leicht of Human Rights Watch by phone: (32-2) 732-2009 or fax: (32-2) 732-0471.

INSIDE WASHINGTON

HEARINGS TO BE HELD IN SENATE

The Senate Committee on Banking and Finance, chaired by Sen. Alphonse M. D’Amato (R-NY) will hold hearings on May 22 to discuss The Burma Freedom and Democracy Act which was introduced on December 29, 1995. Scheduled to testify at the hearings are: Senators Mitch McConnell (R-KY) and Patrick Moynihan (D-NY), two of the bill’s co-sponsors; Dr. Sein Win, Prime Minister of the National Coalition Government of the Union of Burma (NCGUB); and Mr. Ernest Bower of the U.S.-ASEAN Council for Business and Technology. The legislation will prohibit U.S. companies from investing in Burma.

SECRETARY OF STATE LINKS U.S. ACTION ON HUMAN RIGHTS AND NARCOTICS

In a statement made on March 6, 1996, regarding the annual submission of the State Department’s Human Rights report, Secretary of State Warren Christopher commented: “...it is no coincidence that two nations singled out in our reports, Nigeria and Burma, were also featured in our drug decertifications last week. Their disdain for law protects the drug trade, even as it harms ordinary citizens.”
JOINING HANDS AGAINST DRUG MENACE
by Mating Ngwe Soe

Executive Director of the United Nations International Drug Control Programme (UNDCP) Mr. Giorgio Giacomelli visited Myanmar from 7 to 11 February 1996 for an assessment of measures taken in the country. During his meetings with the authorities, Myanmar leaders told him about narcotic drug control measures and policies and work done in connection with international relations. Mr. Giorgio Giacomelli then expressed his satisfaction with efforts of Myanmar.

He attended the Tenth Destruction of narcotic drugs seized by Law Enforcement Agencies, tested the drugs before the destruction and set them afire. He was taken by special flights to Kengtung, Mongyang, Hotawng, Hsiu and Pankai areas covered by the Drug Control Project jointly implemented by Myanmar, People's Republic of China and UNDCP. He witnessed the project activities there. He also signed an agreement extending the pilot project for Wa southern region for six months.

Mr. Giorgio Giacomelli is the Executive Director of UNDCP headquarters in Vienna, Austria, a senior official. We had high regards for him as a gentleman in charge of UN drug control activities. In connection with drug control measures taken in Myanmar, he said in Bangkok that Myanmar was determined to cut output in Khun Sa's former zone and that there was a danger that opium growing would rise elsewhere as a result. He said he was convinced Myanmar Government would significantly decrease the local contribution to trafficking but it could have balloon effect, and that drugs could be produced somewhere else nearby.

Mr. Giorgio Giacomelli said Myanmar officials told him that they would take direct control of Khun Sa's opium growing areas and would not cede control to drug-producing ethnic militias.

While in Myanmar, Mr. Giorgio Giacomelli was treated well. But under the arrangement of the United Nations Development Programme (UNDP) Resident Representative, he stealthily met the wife of the man with the long nose at the UNDP office in the afternoon of 11 February 1996. He did so in disregard of the hospitality extended to him, without paying attention to his dignity and not in concert with his job. He then had clandestine discussions not in favour of drug control measures taken in Myanmar.

Was it becoming an Executive Director of UNDCP and a head of a UN Agency? It is something to be taken into consideration by the citizens of big nations.

This amounts to belittling measures taken by Myanmar as a national responsibility against narcotic drugs threatening the human race. It is incompatible with the status of a gentleman.It smacks of an ungentlemanly act.

The above is an excerpt from an article that appeared in the official newspaper, The New Light of Myanmar on February 22, 1996.

MINISTER SPEAKS ON COUNTERNARCOTICS EFFORTS

"In the past, due to the presence of insurgents, the illicit production and trafficking of narcotic drugs thrived in our country. We are fully confident that we will definitely be able to gradually eradicate [drugs]..." Lt. Gen. Mya Thin, Minister for Home Affairs and Chairman of the Central Committee for Drug Abuse Control told an international conference held in Rangoon on May 8. Representatives from Burma, Cambodia, China, Laos, Thailand, Vietnam and the United Nations Drug Control Programme (UNDCP) attended the two day meeting to discuss the "War on Drugs" and were expected to sign agreements on two counternarcotics projects worth a total of $3 million.
COMPASSION AND COLLUSION: THE MON REPATRIATION AND THE ILLUSION OF CHOICE
February 1996

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Although the July 1995 cease-fire between the New Mon State Party and SLORC effectively precipitated the return of about 10,000 Mon refugees, this report contends that the prevailing circumstances of the cease-fire and the poor human rights conditions inside Burma do not warrant repatriation of the Mon. Recommendations for a repatriation that meets accepted international standards whereby the Burmese government publicly accept its obligations to protect Mon returnees as citizens of Burma are given. Copies are available for US$ 2 or Thai baht 50 each.

TRANSFORMING THE TATMADAW
The Burmese Armed Forces since 1988
by Andrew Selth

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Before 1988, the Burmese armed forces, or Tatmadaw, suffered from many problems — its major weapons and weapons platforms were obsolete, its logistics and communications systems were weak and operations were constantly hampered by a lack of essential supplies. SLORC since then, however, launched an ambitious program to expand and modernize the armed forces, acquiring a wide range of new arms and equipment, almost doubling the military. In his book, Mr. Selth examines the Tatmadaw's continuing political role and the serious questions raised about its professionalism and future cohesion.

THE HEROIN WARS
a 3-part film series (50 mins. each)
by Adrian Cowell and Chris Menges

Carlton UK Television Limited
35-38 Portman Square
London W1H 0NU
UK
Tel: (0171) 486-6688
Fax:(0171)486-1132

The 3-part film series entitled "The Opium Convoys," "Smack City" and "The Kings of Opium," which Cowell and Menges first began filming in the 1980s, provides a remarkable chronicle of the U.S. "War on Drugs" and the dramatic saga of Burma's opium kings, Law Siit Han and Khan Sa. The series is scheduled to be broadcast on British and American television in the near future.

On the heroin trade...

"The mechanics of the drug flow from the Shan fields to the outside world is as follows:

1. Opium production was done by the Shan farmers;
2. Buying and selling is done by the traders;
3. Transportation is arranged by ceasefire groups and militia;
4. Safety passes are issued by the Burmese authorities; and
5. Taxes are imposed and collected by the Resistance.

So it is preposterous to put all the blame on the Resistance. If we are to be blamed, it should only be for the last factor, not for the rest.

The biggest handicap of the Burmese, and thus the DEA, in their war against drugs is that, they don't enjoy local support. This means that they rarely know anything that happens right under their noses. Therefore, as long as their authority is unacceptable to the people whose rights they have been violating day and night, their "War on Drugs" will continue to be a failure. We, however, enjoy the support and trust of the people. And we are kept informed of any unusual activity. That was how we were able to conduct our own 'war on drugs' campaign in 1973 (i.e., the attack on Lo Hsing-han's caravan). We are conscious of our duty as citizens not only of Shan State but of the world. Please convey the message that we are ready to cooperate with any organization including the Burmese government for the cause of drug eradication."

The above is excerpted from an interview with Sao Gunjade, Chairman of the Shan National Congress. The interview was conducted on April 1, 1995 in Homong by the Shan Herald Agency for News (S.H.A.N).

PEN AMERICA'S "FREEDOM-TO-WRITE AWARD" GOES TO BURMESE WRITER

The 1996 PEN/Barbara Goldsmith award, which honor writers or journalist who have courageously defended freedom of expression, went to two writers currently imprisoned. One of the recipients, is Ma Thida, a former campaign assistant to Nobel Peace laureate Daw Aung San Suu Kyi. A prolific writer of fiction, Ma Thida was sentenced to 20 years in prison on charges that she "endangered public peace for having contact with illegal organizations and distributing unlawful literature". Ma Thida is being held in solitary confinement in Insein jail in Rangoon and is scheduled for release on August 7, 2013. Her works include, The Sunflower, and, In the Shade of an Indian Almond Tree.

The other recipient, whose family has requested he remain anonymous for his own safety, is a writer and television producer in Africa.

PEN America Center is the largest of the 124 centers of International PEN, which was founded in 1922 in the belief that literature contributes to the wealth of humanity at large. The America Center has a membership of 2,800 writers, editors and translators.
Burma Debate is a publication of The Burma Project of the Open Society Institute.
Mary Pack, Editor

THE OPEN SOCIETY INSTITUTE (OSI) was established in December of 1993 to promote the development of open societies around the world. Toward this goal, the institute engages in a number of regional and country-specific projects relating to education, media, legal reform and human rights. In addition, OSI undertakes advocacy projects aimed at encouraging debate and disseminating information on a range of issues which are insufficiently explored in the public realm. OSI funds projects that promote the exploration of novel approaches to domestic and international problems.

The Burma Project initiates, supports and administers a wide range of programs and activities. Priority is given to programs that promote the well-being and progress of all the people of Bunna regardless of race, ethnic background, age or gender.

OPEN SOCIETY INSTITUTE
George Soros, Chairman
Aryeh Neier, President
Maureen Aung-Thwin, Director, The Burma Project