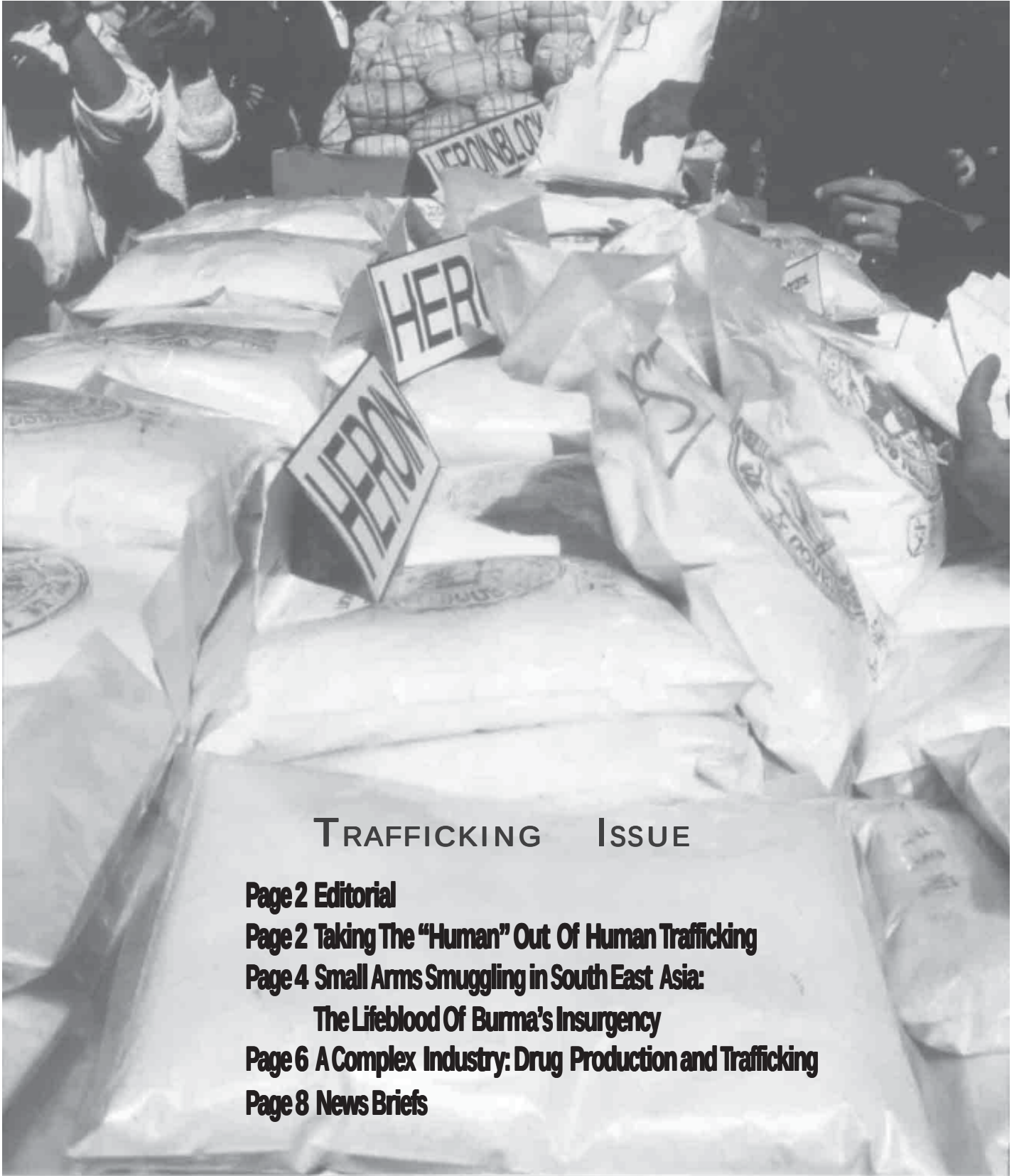




Burma Issues

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TRAFFICKING ISSUE

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EDITORIAL:

The global drug trade is inextricably linked to the arms trade, since drug production in underdeveloped countries is often the main, or only source of money for insurgent bought weapons.

The "Golden Triangle" of Burma, Laos and Thailand is well-known for its involvement in drug production. Of these three, Burma produces the most heroin and is a major world arms-drug nexus, rivalled only by Colombia and Afghanistan.

In Burma, the illegal trade in narcotics, women, children, and environmental contraband such as timber and gems are tightly linked with the trade of arms. But, guns are not sold today for making high financial profit. Traffickers and insurgents buy small arms for security or war purposes, or as monetary exchange. Traffickers need access to small arms to carry out their illegal deals. All these illegal traffics are bound by their access to small arms, without which such activities would be difficult if not impossible to manage.

In addition, all these illegal merchandises are also known to become currencies in themselves, with quantities of arms being exchanged for narcotics or illegal logging exchanged for arms.

Burma's leadership lacks an adequate legal capacity and most of all a real willingness to confront these problems. The direct complicity of high-ranking officers in these illicit trades has been proven over and over again. Therefore it would be hazardous to expect that in the near future there will be any real significant changes in Burma's governmental strategy for dealing with these expanding illegal trades.

To give a better picture of these interconnected themes in mass criminal trafficking, we have decided to focus our newsletter on three main issues: Humans, drugs, and arms... We hope that it will offer guidelines and understanding to push ASEAN and neighbouring countries to action and an enhanced regional cooperation.

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1/11 Soi Piphat 2
Convent Rd, Silom
Bangkok 10500, Thailand
durham@mozart.inet.co.th
www.burmaissues.org

TAKING THE "HUMAN"
OUT OF HUMAN
TRAFFICKING

by R Sharples

S hogo Watanabe, a Japanese Lawyer, once said, "Workers are not robots, but human beings". I have often heard people talking about human trafficking in terms of those trafficked being commodities, something to be bought and sold like a bag of peanuts or a box of staples. Both these references show concern that the humanity aspect becomes increasingly obliterated when we talk about human trafficking, that those trafficked are seen purely for their material benefit.

Nowhere is this more evident than in the role played by those we can call the "demanders": the employers in the host countries who exploit the conditions of the source country to obtain cheap labour. These employers are often complicit in the trafficking of the labour they need for their factories or their farms. Traffickers take advantage, for example in Burma, of the poor economic conditions that force people to search elsewhere for a means to survive. They coerce, lie and make unreasonable promises to obtain the services of that labour. They offer families incentives that are too good to refuse. They sometimes, both smuggle and traffic the victims across borders. They use increasing globalization and commercialization to promote materialism and what victims are "entitled" to have. There are many facets to human trafficking, many ways it can be done and for many reasons. There are also a plethora of causes. The one constant throughout this though is the person demanding their services. And that demander has gone largely without retribution in the efforts to combat human trafficking.

This has largely been a result of the reluctance of host countries to punish the employers of those trafficked. This would mean admitting to social and economic deficiencies that make the host countries economy reliant on cheap manual labour. (I talk only of trafficking for manual labour here, not trafficking for sexual exploitation). In Thailand for example the demand for trafficked persons shows some clear long-term societal trends. Some industries, especially factories and the fishing industry, are heavily reliant on cheap labour. Employers have expressed concern that they wouldn't be able to survive if they had to pay employees the minimum wages required by Thai law. There is

also Thailand's rapid economic development that demands increasing levels of workers while at the same time experiencing a declining birthrate. Those trafficked are often required to do the dirty, dangerous work that the local population is reluctant to do thus creating a vacuum that cheap migrant labour is willing to fill.

The status of most trafficked workers remains an illegal one. This means they are without legal protection and at the mercy of their employers. They have no recourse for demanding a minimum wage nor to work in a safe environment and have adequate living conditions. They have no access to healthcare, and limited education access for their children. There is also no guarantee in cases where those trafficked are legal workers that they will be treated any differently. When legal employees challenge this discriminate treatment they usually find a host country reluctant to take their side legally. In June 2003, 420 legal Burmese workers (they had registered under the Thai Ministry of Labour Scheme) demanded wage and working conditions improvements from their employer, King Body Concept Co. They were paid 55 baht per day instead of the legal minimum wage of 133 baht per day, and they were living in cramped and unhygienic accommodation. Instead of addressing their complaints the factory owner called the local immigration police and border patrol soldiers and had the workers deported back to Burma. Past experience has shown that this employer is likely to rehire other illegal workers and pay them even less, maybe 30-40 baht per day. Despite being legal workers under Thai law these employees became the ones punished and their employer remains largely outside the regulations of the law. In such conditions most employers are therefore allowed to operate with illegal cheap labour and no legal repercussions. There is an obvious void here where host countries allow their employers to operate outside the confines of the law.

Here are some solutions then. Fine every employer found to have trafficked or illegal workers in his factory. Set up migrant labour laws that give those trafficked, rights under the host countries laws. Acknowledge the need for foreign labour and regulate migrant mechanisms. Once you legalise it you also dramatically reduce the profits made by those who traffic the victims. Address the issue of demand in the host countries, not just the root causes of trafficking in the source country. Admit to, and address, the economic conditions in the host country that makes this illegal activity an inherent part of the labour system. Get serious about punishing those who exploit, not just those who are the victims.

In Burma human trafficking isn't just an external issue of movement across international boundaries. Burma also has a large internal problem where people are trafficked from rural to urban areas, as domestic help at military bases, as forced labour on road construction and as workers at gem mines, to name but a few.

This is the story of Naw Doh

While we were on the way home from our farm in Toungoo District, Karen State, Burmese troops captured us. My husband and son ran in another direction and we thought they had escaped but we heard later that the Burmese troops killed them. The Burmese troops took myself, my two daughters and my parents-in-law along with their column. We had to follow them through the jungle for more than 2 months. Finally they released my parents-in-law but they made me and my two daughters get on a truck and they took us to Rangoon. They took me to stay at the house of Operation Commander U Thein Muang. I had to do everything as a domestic worker, cook rice, wash the clothes, clean the chairs, clean the house, I had to do everything for them. After we were there for not so long they separated me from my eldest daughter, she was only 7 years old. They took her to work for another commander and he told me he would look after her and put her through school. While I was there I got a boil on my hand but I had to continue to cook and I got a fever. I asked for some medicine but I only got given a paracetamol. I had to suffer that illness for many days and it was quite painful. After a year I finally got to see my eldest daughter. We both cried bitterly and she told me she wanted to come back and stay with me but the Commander wouldn't let her. I also found out that he didn't let her go to school, even though he had promised he would. They let me see my daughter 3 times and the last time she could hardly speak her native dialect anymore, they made her speak only Burmese. I ended up staying there for 1 year and eight months and they didn't pay me one kyat for my work. After that they made me go and work with the Commander's wives elder sister. I stayed there for 2 months but she also didn't pay me anything. After that I requested permission to go and see my mother and then I escaped back to my village. I miss my eldest daughter very much. When I remember about this tears come. My son and my husband were killed by Burmese troops and I am separated alive from my daughter with no chance to see her again. Sometimes I feel like I don't want to live in this world anymore. But I still have my youngest daughter to look after so I encourage myself to be still alive due to my youngest daughter. But in reality I would like to die.



SMALL ARMS SMUGGLING IN SOUTHEAST ASIA: THE LIFEBLOOD OF BURMA'S INSURGENCY

by C Guinard

On January 2, 2004, a Bangladesh Rifle Border Patrol operation seized a haul of small arms and light weapons on the Bangladesh-Burma border. The weapons included 32 anti-tank mines, 6 rocket launchers, 10 rocket launcher cells chargers, 18 grenade firing bomb chargers, landmines and other equipment. These weapons were seized by the border patrol after a fire fight erupted with gunmen suspected to have links with Arakanese rebels in Burma. It was the first illegal shipment of weapons intercepted by the BDR for the year 2004. And it was only the 2nd of January...

Reported seizures in Burma's neighbouring countries such as Bangladesh and Thailand may provide an idea of the size of illicit arms trade in the region but these are likely to be just the tip of the iceberg. The question of illicit arms trafficking has been a decades-long problem for Southeast Asia. Weapons are essential equipment for criminal traffickers but also insurgent groups. Where there is a demand, there is always supply. In Burma, a huge number of ethnic minorities has been fighting for independence for more than 40 years. Small arms smuggling has fed the long and ongoing crisis in Burma. Despite cease-fire agreements negotiated with many ethnic rebel groups, no disarmament has been undertaken leading to a huge availability of small arms in ethnic areas. Such situations plunge Burma into a continuous cycle of violence and instability which always threatens these fragile "peace" negotiations. What are the solutions to break this vicious circle? Arms smuggling feeds insurgency and insurgency pushes forwards arms smuggling in Burma.

To understand the dynamics of the illicit arms market in Burma and to offer practical solutions, it is necessary to analyse in which context this criminal traffic was established and determine who are the actors involved in this illicit trade which threatens southeast Asia's regional stability and human security.

According to the 1997 report by a United Nations Panel of Governmental Experts¹, small arms are military-style weapons that are designated for personal use such as revolvers or assault rifles, while light weapons are conventional weapons that can be handled by several people working as crew. Small arms represent many advantages for insurgent and/or trafficking groups. They are light, affordable,

easily transported, durable and simple to maintain. They are also perfectly suited to the guerrilla tactics of these groups such as hit and run attacks.



In Burma, there are two categories of groups purchasing small arms: the resistance groups such as the Karen National Union (KNU) or the Karenni National Progressive Party and the drug-trafficking groups such as the United Wa State Army (UWSA) or the remnants of Khun Sa's Mong Tai Army. The first category has been fighting the Burmese regime for decades. Progressively, they have lost a lot of territory and some of their main sources of income such as teak forest or gem mining. For these groups finding arms and ammunitions cheaply is crucial. Today, they can only afford second-hand weapons. For the second category, money is less of an issue. Making huge profit from selling drugs, those groups are financially capable of being well-equipped but they are also restrained by the type of weapons sold on the black market.

Until the 1990's, the arms sales were mainly motivated by political interests. Since the fall of KNU headquarters in Manerplaw in 1995, political motivation seems to have been replaced by economic ones. Ethnic armies such as the UWSA who enjoy heroin profits and a bigger purchasing power are replacing resistance groups such as the Karen.

Considering these two categories of small arms purchasers in Burma, a focus is needed on the specific supply networks that provide those weapons. Beside the black market, the most important source of weapons for any insurgent group has always been its opponent. Weapons can be seized during insurgent operations such as ambushes, stolen from

government arsenals, or given by defectors. But this method presents some disadvantages. It is quite hazardous for the military strength of one group to depend only on battle victories. Thus, insurgent and trafficking groups diversified their sources by purchasing their weapons on the regional black market. To these groups satisfaction, Southeast Asia has a thriving and highly well-organised trade in contraband arms, with bordering Thailand as the major transit country.

This widespread availability of small arms in the region is mainly the result of two distinct factors. First, Southeast Asia has been the scene of various inter or intra-State armed conflicts. Fighting within Burma, Cambodia, Laos and Vietnam has created the conditions for arms smuggling. During the 1960's, Thailand, which enjoys a central geographical location in the region, became the preferred transit route to Cambodia for sending Chinese arms to the Khmer Rouge, and US arms to other anti-Vietnamese factions. The arms supply networks started to be organised, involving Thai businessmen, members of the Thai army and police. Because of the lack of strict custom regulations, some of these intermediaries started to smuggle weapons from the Cambodian border through Thailand to sell them to ethnic insurgent groups in Burma where the demand was growing and potential profit high. Today, the traffic routes remain the same. Networks have been established for decades. Vietnam and Cambodia inherited some two million firearms and 150,000 tonnes of ammunition after the US withdrawal in 1975. One estimate puts the number of small arms currently in circulation in Cambodia at 500,000 to 1 million units. With this massive number of available weapons and existing networks, the small arms black market has flourished in all southeast-Asia with Thailand as the key transit centre and Cambodia the main supplier of small arms.

The second factor which helps small arms smuggling to proliferate in the region is the current lack of strict custom control in ASEAN countries and ineffective or unenforced law. The porous borders between Cambodia, Thailand and Burma provide the perfect environment for arms smugglers to operate relatively easily from one country to another. Besides, those in charge of countering the illicit trade, whether members of the military, police or customs officials, are often involved in the illicit trade. Involvement of Thai army officials at every level as well as police officers has been repeatedly reported by national and international news². In exchange for money, they offer protection to traffickers or turn a blind eye on the illegal shipments. They may act as middle men in the transaction

or be directly involved in selling weapons embezzled from military stocks. By diverting large portions of legal weapons into the illegal market each year, those officers are making substantial profits which are then laundered through the buying of positions of power in governments and political parties.

A combination of national and regional responses is needed to reduce the illicit trade of small arms in the region. Most of the small arms smuggled inside Burma are recycled weapons from former conflicts. Despite UN and national efforts to implement disarmament programs in Cambodia, the surrealistic size of arms catchments is simply overwhelming. Effective measures to manage post conflict disarmament must be implemented for the creation of a lasting peace. The disarmament process must always remain on the agenda of any actors involved in the peace process, because arms left over from a past conflict will feed again another insurgency as well as criminal activities.

ASEAN is struggling with this problem of traditional disarmament but also with weak law enforcement, it is in the area of law enforcement where much cooperation is needed. Despite ASEAN's soft-regionalism policy, the development of a regional convention on illicit trafficking of small arms would certainly complement similar efforts made at the UN level. Marking small arms during production in order to trace their origin and movement would also be an efficient measure to implement.

Finally, ASEAN countries and especially Thailand should first recognise the reality of the problem and start to actively fight corruption in their official ranks. In February 2002, Thai Defence Minister General Chavalit Yongchaiyudh simply dismissed the allegation published by Time Magazine² that Thailand was a hub for smuggling illegal weapons. By declaring "It is not true that our Army personnel are involved in the smuggling of illegal weapons" (*The Nation*, 6 Feb 02), he dishonoured all the people in Burma who died under the fire of a weapon smuggled from Thailand. And, they were many....



Endnotes

1 *Report by the Panel of Governmental Experts on Small Arms*, United Nations General Assembly Document A/52/298/, 27 August 1997.

2 *Guns and Money* by Mageswary Ramakrishnan, Time Asia. 11 February 2002.

A COMPLEX INDUSTRY : DRUG PRODUCTION AND TRAFFICKING

By R Sharples

In a global industry estimated to be worth over \$400 billion annually the complexities of relationships between the players and processes of drug production and trafficking are often overwhelming. We often see the end product: the addiction, the fragmented and broken lives, sometimes the deceptive glamour of using drugs. We may often see the dealers but usually through the constructed confines of a television screen. We don't often see the farmer who grows the poppy or the refineries where the poppy is ground into Grade 4 Heroin. We never see the traders, the agents, the shareholders, the 3rd parties, the distributors, the pimps, the investors or the high-ranking authorities who OK its production and the low-ranking authorities who let it pass through. We barely look into the social and economic conditions that govern both the suppliers and those who demand it. Without addressing this complex picture of the global drug industry, can we really achieve the drive to eradicate drugs?

In Burma that industry is estimated to be worth over \$200 million per year. It is both a source country, for opium and amphetamines, as well as a trafficking country. In 2003 Burma was given the dubious title of the second largest opium producer in the world. The United Nations Office on Drugs and Crime (UNODC) estimated 62,100 hectares of poppy was cultivated in 2003 producing 810 tonnes of opium. The Amphetamine trade is estimated to be worth 200 million a year and in 2003 Thai authorities voiced concern that over 1 billion amphetamine tablets would enter Thailand from Burma.

There seems to be general consensus that opium production is on the decrease, UNODC figures show a 24% decrease from 2002 to 2003 in production figures, although reports such as the recent SHAN report¹ suggest these figures are highly optimistic. This supposed decrease has been largely attributed to joint efforts by the Burmese government and international entities, in particular UNODC. The Burmese government eradication efforts have largely operated around destruction of poppy fields, their "showcase" being Northern Shan State. Reports suggest that this destruction has largely been the crops of poor poppy farmers and crops close to the main roads and thus highly visible to international monitors. Crops left in place were those controlled by militia's aligned to the SPDC and those most lucrative to their high-placed owners. Crop substitution efforts have been marred by poor economic return, inadequate expertise, lack of training and follow-up with farmers, and inappropriate crops for the terrain they are to be planted in.

Success or failure...it's hard to determine.

Success maybe in terms of a decrease in opium production...but at what cost to local farmers and the sustainability of the local economy?

What is even more generally accepted is that amphetamine production is dramatically increasing. According to a UNODC report in 2002 seizures of amphetamine tablets rose more than 6-fold between 1996-2001, from 5 million to 34.2 million.² This shift towards amphetamine production will only create further problems. It immediately eliminates some very seeable players of the opium production trade: the poppy farmer, the versatile weather conditions needed to grow poppy, and the highly visible poppy fields. On the contraire amphetamine refineries are usually mobile and small, easy to move at the slightest warning of unwanted visitors. They can produce substantial amounts of pills throughout the entire year, and they are apparently flooding the Thai market with unprecedented speed.

A recent S.H.A.N. report places 93 refineries in Shan State alone, there are also reports of refineries in Karen state. That this industry is escalating is in little doubt. Those trying to eradicate drug production in Burma are now faced with the danger of amphetamines merely replacing poppy in production levels and thus maintaining Burma's status as a major drug producer with all its troublesome side effects.

The production of both opium and amphetamines in Burma is largely directed at consumers in third countries, with only a small amount for internal consumption. The need for it to be trafficked across international borders requires a level of complicit cooperation and corruption between neighbouring country officials as well as high level officials in the host country. The main trafficking route in most recent times has been through neighbouring Thailand and then on to Malaysia and Singapore. This supposedly remains the dominant route for amphetamine trafficking. The trafficking of opium has changed somewhat, especially since the downfall of Khun Sa and the increased efforts by successive Thai governments to eradicate its reputation as a major transit country for heroin trafficking. The UNODC now estimates that over 60% of heroin is trafficked through China and distributed through networks in Taiwan and Hong Kong.

Thailand's recent "War on Drugs" which saw traditional trafficking routes temporarily halted because of increased surveillance and harsh penalties, only managed to redirect the drugs through other routes, most notably Laos and even

India. It is an obvious lesson in the “push down pop up phenomenon”. Push down in one direction and it will merely pop up in another. While Thailand had supposedly solved its drug problem, in reality it had merely pushed it off on to someone else. The simple lesson learn’t here is that drug traffickers will always find alternative routes while there are complicit players willing to participate in this corrupt and highly lucrative business.

That there is space for multiple types of drug production in Burma and that trafficking routes remain open, indicates there are some fundamental conditions that allow Burma’s drug trade to continue.

So what characteristics make Burma a country that is conducive to both drug production and drug trafficking?

The role of the governing power.

Why isn’t America a major drug producer, or Australia and Italy for that matter? Instead they are some of the biggest consumers, but they are not producers. Why are countries like Burma, Colombia and Afghanistan some of the biggest drug producers in the world? What conditions exist in these countries (excluding elements beyond human control such as weather conditions) which allow a high-level of drug production and trafficking to occur?

Firstly is the complicity of the governing power, usually a repressive military regime or dictatorship whose governance is based on oppression of the majority of the people and little space for criticism.

Secondly is the existence of a corrupt system of governance at all levels. In Burma, drug trafficking sees extraordinary levels of corruption at the local level where officials accept bribes for their role in the process and who make tidy profits from illegal taxation. There is also corruption within the cross-border trafficking process and undeniably at higher levels of the government, whose compliance is necessary for such a high level of trafficking to prosper.

Thirdly is a weak economy which encourages participation from poor farmers in the growing of opium. A 1999 survey carried out by UNDCP found that most farmers were involved in opium production to obtain food security or to off-set poverty. They stated that they turned to opium production because of rice shortages. While the Burmese government does little to rejuvenate or develop an economy based on legal trade, the poppy farmers will continue to turn to poppy cultivation as a means of income that their government is not providing them. A weak economy also allows drug money generated income which is then invested into legitimate businesses and infrastructure. Drug money investment is therefore used to sustain an economy that is unable to be sustained by

legitimate investment. This can only be seen as indicative of the SPDC’s inability to develop a sustainable economy based on good governance and legitimate trade and investment.

Fourthly is the lack of, or weak, infrastructure in the policing and judicial systems that would normally combat illegal activity such as drug trafficking. The judiciary is prone to corruption, and either fails to implement laws or has no sufficient laws to begin with. In the border areas where both drug production and trafficking is most prominent, judicial and policing procedures are under the control of the military which lacks both accountability and transparency. Burma did pass money laundering legislation in 2002 but currently there has been no influential figures prosecuted under this law and the law is not retroactive. It is nevertheless a sign of Burma’s attempts to address the weakness of their judicial and policing systems.

And lastly is the existence of civil unrest, especially the presence of armed opposition groups. This creates an unstable environment, economically, socially and politically, which is conducive to illegal activity. It has also created a convenient scapegoat of blame for the SPDC, although there is little evidence that those armed groups opposing the central SPDC power are involved in the drug trade. In fact the most notable players in the drug trade are linked to the SPDC through cease-fire agreements.

The drug industry remains a complex business. In Burma, its continued existence is fundamentally ingrained in its infrastructure. There are conditions that allow drug production and trafficking to prosper and it these conditions that will need attention if Burma is serious about eradicating drugs.

(Endnotes)

1 *Show Business, Rangoon’s “War on Drugs” in Shan State*, S.H.A.N. December 2003.

2 *Strategic Programme Framework: UN Drug Control Activities in Myanmar*, UNODC, October 2002

Who profits from the drug trade?

- The opium farmer makes 80,000-90,000 kyat (US\$80-90) per crop (approx. 1kg of heroin can be made from a crop this size)
- The refinery controller makes US\$3-4,000 per 700g of Grade 4 Heroin
- The dealer in New York makes US\$60,000-70,000 per 700g of Gade 4 Heroin

Profits from the drug trade remain firmly in the hands of the middle-level traffickers and producers.

news briefs

KNPP leaders executed by SPDC troops: While the Burmese military government is in the process of offering a cease-fire peace agreement to the Karenni National Progressive Party (KNPP), a leader of the KNPP has reported that the group has been attacked by the SPDC. During the ensuing battle one of the KNPP leaders, U Lwe Mu, Chairman of Karenni district (2) was allegedly beheaded. The battle took place in the last week of December between military battalions under the 55th Military division and the KNPP just west of Maw Chi city in Kaya State.

Koffi Annan under high critics: Leading Burmese exiles have told UN chief Kofi Annan they are "disappointed" and frustrated with his policy towards the military-ruled state, and demanded the replacement of his special envoy Razali Ismail. The exiles, based in the United States, Canada and Japan are angry that Annan last

month praised the Rangoon government's call for a national convention to draft a new constitution.

Students sentenced to 15 years prison: On January 14, Burma's military government sentenced seven university students to prison terms ranging from 7 to 15 years because they founded a students' sports union without permission, said the Thai-based Assistance Association for Political Prisoners (Burma) (AAPP). Three of the seven students were sentenced to 15 years, three others to 13 years and one to seven years.

Theater troupes and musicians used for SPDC propaganda: The Public Relation Department of the Defence Ministry of the Burmese military government is now using cultural troupes for propaganda and defaming democratic forces. The SPDC is sending culture troupes

across the country to spread propaganda to the remote areas. The troupes include actors, dancers, singers and musician. It is learnt that theme of these plays and songs revolves around praises of the military government and defaming the Opposition Leader and the party.

Go to jail for free child birth: Out of poverty, a large number of ethnic women from Burma, mostly Karen and Hmong people, crossed to Thai border towns to find jobs when their babies were almost due. Many of them chose to commit petty crimes, such as pick pocketing or shoplifting. These women chose to go to jail where they could give birth to their babies free of charge because they could not afford the expenses of going to a clinic or hospital.

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PO BOX 1076
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