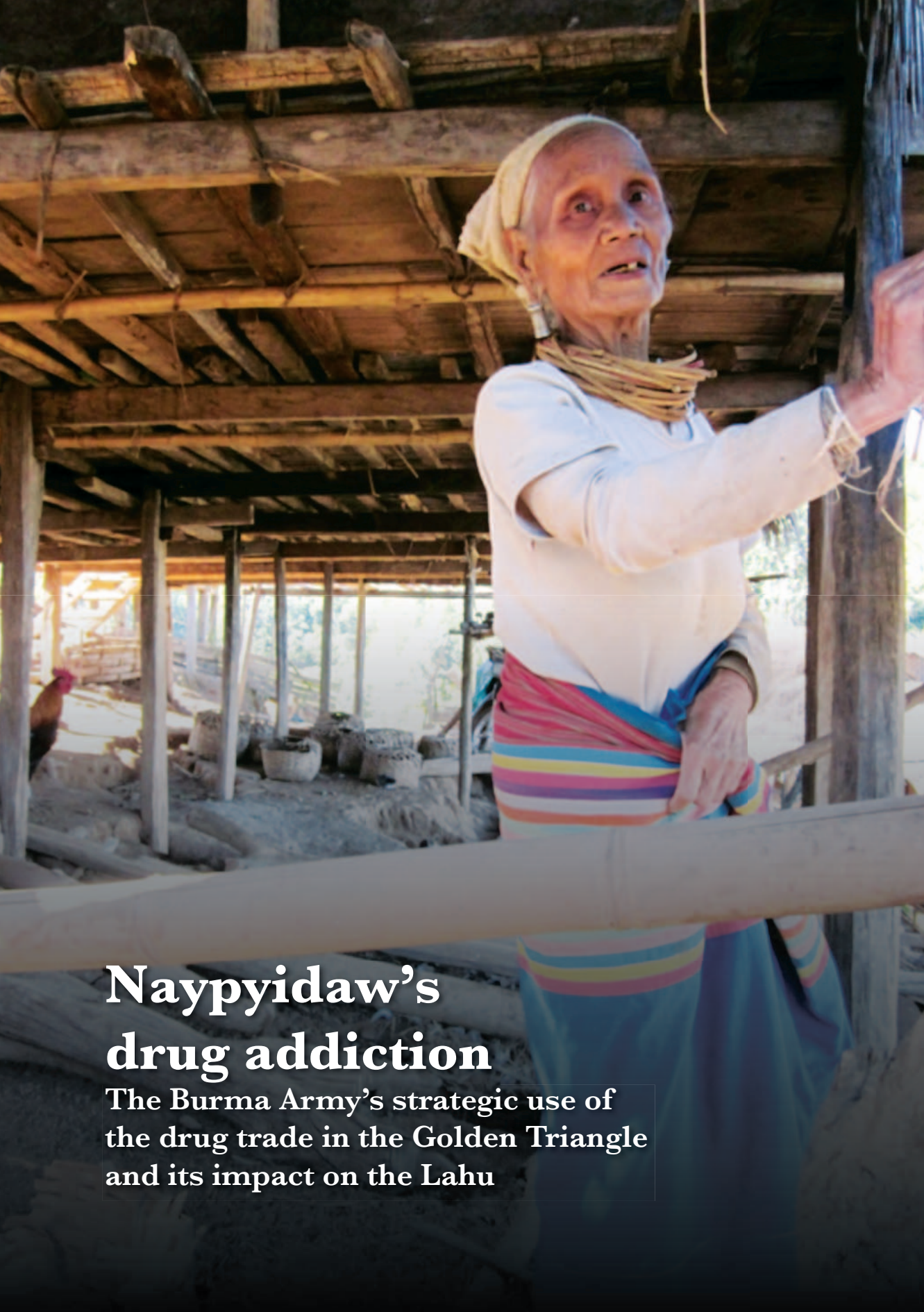




Naypyidaw's drug addiction

The Burma Army's strategic use of
the drug trade in the Golden Triangle
and its impact on the Lahu

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The Lahu National Development Organisation

The Lahu National Development Organisation (LNDO) was set up by a group of leading Lahu democracy activists in Chiang Mai, Thailand in March 1997 to promote the welfare and well-being of the Lahu people, including the promotion of alternatives to growing opium.

The objectives of LNDO are:

- To promote democracy and human rights in Shan State, with particular attention paid to Lahu.
- To promote increased understanding among the Lahu, Akha, En, Palaung, Kachin, Wa, and Shan of human rights, democracy, federalism, community development and health issues.
- To develop unity and cooperation among the Lahu and other highlanders from Shan State and to provide opportunities for development of civic leadership skills among local groups.

LNDO has produced the following publications: *Unsettling Moves: The Wa forced resettlement program in eastern Shan State* (2002), *Aftershocks along Burma's Mekong: Reef-blasing and military-style development in eastern Shan State* (2003), *Undercurrents: Monitoring development along Burma's Mekong* (Issue 1: 2005, Issue 2: 2006, Issue 3: 2009)

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Cover photo: A “Long jacket” Yellow Lahu from eastern Shan State

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Summary

With unique access and information from the ground, the Lahu National Development Organisation (LNDO) examines in this report how the Burma Army benefits directly from the drug trade in eastern Shan State. The findings show how conflict and drug production in Burma are inextricably linked, and that only a political resolution of the decades-long ethnic conflict will enable Burma's drug crisis to be addressed.

Despite ceasefires, the central government's refusal to cede to ethnic demands for federalism has caused a steady military build-up by both the Burma Army and ethnic armed groups in eastern Shan State. Over the past ten years, the number of Burma Army troops in seven eastern Shan townships has risen from over 10,000 to over 14,000. Significantly for the drug trade, this includes a substantial increase in the number of Burma Army militia troops—from about 2,300 to 3,400—who serve the vital purpose of maintaining central government control over inaccessible mountainous areas.

The Burma Army militia-controlled areas are where most opium in eastern Shan State is being grown, as shown by maps of the United Nations Office of Drugs and Crime (UNODC). These areas are also where scores of drug refineries that produce large amounts of heroin and methamphetamines ("yaba") are located.

The Burma Army militia groups provide security to the drug syndicates operating the refineries. In the process they make huge profits from buying opium from farmers and selling it to refinery owners, from joint investments in refineries, and from transporting drugs to distributors. These profits not only subsidize the upkeep of the militia forces, but enable militia leaders to gain substantial personal wealth. This is a key incentive to remain loyal to the Burma Army, and to continue their policing duty against ethnic resistance groups.

Thus, with the ethnic conflict unresolved, and the military constitutionally outside civilian

control, it is business as usual for the drug trade in eastern Shan State this year, despite government announcements to the contrary. The Burma Army will never authorize a drug crackdown on their militia while they remain allies in a war of occupation that is far more strategically important than the war on drugs.

In early 2016, LNDO surveyed 33 opium-growing Lahu villages in four eastern Shan State townships, and found that, in contrast with the wealth of militia leaders, most villagers remain impoverished, and rely on opium as a subsistence crop. Opium cultivation had increased since the previous year, refineries in militia areas were operating with impunity, and widespread availability of cheap drugs was causing an alarming increase in drug addiction among Lahu communities.

Drug control measures remain insubstantial and ineffective. Despite frequent news reports of drug seizures this year, only small-time dealers have been charged. A

government militia leader from Mong Hsat arrested with a large amount of yaba in March 2016 was released six months later without charges.

Token opium eradication programs forced on poor hill farmers have had absolutely no impact on the trade, but have had devastating impacts on local communities.

For example, a drug eradication campaign carried out by the Burma Army between 1999 and 2005 decimated the population of a small Lahu sub-group, the “Long-jacket” Yellow Lahu. Forced down from high mountains in Kengtung and Tachileik, hundreds died from malaria in the warmer lower climate. Some have since returned to their mountain homes, while others are still staying in resettlement locations, but their numbers have dwindled to only about 1,100, from an original population of over 1,800.

Despite increased public debate about the drug problem in Burma, there continues to be little mention

of its links with the conflict. The Burma Army's reliance on the drug trade in defending the territorial interests of the central government is rarely discussed. If the conflict is mentioned, it is invariably the ethnic resistance groups who are singled out for blame for financing their operations through drugs.

This refusal to face the facts on the ground, including by the UNODC and international donors, is both counter-productive and dangerous.

The increased amounts of aid being poured into the Burmese government to bolster its security sector, including for drug control, will only fuel the drug trade—causing increased misery for communities throughout Burma—while the conflict persists.

LNDO therefore urges the new NLD government and international donors to focus their efforts on supporting a political resolution to the conflict as a priority in tackling the drug problem in Burma.

This must involve a federal settlement that devolves significant powers down to state and sub-state levels, thereby addressing demands for self-determination of respective ethnic groups. It is also urgent that the military be constitutionally brought under civilian control.

Only when there is a functioning federal democratic system, where local leaders rule by popular vote rather than by the gun, can participatory, sustainable drug eradication programs be implemented.

Introduction and methodology

When the Lahu National Development Organisation (LNDO) was set up in 1997, one of its main aims was to promote alternatives to opium growing for Lahu people. However, opium growing remains the main source of livelihood for many Lahu farmers, and eastern Shan State—known as the “Golden Triangle”—remains a major source of heroin and methamphetamines for Burma and the region.

The current proliferation of drugs in Burma make it clear that drug control efforts are not working. However, there continues to be no frank discussion of the political factors fuelling drug production, in particular how the Burma Army benefits from the trade. The UNODC and political analysts working officially inside Burma tend to tiptoe around this fact. The voices of those on the ground are also seldom heard in drug policy discussions.

With new pledges from the NLD-led government to tackle the drug

problem, LNDO therefore decided it was time to give input from the ground into the drug policy debate, and to give frank analysis of the drugs-conflict nexus in eastern Shan State.

During April-June 2016 LNDO field staff visited 33 opium-growing villages in four townships of eastern Shan State:

Kengtung: 18 villages in 11 tracts
Mong Hsat: 6 villages in 2 tracts
Tachileik: 8 villages in 4 tracts
Mong Phyak: 1 village

LNDO met with village heads, pastors, militia members and farmers in these villages, and asked about opium cultivation and drug production in their areas. LNDO also asked about the conflict situation, and government drug control measures. The results of the research were compiled into this report during July-August 2016.

Findings

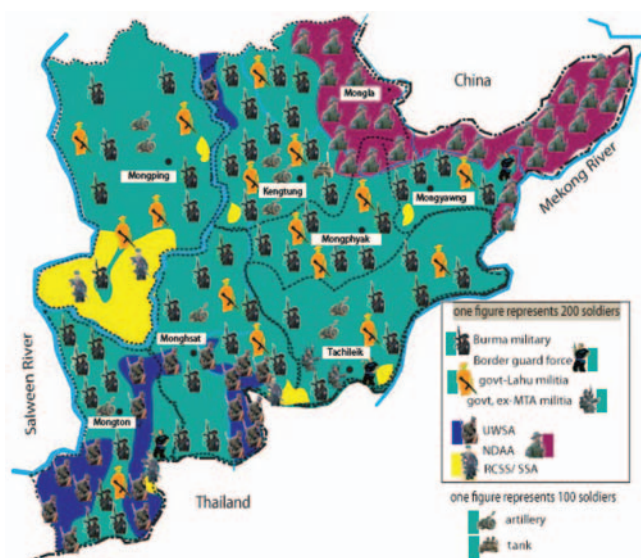


A Lahu militia member in Mong Kok

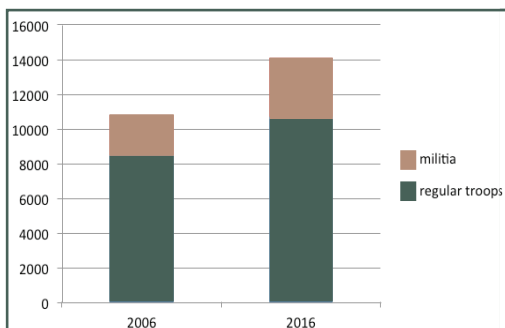
I. Increasing militarization in eastern Shan State

Despite ceasefires between the Burma Army and the main ethnic armed groups in eastern Shan State – the United Wa State Army (UWSA), the National Democratic Alliance Army (NDAA) and the Restoration Council of Shan State/Shan State Army (RCSS/SSA)—all sides have continued to militarize.

In 2006, there were about 17,000 armed troops (comprising over 10,000 Burma Army/militia troops, and over 6,000 ethnic resistance troops) in eight townships of eastern Shan State. Now, there are about 24,000 troops (over 14,000 government troops, and about 10,000 ethnic resistance troops). There has thus been an overall increase of about 7,000 troops in the area.



Armed groups in eastern Shan State (8 townships)	2006		September 2016	
	No. of battalions	Estimated strength	No. of battalions	Estimated strength
Burma Army forces				
Infantry	41 Battalions	8,200	49 Battalions	9,800
Artillery	3 Battalions	210	8 Battalions	640
Tank	1 Battalion	80	1 Battalion	80
Regular militia	61 groups	1,800	84 groups	3,000
Lahu “special commando” militia	5 groups	100	-	-
Ex-MTA militia	2 groups	400	2 groups	400
Border Guard Forces	-	-	3 Battalions	210
Sub-total		10,790		14,130
Ethnic armed resistance groups				
Southern UWSA	7 Brigades +1 Division	3,000	7 Brigades +1 Division	4,000
RCSS/SSA	3 Battalions	200	3 Battalions +1 Division	700
NDAA (Mong La)	7 Brigades	3,000	7 Brigades	5,000
Sub-total		6,200		9,700
Overall estimated total		16,990		23,830



Burma Army troop increases in seven townships of eastern Shan State, 2006 to September 2016

Troop strength in 2006

	Tachileik	Mong Phyak	Mong Yawng	Mong Ping	Kengtung	Mong Hsat	Mong Ton
Burma Army Battalions	LIB 526, 359, 331, 316, 571, 572, Artil. 387	MOC 18, LIB 507, 570, 329, 221, 330, 579	LIB 345, 335, 311, 334	ROC, IB 43, LIB 360, 350, 528, 539 Artil. Unit	IB 314, LIB 529, 244, 245, 224, 226, 228, 598, 410, Supply Batt 222, Tank Batt, Eng. Batt 6, Field Med Batt 12, 909 Artil. HQ, BE. GE	14 MOC, IB 49, LIB 278, 527, 333	ROC, IB 65, 277, 225, LIB 519, 328
Burma Army militia groups	11 groups + 2 ex-MTA groups	5 groups + 5 special militia groups	4 groups	5 groups	22 groups	10 groups	4 groups

Increased troop strength in September 2016

New Burma Army Battalions	LIB 336, Artil. Batt., BGF 1009	LIB 549, 227 (replaces 2 batts)	BGF 1008	LIB 332, 520, Artil. Unit	Artillery 328, Artil. Batt.	LIB 553, 554, 579, 580, Ts 222	IB 66, LIB 486, 133, 330, 741, Artil. Batt BGF 1007
New Burma Army militia groups	2 groups	(5 regular + 5 special militia become 1 big militia)		22 groups	2 groups	2 groups	1 group

Burma Army expansion

The number of Burma Army battalions in eastern Shan State has increased over ten years from 44 to 57, which is an almost tenfold increase since 1988, when there were only six Burma Army battalions in the area. Eight new infantry battalions have been deployed, mostly in the Mong Hsat and Mong Ton areas, next to the UWSA territories. Five new artillery battalions have been set up in Kengtung, Mong Ping, Mong Ton and Tachilek. The military bases in Mong Kok, northeast of Mong Hsat town, have been fortified, and 20 new helicopter pads built there since 2015.

Although the size of an infantry battalion should be about 300, LNDO estimates that there are on average only about 200 men in each Burma Army battalion, and about 70-80 men in each artillery battalion. Based on this, it is estimated that the number of Burma Army troops in seven townships of eastern Shan State has increased from about 8,400 to about 10,600 men.

Since 2010, the Burma Army has also set up 3 Border Guard Forces (BGF), mostly comprising former militia members. The BGF have been set up on the Thai border in Mong Ton and Tachilek and at the Lao border at Mong Yawng (on the Mekong river). Although the original plan of the Burma Army in 2008 was to bring all ethnic armed groups under their control as BGF, the dwindling numbers of the BGF in eastern Shan State show clearly the failure of this plan. Each BGF battalion is supposed to have 326 members, but was set up with only about 100 troops each, and now all three BGFs have only about 200 members in total. This is mainly because these BGF have little opportunity to earn extra income for their members, who had formerly been able to gain more benefits as militia members. They have therefore become disillusioned with their meager salary (only about 20,000 kyat—USD 20—a month, similar to Burma Army privates) and have left.

Burma Army militia expansion

Just as the Burma Army has increased in size, so too has its auxiliary militia, who are essential for controlling remote mountainous areas. Militia groups have been set up in most village tracts in these areas, comprising several men from each village in the tract. The militia leaders are appointed by the Burma Army and have considerable influence, even over local village headmen. Most of the militia in eastern Shan State are Lahu, and have existed for decades.

Ten years ago, there were only about 2,300 men in 68 militia groups. Now there are about 3,400 men in 86 militia groups. One of the main increases is in Mong Phyak, where the five existing regular militia have united with five “special commando” militia to form one large militia. Originally comprising about 250 men, this new combined militia comprises about 700 men and is led by Lahu leader Ja Seu Bo. It operates not only throughout the hill areas of Mong Phyak, but also in some parts of Tachileik and Kengtung.

Je Seu Bo had originally formed the “special commando” militia groups in 2003, on the orders of then deputy commander-in-chief General Maung Aye, with the function of accompanying Burma Army troops on military operations.

Another large increase has been in Mong Ping, where the number of militia groups has increased from 5 to 27. This appears aimed to enable the Burma Army to exercise more control over this strategic area, which lies on the route between the northern UWSA and southern UWSA territories.

Three new militia groups have been set up in Mong Hsat and Mong Ton, around UWSA-controlled areas. In April 2016, militia groups in Mong Hsat were told by the Burma Army Triangle commander in Kengtung to prepare to fight the UWSA.

Two new militia groups were set up in northern Kengtung township, close to areas controlled by the National Democratic

Alliance Army (NDAA – otherwise known as the “Mong La” group, comprising mainly Shan and Akha troops).

Another two new militia groups were set up in Ta Ler in Tachileik township, to keep control of other smaller militia in the area.

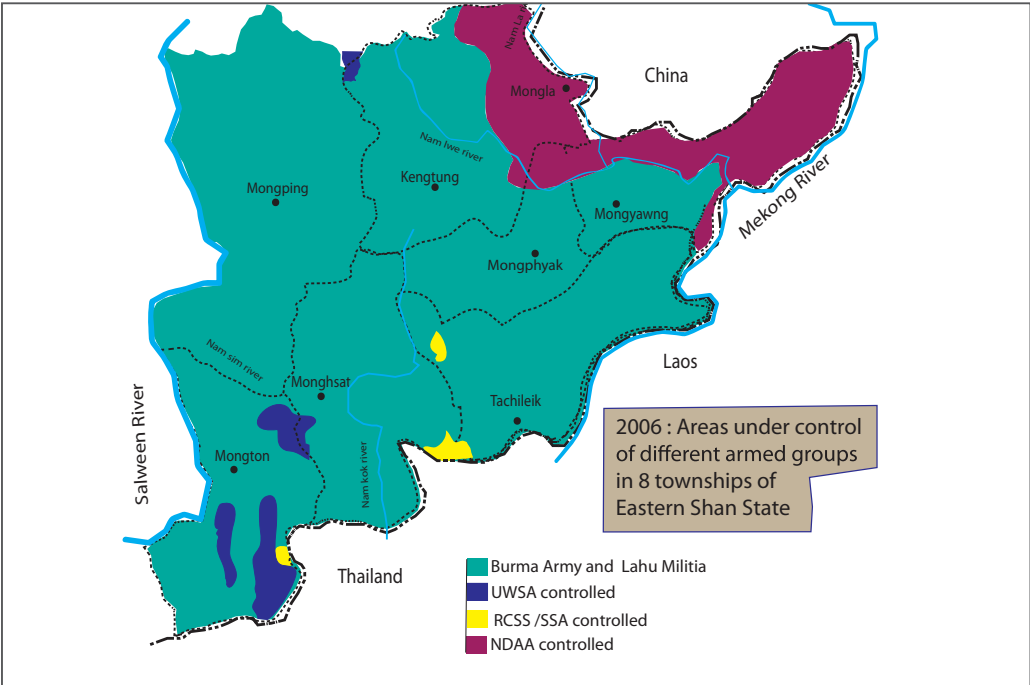
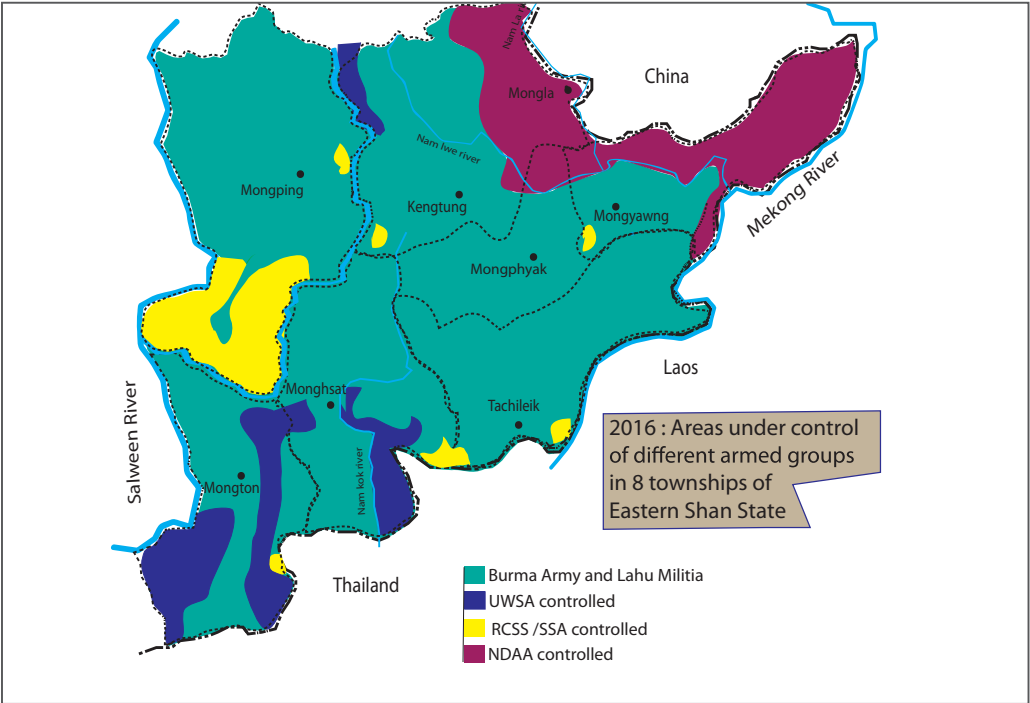
The two ex-Mong Tai Army (MTA) militia groups in Tachileik township have remained the same size – about 400 men in total. These militia groups are led by former members of the MTA, which surrendered in 1996. Due to economic connections since the MTA days, these militia are wealthier and more powerful than the regular Lahu militia. They have very close connections to local Burma Army commanders.

One of these militia leaders, Yishe, is very close to ex-President Thein Sein (who was formerly the Triangle Region Commander in Kengtung from 1996 to 2001). Even after becoming president, Thein Sein would always arrange a meeting with Yishe when visiting Kengtung.

Ethnic armed group expansion

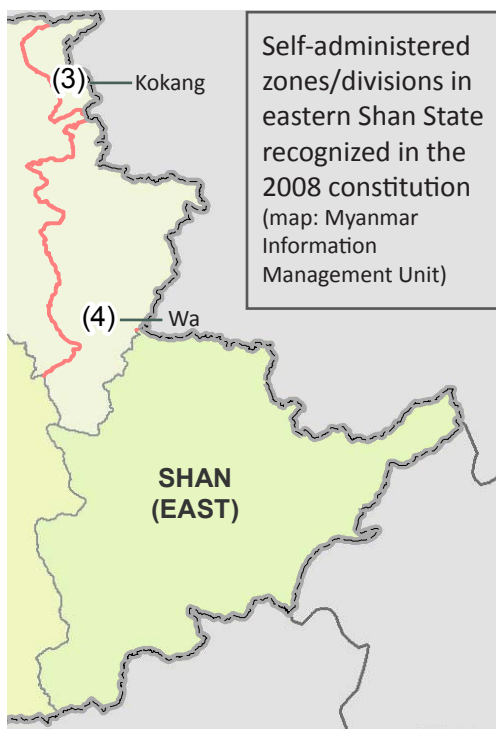
On the side of the armed resistance groups, there have also been significant troop increases. The NDAA, which has had a ceasefire since 1989, has increased from about 3,000 to 5,000 troops over the past ten years. A likely factor behind this was dissatisfaction over the 2008 constitution, which did not recognize any of the NDAA’s area of control—formerly Special Region 4—as a self-administered zone. NDAA controls all of Mong La township, and parts of Mong Yang and Mong Yawng townships, along the Chinese and Lao borders. To protect these areas, NDAA has been building up its troop strength, particularly at the borders of Burmese government-controlled territories.

The UWSA have also increased troop numbers in their southern region, from about 3,000 to about 4,000, despite their ceasefire since 1989. This southern territory has gradually expanded, now occupying nearly half of Mong Ton township. The new troops have mostly been deployed



down from the northern UWSA area. The UWSA appear to be preparing to resist possible military pressure from the Burma Army, who over the past ten years have repeatedly ordered them to withdraw from southern Shan State to their Self-Administered Division in the north. The area actually controlled by the UWSA in the north is also larger than the area allocated to them under the 2008 Constitution.

The orders for the UWSA to return to the north are a reversal of policy from 1999-2001, when the Burmese regime allowed the UWSA to relocate an estimated 126,000 people from northern to southern Shan State (in an alleged “drug eradication” program, but actually to counterbalance the influence of the powerful Mong Tai Army on the southern Shan border). The relocation caused immense suffering for the forcibly relocated Wa population, about 4,000 of whom died of malaria and other diseases (as they were unused to the warmer climate in the south), and also for nearly 50,000 local Shan, Lahu and Akha villagers in the south, thousands of



whom were displaced from their homes.

In mid-2015, tensions rose between the Burma Army and the UWSA in Mong Ton, close to the Thai border, when some UWSA-linked loggers were arrested by Burmese troops. As tension escalated, UWSA surrounded and threatened to attack Mong Hsat town. The Triangle Commander personally came to negotiate with the UWSA, but was unable to calm the situation. Only after a high level

The UWSA's military build-up in the south is also linked to territorial disputes with the RCSS in the Mong Hta area (in southwest Mong Ton township). When the RCSS signed a Union-level ceasefire with the government in January 2012, the agreement allowed them to "set up their headquarters" in the border

[illegible]

In fact, the RCSS was never granted control by the Burmese government of the Mong Hta area (nor of nearby Ho Murng), as promised in the ceasefire agreement. They have therefore not expanded into Mong Ton, but have been expanding into Mong Ping to the north. Since mid 2015, the RCSS has moved about 500 troops across the Salween to the Mong Pu Long area of Mong Ping. RCSS has also set up an outpost near Tongta, between Mong Ping and Kengtung, a strategic town on the route used by UWSA troops to travel between their northern and southern territories. The fact that the Burma Army has allowed them to expand into this area appears to be a deliberate “divide-and-rule” tactic to pit them against the UWSA.

II. Link between conflict and drugs

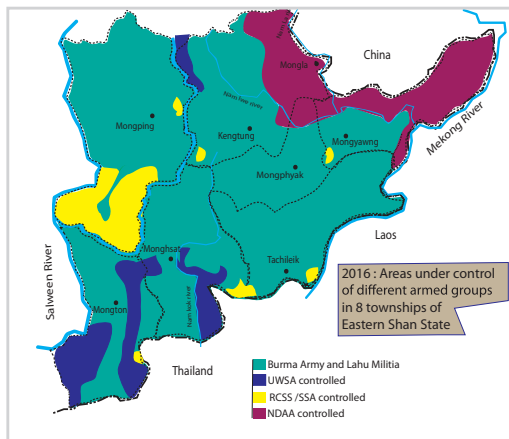
The militarization that is taking place in eastern Shan State is costing large amounts of money. The thousands of existing and new soldiers need to be fed, clothed, and armed. While the Burma Army is supported by the national budget, their militia groups have to support themselves by running or taxing local businesses. In these remote mountainous areas, by far the most lucrative form of business is drugs.

The map below compares the UNODC 2015 opium cultivation map (from UNODC's Southeast Asia Opium Survey 2015) with a map showing the political areas of control in 7 townships of eastern Shan State. It can be seen clearly that most of the opium growing areas (shaded according to opium density) are under the control of the government and their militia forces.

Comparison of UNODC opium density map with areas of political control in eastern Shan State



Section of UNODC 2015 opium density map
Source: Southeast Asia Opium Survey 2015



III. Burma Army militia's reliance on the drug trade

Apart from being given some rifles and ammunition when they were set up, the Burma Army militia groups do not receive any salary or ongoing support from the government. They are expected to generate their own income to support their members, and to keep them armed and stocked up on ammunition.

In some areas, income can be earned from collecting taxes on logging, mining, or cattle smuggling, but the only significant source of income available to militia in all areas is the drug trade.

Even though the drug business—as well as unauthorized logging and cattle smuggling—is technically “illegal,” a blind eye has been turned for decades to the militia groups’ involvement in such activities, as a necessary security arrangement. These activities not only subsidize the day to day expenses of the militia but—in particular the drug trade—also earn huge amounts of income for militia leaders, thereby ensuring

their loyalty to the Burma Army. The militia do not directly operate any drug refineries, which are organized and controlled by drug syndicates (which are mostly Chinese), but by hosting and providing security for the refineries, the militia can profit from the drug trade in various ways.

Taxing opium harvests

Almost all opium farmers must pay tax on their harvest to their local militia. Only in a few villages are opium taxes now paid to the village tract administrators (see later section).

The taxation rate is usually the same in each village, and does not vary according to the size of opium fields. Each opium growing household must give a lump of raw opium, about the size of a ping-pong ball, as tax (estimated at a value of about 30,000 kyat or USD 30). The opium collected in this way is combined and then can be sold by the militia to the syndicates operating the refineries.

Controlling opium sales

Militia groups have control over farmers' opium sales in their areas. Some militia groups strictly require farmers to sell all raw opium to them. The militia then sell the opium, at a profit, to operators of drug refineries in their area, or if there are none, to refineries in other areas. Out of the over 80 militia groups, only about 10 groups have refineries in their areas, but up to 10 refineries can exist in a single area.

Profits from selling to refineries are about 1,000 to 2,000 baht (USD 30-60) per viss of opium (one viss = 1.65 kg). With no less than 100,000 viss of opium being refined at one time, the militia can make up to 200,000 baht (USD 6,000) each time a batch of opium is refined.

Some militia groups do not insist that farmers sell only to them, but when the farmers make sales, the militia demand a fee from the buyer. The fee is usually about 1,000 baht (USD 30) per viss of opium. When a militia makes the sale, it can earn about 10% of the income.



Prime Minister General Thein Sein examines packs of confiscated drugs in February 2012 Photo by Associated Press

Collecting commission fees for selling confiscated drugs

Militia can sometimes gain additional income from selling opium or methamphetamines that have been confiscated by the Burma Army. When drugs are confiscated, Burma Army personnel often take the opportunity to make some private income from selling the drugs. However, they need to rely on the militia to sell to the dealers.

Cashing in on refinery investments

Although the militia groups do not directly operate any refineries, the syndicates usually ask the militia guarding their refineries to place an investment in each batch of opium refined or yaba produced. For example, if the total investment is about ten million baht (USD 300,000), the militia may be asked to invest about one million baht (USD 30,000). This is to ensure that the militia remain loyal to the operation, and take every precaution to ensure that no security breaches take place. From an investment of about one million baht, the militia may earn a profit of about 200,000 baht (USD 6,000).

The refineries are mobile, set up in makeshift buildings in isolated jungle locations, near water sources. Refining equipment, precursor chemicals and gas stove facilities are brought to the location and used for the duration of the refining process—not more than one or two weeks—and then removed and the refineries are dismantled. Only a handful of militia members at a time will

assist with the refining operations, while about 20-30 members will be posted at a radius of about half a kilometer around the refinery to keep guard. Anyone venturing near the area is killed, and sometimes tortured.

Securing transport of the finished product

Once refined, the drugs need to be transported from refineries to distributors. The militia groups are hired by the syndicates to carry out this task. The militia leader receives an overall payment depending on the size of the consignment, while each militia member carrying the drugs may be paid individually for taking the personal risk, particularly if the drugs are being carried on foot.

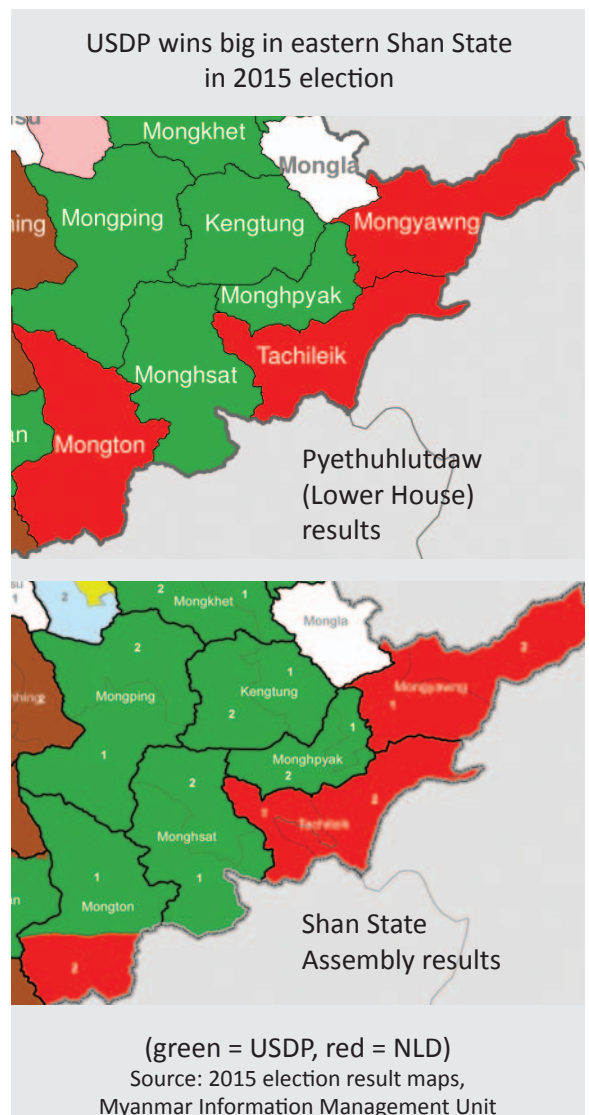
For example, for sending one backpack of yaba, containing about 80,000 pills, across the Thai border, the militia leader may receive 10,000 baht (USD 300), while the individual carrier will receive between 1 or 2 baht per pill, or 80,000 to 160,000 baht (USD 2,300 to 4,600) for transporting one backpack of pills.

IV. Kickbacks to the Burma Army and other central government officials

Although the militia groups are generally given a free hand to deal in drugs, they always remain vulnerable to the fact that their dealings are “illegal.” This is why militia leaders have to regularly provide pay-offs and gifts to local Burma Army commanders, often through their junior officers. “Burma Army sergeants come regularly and ask for costs of this and that,” said a militia member in Tachileik. “It is a constant burden.”

This is also why in some villages, the local village tract administrators (from the General Administration Department - GAD) are the ones collecting the opium tax, instead of the militia, who grant this as a pay-off in exchange for the administrators turning a blind eye to their drug dealings. The administrators are usually influential businessmen who have gained their position through links with Burmese military authorities, and have no qualms about making money from the drug trade.

The cozy relationship between the militia, the Burma Army, and the village administrators (who are almost all members of the military-backed Union Solidarity and Development Party - USDP) likely explains why eastern Shan State was where the USDP won one of its biggest contiguous bloc of seats in the November 2015 elections.



V. Current drug trends – voices from the ground

Improved opium yields, no prohibition

The opium growing season in eastern Shan State starts in October. In some areas, such as around the Loi Sarm Sao mountain range in Kengtung, where opium growing conditions are very good, up to three crops of poppies are planted: in October, November, and December. The last crop of opium is harvested in about April. Farmers in all areas surveyed—in Kengtung, Tachileik, Mong Hsat and Mong Phyak—in early 2016, said they had harvested a better yield than the previous year. During the 2014-2015 season farmers from Mong Hsat said that their opium plants seemed to be sickly, and didn't produce much sap.



No villagers reported any destruction of opium fields by authorities or armed groups in early 2016. They also said there had been no prohibition during the planting season. In Mong Hsat, they said that local members of the military-backed USDP had used this as a way of gaining votes in the November 2015 elections. They had promised farmers that there would be no crackdowns on opium growing if they voted for USDP.

The villagers said they had heard about community groups in Kachin State destroying the opium fields, and said they felt sorry to hear that fields were destroyed just when the opium was about to be harvested. “Why didn’t they destroy the plants when they were small?” said an opium farmer from Mong Phyak. “It’s not easy to grow opium. The opium planting time is the same as the rice harvesting time. It’s a lot of work at that time.”

Even though there had been no destruction of opium fields in eastern Shan State in 2016, farmers said that they still only dared plant in small fields, out

of sight, as they knew opium growing was illegal. A farmer from Kengtung explained: “Since it is not legal to grow opium, we cannot plant big fields in one area. We grow secretly in small patches here and there. It is only the buyers who get rich.”

Another opium farmer from Kengtung complained: “We pay taxes every year, but we get no protection.”

Most farmers said they had no choice but to grow opium, as a means of survival. A farmer from Mong Hsat explained:

“In our tract, there has been opium growing for many years. We have only a few rice fields. Every family grows hill rice, but it is not even enough to feed two people for the whole year. We grow opium to be able to buy rice, and to buy other household necessities.”

In March 2016, in the Kengtung area, farmers said they were able to sell raw opium for about 850,000 kyat (approx USD 700) per viss (1 viss = 1.65 kg) of raw opium. They said last year the price had

“It is only the buyers who get rich.”

dropped to about 600,000 kyat (approx USD 500) per viss.

Growing drug addiction

“Each year there are more opium and yaba addicts. Whether in towns or in the hills – every house, big or small, men, women are addicted. There are more and more thieves and robbers. Every house is afraid of thieves.” (Lahu opium farmer from Kengtung)

In each village visited, LNDO witnessed a growing problem of drug addiction, particularly among young men. Based on informal interviews, LNDO estimates that in about 70% of households in these villages there are young men who are addicted. This is an estimated threefold increase from about ten years ago.

Most of the addicts smoke opium. Some take yaba, but this is more costly. The cost of smoking a pipe of opium is about 20-30 baht

(USD 0.60 - 0.85), while the cost of one yaba pill is 30-60 baht (USD 0.85 - 1.7), depending on the location and proximity to sources of production (yaba costs only 30 baht in Mong Hsat, but 50-60 baht in Kengtung). Very few addicts take heroin. This is partly because it is not easily available, and also because Lahu villagers don't like using injections.

Villagers say that the reason for the increase in addiction is the greater availability of drugs, and less community cohesion. In the past, there were stronger cultural and religious norms governing communities, but now older people complain that the militia groups are more powerful than community leaders, and their members actively promote local drugs sales to increase their income. Disturbingly, militia members have even blocked local addicts from entering drug rehabilitation programs, because they fear a loss of income.

A frequent complaint was that addicts stole food and other household items in order to pay for drugs, from their own as well

as others' houses. "I locked up our house so that my son wouldn't steal anything, but he climbed in over the wall and stole our dried meat," complained a woman from Kengtung.

There have also been incidents of drug-related violence. In a village in Kengtung this year, a Lahu youth in his 20s became angry with his father for refusing to give him money for drugs, and hit him in the back of his neck with a cattle-yoke. The father was killed by the blow.

In April 2016, in Ho Mong village of Mong Loong tract, Mong Phyak township, a Shan man killed four people, including a woman and child, using a knife and then a gun, while crazed with yaba.

Due to the growing addiction problem, communities have started setting up their own rehabilitation centres. In 2015, a centre was set up by a local shaman in the animist Lahu village of Pu Ta, in Mong Kok sub-township of Mong Hsat. Treatment courses last for one month, and are provided to 20-30 addicts at a time. The treatment

involves animist rituals, and the addicts are provided with herbal medicine and healthy food. The centre is supported with donations from animist communities in the area. The addicts, both men and women, come voluntarily, and the success rate is said to be high.

Community-run centres appear to be more sustainable than government-sponsored facilities. The Burma Army Triangle Regional Commander himself formally opened a drug rehabilitation centre in March 2016 in the Lahu village of Pan Pae, in Mong Pat tract of Kengtung. Police had sent the order to nearby villages to send local opium addicts to the centre for treatment, and 53 addicts, including 3 women, were admitted. The treatment was supposed to last 28 days, but the centre shut down after only 20 days due to lack of funds. There have been allegations of corruption, and the centre has not reopened.



Token crackdowns

Although there are frequent arrests of small-time drug dealers by police, there are seldom arrests of influential businessmen, militia leaders or government officials for drug involvement. Unusually, on March 4, 2016, a Lahu militia leader, U Aik Htaw, from Mong Kok (in Mong Hsat), was arrested with a large amount of yaba and weapons in his car, at a checkpoint in Mong Khun on his way to Kengtung. This seemed to indicate stricter drug enforcement under the incoming NLD government. However, five months later, U Aik Htaw was released without being charged.

Life of a poppy grower

The following account describes the intricate, labor-intensive process of poppy growing, and highlights the gendered division of labor, whereby women do the hard work to produce opium, but seldom smoke it, and have no role in the selling process. This reflects practices in today's Lahu society, where men are regarded as heads of the household and hold all public positions of authority. These attitudes are reinforced by the pervasive power of the militia, who are all men.

My village has been growing poppies for many generations. My husband is the headman of the village (in Mong Phyak township). There are 27 households in the village. All of them grow opium. Only two households have paddy fields, and they grow only enough rice to feed themselves. The remaining households grow hill rice, but not enough to feed themselves for the whole year. Each house has two to three head of cattle. Villagers let their cattle graze in the jungle, so people need to fence off their hill fields, or cattle will come and eat the crops, leading to disputes.

We have to start preparing the poppy fields in October. In the summer months, some villagers cut down trees to make new poppy growing plots, in places they think will be good. After burning to clear the land, they plant corn. In

October, straight after the corn has been harvested, they clear and plough the land. If the soil is good, you should be able to get one viss of opium from one acre. But you can never be sure. Usually, we don't get as much as we hope for.

We have four acres of hill fields. Every year, we plant two acres of corn, to feed our pigs, and we plant rice on two acres. To grow opium, we must clear the land and plant the poppies straight after the corn is harvested. Ploughing land to plant opium is different from ploughing to plant rice or corn. You have to dig a series of small furrows horizontally along the field, the width and depth of a hoe, starting at the bottom of the field and moving upwards. As you clear the land, you put the weeds into the furrow, and then cover it up, before moving up and doing the same again.

It's really tiring work. When the opium growing time starts, it's when rice is being harvested, and it's when the whole household has the most work. Some farmers are in such a hurry to plant opium, that after harvesting rice, they just leave the harvested rice in piles in the fields, and only when they've finished planting opium, they come back and thresh it.

My elder daughter is 13, my younger daughter is 11 and my son is 9. I cannot afford to send any of them to school. There's no school in the village, and we don't have enough money to send them to school. All of them help me with my work every day. They work really hard. They say they want to be able to buy new clothes for the New Year festival.

The children's father is busy with his work for the village, and cannot help with the housework. He is always attending village tract meetings, and doesn't earn anything from that.

There are two houses in the village where opium is always smoked. There is a militia in the tract.

There is also a tract headman. Even though they say they will do something to stop addiction, I haven't seen them do anything. Only if some outsiders who they don't like come to smoke opium in our village, they beat them. Or they fine them.

In the houses where opium is smoked, you can see a lot of men coming and going, old and young. They give a lot of reasons why they smoke it – they say they've been working hard, they have backache, stomachache, coughing, malaria. My husband also often goes to smoke, because he gets backache. He says it helps the pain go away.

In November, after the rainy season, when there begins to be dew in the mornings, you must begin planting poppy. Everybody works actively at this time. For one acre, you need less than one

***“My daughters and I
work hard, without
rest, to grow opium.
But it is the men
who do the selling.”***



condensed milk tin of poppy seeds. If you are not good at sowing, you need to hire someone who can do it well. It is difficult to sow the seeds evenly. You need to sow them together with a small amount of mustard leaf and coriander seeds. It's natural that if the mustard leaf and coriander grow well, the poppy plants will also grow well. If there is dew, the poppy seed can grow a small root within one night. In one week, the root will grow the length of one finger joint. But if it rains during this time, the opium plants will all rot and die. Then you have to quickly sow seeds all over again.

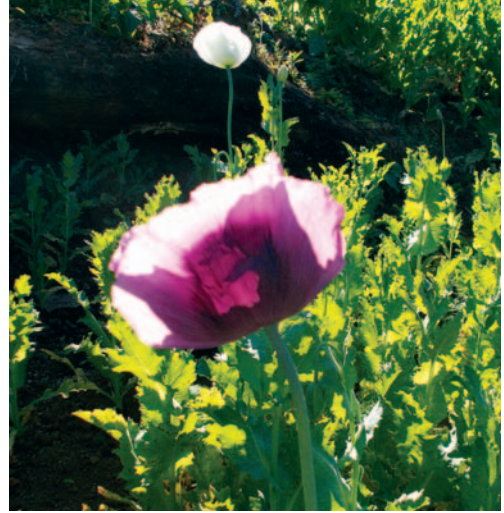
According to ancient practice, you should plant tubers when the moon is waning, and you should plant flowering fruit and vegetables when the moon is waxing. Some people don't pay attention to this, and just plant when they have the time. There doesn't seem to be much difference.

After two or three weeks, the poppy plant is about a hand's length in size. At that time, you have to weed the whole plot. The whole family needs to work hard doing this. Then after about one or two weeks, you need to weed again. When you first weed, you

may need to thin out the mustard and coriander plants. The second time, you can pick some of the mustard and coriander leaves, for pickling or eating, and leave some of the plants for eating later. After two months, some poppy plants start to flower. When all the poppy plants are in bloom, in different colors, this is the most beautiful sight in the world.

After the flowering, the opium bulb is formed. Three months after planting, when the bulb is ripe, it can be scraped. The scraping tool is like a chicken pox needle. You can scrape each pod one or two times on each side, depending on the size. You mustn't scrape too deep. You mustn't penetrate into the seed pod.

You start scraping the bulbs early in the morning, when there is just enough light to see. If necessary, you can use a torchlight. When the sun comes out, the sap starts to appear. (If there is no sun, the sap will not come out, and the scraped bulbs become useless.) You need to scrape off the sap before it falls to the ground, using a specially made utensil. You have to continue



scraping till nightfall. While there is daylight, you have to keep going quickly scraping the sap, sometimes even without eating the whole day. It is the most important task of all. You have to put all your effort into it. After scraping one side of a pod, you can scrape again the next day on the other side, one or two times. The whole day, you have to keep spitting on your fingers, to wipe the sap off the utensil. So that you don't get intoxicated (from the smell of the opium and the sap on your fingers), and to keep your saliva flowing, you need to keep eating sugarcane jaggery.

After scraping off the opium sap, you need to put it on "Shan"



(mulberry bark) paper. No other paper can be used. You put the sap together with dried poppy flowers and poppy leaves that are picked beforehand. Then it is tightly packed up into a bundle weighing one or two viss, and tied round again and again with jute string. Then it is ready to be carried. Not everyone is able to package opium properly. Some people have to hire others to do it.

Most of the opium farmers are poor. Out of every hundred opium farmers, only 2 or 3 are hired by

rich people to plant opium (the rest are subsistence farmers). This is unlike the opium traders. Out of every 100 opium traders, about 60 to 70 are sure to become rich.

The wholesale buyers usually come from far away. Sometimes some rich local villagers join with other villagers to sell their opium in another place where they can get a good price. In our village, the local drug users can't afford to buy more than one or two ticals of opium.

In our house, and in other houses, women do not sell opium. The opium scales are not like other weighing scales. They are Chinese-made. Thai headache medicine packets are used as weights (for small amounts of opium). They don't let women do the weighing in case we make a mistake.

My daughters and I work hard, without rest, to grow opium. But it is the men who do the selling. Some women do not even know how much the opium is sold for. Anyhow, if they can get new clothes for the New Year festival, the whole family, including daughters and sons, are happy.

VI. Past lessons from drug eradication programs

Given the constant insecurity of planting an illegal crop, and also the growing local addiction problem, some farmers said they would welcome assistance to help them grow alternative crops. However, they said there should be no poppy eradication until they had alternative sources of income. “If the government tries to force us to stop growing poppies immediately, we will really suffer. We need at least five to ten years to develop alternative livelihoods,” said a farmer from Mong Hsat.

However most farmers did not want to consider planting any other crops apart from opium. “We can’t imagine how we could survive if we didn’t grow opium,” said a farmer from Mong Phyak.

Case study: Yellow Lahu decimated by forced resettlement

The Lahu have bitter experience of forced resettlement programs in the name of drug eradication. One particular Lahu sub-group, the “Long-jacket” Yellow Lahu suffered devastating consequences from being forced down from their mountaintop homes.

“We didn’t grow opium to cause problems for anyone. We are not criminals. We are hard-working. But we were forbidden from staying on the high mountains. This displeased the spirits, and many died.” - Elderly Yellow Lahu farmer from Loi Sarm Sao, Kengtung.

The “Long-jacket” Yellow Lahu are one of the smallest ethnic Lahu sub-groups, who live in the high mountain ranges of eastern Shan State. The men wear long white jackets—hence their name—which distinguishes them from the “Short-jacket” Yellow Lahu, which have a larger population. They are called “Gui” by local Shan.

The way of life and culture of the Gui is very different from other Lahu. They are devout worshippers of a form of Taoism and have never joined any militia group.

They live at a higher altitude than other Lahu, above 5,000 feet. Opium thrives at this altitude, and for generations they have relied on opium growing. They used to come down to lowland villages to trade, and so can speak Shan, but would never spend the night at a lower altitude as they feared punishment, in the form of sickness, by the spirits. This actually protected them from malaria, as there are no mosquitoes at high altitudes.

According to research by LNDO, in 1999, there were about 1,800 Gui in total, mostly living in the nga-ou-su (“five-tract”) area on the Loi Sarm Sao mountain range, west of Kengtung. Others lived in mountainous areas of Mong Phyak, Tachileik and Mong Hsat. They lived in village clusters, often with less than 10 households in each village.

Due to their remote location, they remained largely unaffected by government anti-insurgency operations. However, between 1999 and 2005, they were targeted under the regime’s proclaimed “War on Drugs.” To prevent them from growing opium, all of the

Gui villages were forced to relocate down from the mountain tops on which they lived. They scattered in different directions, moving to stay near existing Lahu communities in other areas, but at lower altitudes.

The result was disastrous. Having never lived in mosquito-ridden areas, they had no resistance to malaria, and in one resettlement site alone, 70 out of about 100 villagers from the Na Kha village cluster who had gone to live in Namlonyangkio, east of Kengtung, died of malaria within two years.

Similarly, scores of Gui villagers died who had resettled in Pa Liao-Keng Larb, near the Mekong river, and at Mong Phong, east of Tachileik.

In Mong Phong, the famous Shan monk Sao Woon Joom took pity on them and allowed them to settle on a hillside location above his temple. These Gui converted to Buddhism, believing it would help protect them from further illness and misfortune. However, they continue to worship their original religion together with Buddhism.

Population and location of “Long Jacket” Yellow Lahu villages in 1999

No.	Village	Houses	People	Tract	Township
1	Keh Ba	4	18	Na Inn	Kengtung
2	Mong In	5	21	Nakha	Kengtung
3	Nambo	8	25	Mong Khon	Kengtung
4	Amude	6	23	Amude	Kengtung
5	Lengdok	7	27	Na pong	Kengtung
6	Imupa	5	27	Pongkhi	Kengtung
7	Namhet	4	21	Na yu	Kengtung
8	Loi kye	4	14	Amude	Kengtung
9	Nalintong	7	20	Nalintong	Kengtung
10	Nakha 1	25	175	Nakha	Kengtung
11	Nakha 2	21	156	Nakha	Kengtung
12	Nakha 3	16	99	Nakha	Kengtung
13	Nahpu	15	103	Nam In	Kengtung
14	Namsamsu 1	15	97	Mongpak	Kengtung
15	Namsamsu 2	8	39	Mongpak	Kengtung
16	Namsamsu 3	13	70	Mongpak	Kengtung
17	Kenwolaw	21	142	Mongpak	Kengtung
18	NamMoi	3	18	Monghai	Mong Phyak
19	U kyi pet	5	18	Monghai	Mong Phyak
20	Nahetpu	5	13	Namyon	Mong Phyak
21	Kawpeh	21	95	Monglung	Mong Phyak
22	Na En	11	47	Monglung	Mong Phyak
23	Pamobo	8	51	Monglung	Mong Phyak
24	Nakai	11	66	Namlong	Mong Phyak
25	Nalonyakio	8	59	Namlong	Mong Phyak
26	Taseng	11	47	Taseng	Mong Hsat
27	Punako	25	188	Punako	Mong Hsat
28	Nati	4	27	A ma	Mong Hsat
29	Naphu	11	67	Monghai	Tachileik
30	Nakhu	8	37	Monghai	Tachileik
	Total	315	1,810		

Population and location of “Long Jacket” Yellow Lahu villages in 2016

No.	Village	Houses	People	Tract	Township
1	Nakha 1	13	49	Nakha	Kengtung
2	Nakha 2	17	76	Nakha	Kengtung
3	Nakha 3	14	52	Nakha	Kengtung
4	Nahpu	11	50	Nam In	Kengtung
5	Namsamsu 1	12	45	Mongpak	Kengtung
6	Namsamsu 2	8	39	Mongpak	Kengtung
7	Namsamsu 3	4	22	Mongpak	Kengtung
8	Kenwolaw	13	52	Mongpak	Kengtung
9	Patawkye	13	57	Panglin	Kengtung
10	Monglu Nakha	30	155	Monglung	Mong Phyak
11	Kawpeh	18	62	Monglung	Mong Phyak
12	Na En	5	23	Monglung	Mong Phyak
13	Pamobo	13	58	Monglung	Mong Phyak
14	Nakai	14	66	Namlong	Mong Phyak
15	Nalonyakio	13	59	Namlong	Mong Phyak
16	Ponako	22	72	Ponako	Mong Hsat
17	Nati	5	34	A ma	Mong Hsat
18	Nawam	8	37	Palio	Kenglarb
19	Naphu	18	67	Monghai	Tachileik
20	Nakhu	11	44	Monghai	Tachileik
21	Mong Phong	11	49	Mongphong	Tachileik
	Estimated	273	1,168		

Conclusion and recommendations

The current peace process has not led to a decrease in militarization in eastern Shan State. On the contrary, despite ceasefires, troop strength has increased on all sides, in apparent readiness for war. At the same time, government drug control measures are not working, and in some cases have had disastrous humanitarian impacts on poppy farming communities. Interviews on the ground show that opium growing remains the key source of income for hill farmers, refineries of heroin and yaba operate with impunity, and widespread availability of cheap drugs is causing a growing problem of local addiction.

A significant amount of drugs is being grown and produced in government militia controlled areas, showing that the Burma Army are continuing a decades-long policy of allowing their militia to produce drugs as an incentive to continue their vital strategic task of policing against ethnic resistance forces in remote mountainous areas.

These findings have important implications for drug policy under the new NLD-led government. If the NLD seriously wants to tackle the drug problem in Burma, it must focus efforts on finding a political resolution to the conflict. This must involve a federal settlement that devolves significant powers down to state and sub-state levels, thereby addressing demands for self-determination of respective ethnic groups. The military must also be brought under civilian control.

Only when there is a functioning federal democratic system, where local leaders rule by popular vote rather than by the gun, can participatory, sustainable drug eradication programs be implemented.

To address the current drug crisis in Burma, LNDO therefore makes the following recommendations:

To the NLD-led government:

1. To immediately begin political negotiations to bring about a federal settlement to the conflict and to bring the military under civilian control.
2. To authorize opium eradication programs only with the full support and cooperation of opium farmers themselves, when sustainable, alternative livelihoods are in place.
3. To let drug rehabilitation programs be developed and run with the cooperation and support of local communities.

To international donors:

1. To suspend all support for drug-control programming carried out by or with Burmese government security forces until there is a negotiated resolution to the conflict, and federal reform ensuring that regional security forces democratically accountable to their own communities are in charge of drug control programming in their own areas.
2. To end all military to military support for the Burma Army, as this is taking sides in the conflict, prolonging militarization and war, and fuelling the drug trade.



The wild plant called Na kaw_leh- in Lahu is known as “the best friend of poppy.” It grows at elevations only over 3,000 feet, where poppy can grow. When Lahu farmers see this plant, they know the land is suitable for cultivating poppy.