CHAPTER – IV
Myanmar as a Factor affecting the Security of North Eastern Region

A. Internal Disturbances of Myanmar

1. Myanmar – Timeline: A chronology of key events

1057 - King Anawrahta founds the first unified Myanmar state at Pagan and adopts Theravada Buddhism.

1287 - Mongols under Kublai Khan conquer Pagan.

1531 - Toungoo dynasty, with Portuguese help, reunites country as Burma.

1755 - Alaungpaya founds the Konbaung dynasty.

1824-26 - First Anglo-Burmese war ends with the Treaty of Yandabo, according to which Burma ceded the Arakan coastal strip, between Chittagong and Cape Negrais, to British India.

1852 - Britain annexes lower Burma, including Rangoon, following the second Anglo-Burmese war.

1885-86 - Britain captures Mandalay after a brief battle; Burma becomes a province of British India.

1937 - Britain separates Burma from India and makes it a crown colony.

Japanese occupation:

1942 - Japan invades and occupies Burma with some help from the Japanese-trained Burma Independence Army, which later transforms itself into the Anti-Fascist People's Freedom League (AFPFL) and resists Japanese rule.

1945 - Britain liberates Burma from Japanese occupation with help from the AFPFL, led by Aung San.

1947 - Aung San and six members of his interim government assassinated by political opponents led by U Saw, a nationalist rival of Aung San's. U Nu, foreign minister in Ba Maw's government, which ruled Burma during the Japanese occupation, asked to head the AFPFL and the government.

Independence:

1948 - Burma becomes independent with U Nu as prime minister.

Mid-1950s - U Nu, together with Indian Prime Minister Nehru, Indonesian President Sukarno, Yugoslav President Tito and Egyptian President Nasser co-found the Movement of Non-Aligned States.

1958-60 - Caretaker government, led by army Chief of Staff General Ne Win, formed following a split in the ruling AFPFL party.

1960 - U Nu's party faction wins decisive victory in elections, but his promotion of Buddhism as the state religion and his tolerance of separatism angers the military.

One-party, military-led state:
(Burma's military junta ruled from 1962-2011)

1962 - U Nu's faction ousted in military coup led by Gen Ne Win, who abolishes the federal system and inaugurates "the Burmese Way to Socialism" - nationalising the economy, forming a single-party state with the Socialist Programme Party as the sole political party, and banning independent newspapers.

1974 - New constitution comes into effect, transferring power from the armed forces to a People's Assembly headed by Ne Win and other former military leaders; body of former United Nations secretary-general U Thant returned to Burma for burial.

1975 - Opposition National Democratic Front formed by regionally-based minority groups, who mounted guerrilla insurgencies.

1981 - Ne Win relinquishes the presidency to San Yu, a retired general, but continues as chairman of the ruling Socialist Programme Party.

1982 - Law designating people of non-indigenous background as "associate citizens" in effect bars such people from public office.

Riots and repression:
1987 - Currency devaluation wipes out many people's savings and triggers anti-government riots.

1988 - Thousands of people are killed in anti-government riots. The State Law and Order Restoration Council (SLORC) formed.

1989 - SLORC declares martial law, arrests thousands of people, including advocates of democracy and human rights, renames Burma 'Myanmar', with the capital, Rangoon, becoming Yangon. NLD leader Aung San Suu Kyi, the daughter of Aung San, is put under house arrest.

Thwarted elections:

1990 - Opposition National League for Democracy (NLD) wins landslide victory in general election, but the result is ignored by the military.

1991 - Aung San Suu Kyi awarded Nobel Peace Prize for her commitment to peaceful change.

1992 - Than Shwe replaces Saw Maung as Slorc chairman, prime minister and defence minister. Several political prisoners freed in bid to improve Myanmar's international image.

1995 - Aung San Suu Kyi is released from house arrest after six years.

1996 - Aung San Suu Kyi attends first NLD congress since her release; Slorc arrests more than 200 delegates on their way to party congress.

1997 - Burma admitted to Association of South East Asian Nations (Asean); Slorc renamed State Peace and Development Council (SPDC).

Release of pro-democracy supporters:

1998 - 300 NLD members released from prison; ruling council refuses to comply with NLD deadline for convening of parliament; student demonstrations broken up.

1999 - Aung San Suu Kyi rejects ruling council conditions to visit her British husband, Michael Aris, who dies of cancer in UK.

2000 September - Ruling council lifts restrictions on movements of Aung San Suu Kyi and senior NLD members.

2000 October - Aung San Suu Kyi begins secret talks with ruling council.

2001 February - Burmese army, Shan rebels clash on Thai border.

2001 June - Thai Prime Minister Shinawatra visits, says relations are back on track.

2001 November - Chinese President Jiang Zemin visits, issues statement supporting government, reportedly urges economic reform.

Conflicting signals:

2002 May - Pro-democracy leader Aung San Suu Kyi released after nearly 20 months of house arrest.

Aung San Suu Kyi taken into "protective custody" after clashes between her supporters and those of government.

2003 August - Khin Nyunt becomes prime minister. He proposes to hold convention in 2004 on drafting new constitution as part of "road map" to democracy.

2003 November - Five senior NLD leaders released from house arrest after visit of UN human rights envoy.

2004 January - Government and Karen National Union - most significant ethnic group fighting government - agree to end hostilities.


Prime minister ousted:

2004 October - Khin Nyunt is replaced as prime minister amid reports of a power struggle. He is placed under house arrest.

2004 November - Leading dissidents are freed as part of a release of thousands of prisoners, including Min Ko Naing, who led the 1988 pro-democracy student demonstrations.

2005 July - Asean announces that Myanmar has turned down the 2006 chairmanship of the regional grouping.
2005 November - Myanmar says its seat of government is moving to a new site near the central town of Pyinmana.

2007 January - China and Russia veto a draft US resolution at the UN Security Council urging Myanmar to stop persecuting minority and opposition groups.

2007 April - Myanmar and North Korea restore diplomatic ties, 24 years after Rangoon broke them off, accusing North Korean agents of staging a deadly bomb attack against the visiting South Korean president.

2007 May - Aung San Suu Kyi's house arrest is extended for another year.

2007 June - In a rare departure from its normally neutral stance, the International Committee of the Red Cross accuses the government of abusing the Myanmar people's rights.

Public unrest:

2007 August - Wave of public dissent sparked by fuel price hikes. Dozens of activists are arrested.

2007 September - Military government declares 14 years of constitutional talks complete and closes the National Convention.

Buddhist monks hold a series of anti-government protests. Aung San Suu Kyi is allowed to leave her house to greet monks demonstrating in Rangoon. It is her first public appearance since 2003.

UN envoy Ibrahim Gambari meets opposition leader Aung San Suu Kyi.

2007 October - Normality returns to Rangoon amid heavy military presence. Monks are absent, after thousands are reportedly rounded up.

After some delay, UN Security Council deplores military crackdown on peaceful protesters.

2008 January - A series of bomb blasts hits the country. State media blame "insurgent destructionists", including ethnic Karen rebels.

2008 April - Government publishes proposed new constitution, which allocates a quarter of seats in parliament to the military and bans opposition leader Aung San Suu Kyi from holding office.
Cyclone:

2008 May - Cyclone Nargis hits the low-lying Irrawaddy delta. Some estimates put the death toll as high as 134,000.

Referendum on new constitution proceeds amid humanitarian crisis following cyclone. Government says 92% voted in favour of draft constitution and insists it can cope with cyclone aftermath without foreign help.

Junta renews Aung San Suu Kyi’s house arrest.

2008 November - Dozens of political activists had given sentences of up to 65 years in series of secretive trials.

2008 December - Government signs deal with consortium of four foreign firms to pipe natural gas into neighbouring China, despite protests from human rights groups.

2009 January - Thailand expels hundreds of members of Muslim Rohingya minority who appeared off its coast. Myanmar denies the minority’s existence. Several hundred Rohingyas are subsequently rescued from boats off the coast of Indonesia.

UN envoy Ibrahim Gambari meets opposition leader Aung San Suu Kyi for the first time in a year.

2009 March - Senior US State Department official Stephen Blake visits for talks with Foreign Minister Nyan Win in what the US calls a routine visit. Myanmar says it was notable given his seniority.

2009 April - The National League for Democracy (NLD) main opposition group offers to take part in planned elections if the government frees all political prisoners, changes the constitution and admits international observers.

2009 May - The EU extends the 2006 sanctions for another year, but adds that they can be reviewed in the event of moves towards democracy.

UN and aid agencies say hundreds of thousands in the Irrawaddy Delta still need assistance a year after Cyclone Nargis. The UN says Myanmar now allows it to bring in all the staff it needs.

Aung San Suu Kyi trial:

2009 August - Opposition leader Aung San Suu Kyi is convicted of breaching conditions of her house arrest, following visit by an uninvited US national in May.
The initial sentence of three years' imprisonment is commuted to 18 months' house arrest.

2009 September - US Secretary of State Hillary Clinton announces plans for engagement with military rulers.

2009 October - Aung San Suu Kyi begins talks with Myanmar's military leaders and is allowed to meet Western diplomats.

2010 February - The authorities free NLD vice-chairman Tin Oo. Aung San Suu Kyi's deputy had spent more than a decade in prison or under house arrest.

2010 March - Government announces that long-awaited election laws have been passed, with provisions for an electoral commission hand-picked by the junta.

NLD votes to boycott polls. A splinter party - National Democratic Front (NDF) - later gained legal status and plans to compete in polls.

2010 October - Government changes country's flag, national anthem and official name.

2010 November - Main military-backed party, the Union Solidarity and Development Party (USDP), claims resounding victory in first election for 20 years. Opposition groups allege widespread fraud and the election is widely condemned as a sham. The junta says the election marks the transition from military rule to a civilian democracy.

A week after the election, Aung San Suu Kyi - who had been prevented from taking part - is released from house arrest.


Junta retires to wings:

2011 March - Thein Sein is sworn in as president of a new, nominally civilian government.

2011 August - President Thein Sein meets Aung San Suu Kyi in Nay Pyi Taw.

2011 September - President Thein Sein suspends construction of controversial Chinese-funded Myitsone hydroelectric dam, in move seen as showing greater openness to public opinion.
2011 October - Some political prisoners are freed as part of a general amnesty. New labour laws allowing unions are passed.

2011 November - Pro-democracy leader Aung San Suu Kyi says she will stand for election to parliament, as her party rejoins the political process.

2011 December - US Secretary of State Hillary Clinton visits, meets Aung San Suu Kyi and holds talks with President Thein Sein. US offers to improve relations if democratic reforms continue.

President Thein Sein signs law allowing peaceful demonstrations for the first time; NLD re-registers as a political party in advance of by-elections for parliament due to be held early in 2012.

Burmese authorities agree truce deal with rebels of Shan ethnic group and orders military to stop operations against ethnic Kachin rebels.

2012 January - Government signs ceasefire with rebels of Karen ethnic group.

Partly-free elections held:

2012 April - NLD candidates sweep the board in parliamentary by-elections, with Aung San Suu Kyi elected. The European Union suspends all non-military sanctions against Burma for a year.

2012 May - Manmohan Singh pays first official visit by an Indian prime minister since 1987.

2012 August - President Thein Sein sets up commission to investigate violence between Rakhine Buddhists and Rohingya Muslims in the west, in which dozens have died.

Myanmar abolishes pre-publication media censorship.

In a major cabinet reshuffle, President Thein Sein replaces hard-line Information Minister Kyaw Hsan with moderate Aung Kyi, the military's negotiator with opposition leader Aung San Suu Kyi.

2012 September - Moe Thee Zun, the leader of student protests in 1988, returns from exile after Burma removed 2,082 people from its blacklist.

President Thein Sein tells the BBC he would accept opposition leader Aung San Suu Kyi as president if she were elected.
Foreign ties:

2012 November - Visiting European Commission chief Jose Manuel Barroso offers Myanmar more than $100m in development aid.

Around 90 people are killed in a renewed bout of communal violence between Rakhine Buddhists and Rohingya Muslims.

US President Barack Obama visits to offer "the hand of friendship" in return for more reforms. He urges reconciliation with the Rohingya minority.

2013 January-February - The army surrounds Laiza, the biggest town controlled by Kachin rebels. The government and rebels agree to disengage and start a political dialogue after Chinese-sponsored talks.

2013 March - Rioting between Muslims and Buddhists in Meiktila, south of Mandalay, leaves at least 10 people dead.

2013 April - Four private daily newspapers appear for the first time in almost 50 years as the state monopoly ends.

2013 May - President Thein Sein visits Washington. President Obama praises Myanmar's political and economic progress, but criticises violence against Rohingya Muslims.

Six Muslims are jailed over the Meiktila clashes in March. No Buddhists are convicted.

2014 April - At least 22 people are killed in fighting between government troops and ethnic Kachin rebels in the north.

2014 May - US extends some sanctions for another year, saying that despite the recent reforms, rights abuses and army influence on politics and the economy persist.

2014 October - Parliamentary elections set for October/November 2015.

Government announces release of 3,000 prisoners. Burma watchers say most are petty criminals, but include ex-military intelligence officers imprisoned along with former Prime Minister Khin Nyunt, who was freed in 2012.

2015 February - Flare-up in fighting with Kokang separatists in Shan State near the border with China leaves nearly 50 soldiers dead. Government puts Kokang region under temporary martial law.
Government withdraws temporary voting rights from Muslim Rohingyas ahead of proposed constitutional referendum, following street protests by Buddhists.

Peace hopes:

2015 March - A draft ceasefire agreement is signed between the government and 16 rebel groups.

2015 May - Hundreds of Muslim Rohingyas migrants leave by sea in flimsy boats, along with migrants from Bangladesh. UN criticizes failure of south-east Asian states to rescue them.

2. Socio-Ethnic Problems of Myanmar

History of Inter-communal Tensions:

Anti-Muslim and anti-Indian sentiments are not a new phenomenon in Myanmar. They are rooted in dissatisfaction at unchecked immigration from the subcontinent during the colonial period. Large numbers of Indians moved to Myanmar as part of the colonial administration; commerce and money lending; and as low-income migrants seeking menial work. Many of these were Muslims, but there were also Hindus and other religions among them.

The “Chettiar” moneylenders came to be particularly hated figures. They had become the main source of credit in the rice-growing areas, and when the Great Depression resulted in the collapse of rice prices, farmers were unable to repay their debts and many lost their land as the moneylenders foreclosed on them. Large numbers of Myanmar agricultural workers moved to the cities seeking jobs held by Indian immigrant labourers, creating tensions. Things came to a head in May 1930, when Indian dockworkers went on strike and were replaced by Myanmar workers. When the Indian workers resumed their jobs, the Myanmar workers were sacked. Clashes broke out and escalated into several days of anti-Indian riots during which several hundred Indians were killed; the violence also spread to other parts of the country. Another outbreak of anti-Indian rioting occurred in July 1938 in Yangon, and then spread over much of the country, leaving at least 200 people dead. The violence began when Burman nationalists started a campaign against a book by an Indian Muslim author that was allegedly offensive to Buddhism.

170 “Bumran” (or “Bamar”) denotes the majority ethnic group in Myanmar, whereas “Burmese” (or “Myanmar”) denotes all people of the country.
Indians became targets of the growing Burman nationalist movement. A popular song from the 1930s had lyrics saying that Indians were “exploiting our economic resources and seizing our women, we are in danger of racial extinction” – strikingly similar to the terms in which the present day nationalist agenda is framed. In that period, the Dobama Asiayone “We Burmans Movement” emerged as the main pro-independence political organisation, with the principle of “Burma for the Burmans” and the slogan “let him who desires peace prepare for war”. One of the young leaders of the movement was Aung San, the father of Aung San Suu Kyi. He and other prominent Dobama leaders, known as the “Thirty Comrades”, went on to establish the ‘Burma Independence Army’ with support and training from Imperial Japan; it formed the backbone of the post-independence armed forces.

Occasional outbreaks of anti-Indian and anti-Muslim violence continued after independence. In 1983, there were serious anti-Muslim riots in the Mon State capital Mawlamyine, leading to several hundred refugees fleeing across the Thai border. At the time of the 1988 pro-democracy uprising, violent communal attacks targeted Muslims in Pyay in central Myanmar, and in Taunggyi and other towns in Shan State.

In 1997, a large mob including hundreds of Buddhist monks attacked Muslim shops, homes and mosques in Mandalay, creating major destruction and resulting in several deaths. The violence then spread to several other towns across the country. An English-language Thai newspaper, The Nation, carried a picture showing monks attacking a mosque, while security looked on, seemingly doing nothing to stop the destruction. Leaflets were apparently circulating earlier, urging Buddhists to boycott Muslim stores and not to marry Muslims.

In May 2001, there were attacks on Muslim residents in Taungoo in central Myanmar. One of the triggers was the destruction of the Bamiyan Buddhas in Afghanistan by the Taliban, and calls by Buddhist monks in Taungoo for the destruction of Mosques in retaliation. Six mosques were wrecked, as were most Muslim-owned shops in the town. Nine people were reportedly killed. Violence spread to other towns, then erupted again in Pyay in September 2001, and Bago in October. Curfews were imposed by the authorities. Many of the underlying prejudices, the forms of hate speech, and the way the violence has been conducted have been very similar over the decades, and have emerged again in the latest wave of violence.

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172 The particular situation in Rakhine State will be examined separately, in Section II.B
B. Violence and Discrimination against the Rohingya

At a time when Myanmar is emerging from decades of authoritarianism and isolation, the rise of inter-communal violence threatens to complicate its transition and damage its standing in the region and beyond. The violence swept Rakhine State in two waves in 2012 and then spread to central parts of Myanmar earlier this year. It has been accompanied by rising intolerance and anti-Muslim rhetoric, in part spread by radical Buddhist nationalist groups and a small but vocal group of extremist monks. If the country is unable to confront this issue, the violence could escalate.

This report is based on detailed background research and in-depth interviews with a wide range of individuals conducted in towns that have experienced violence in recent months, as well as in the main cities of Yangon and Mandalay. It discusses the history of inter-communal tensions in the country since colonial times, the situation in Rakhine State and the more recent violence in other parts of the country. It looks at the dynamics of the violence and who may be responsible, its regional ramifications, as well as the response of the authorities and what more can be done to tackle the violence and extremist rhetoric.

The situation for one Muslim population in Myanmar, the Rohingya in Rakhine State, has been particularly serious, longstanding and intractable. As noted Myanmar scholar Martin Smith remarked almost two decades ago, “While Burma has many complex ethnic problems, the plight of the Muslims of Arakan [Rakhine] is most tense and difficult of all the ethnic problems I have encountered in over a decade of writing on the political and ethnic situation in Burma”.

Not all Muslims in Rakhine State consider themselves to be Rohingya. First, there are Muslim populations in the state that are ethno-linguistically distinct from the Rohingya, including the Kaman who is recognised as one of Myanmar’s indigenous ethnic groups. Second, members of the Rohingya ethno-linguistic group do not always accept the term itself, which has come to be linked with a particular political/religious agenda and is identified mainly with communities in the northern

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176 Crisis Group interviews, witnesses to the violence, Meiktila Town, Myanmar, August 2013
part of Rakhine State near the Bangladesh border. Because the recent discrimination and violence has been blind to such subtleties, however, there now seems to be a greater willingness to identify as Rohingya.

The origins of this group, and the use of the term itself, are highly contested. Rohingya leaders claim that the community has lived in Rakhine State for many centuries, and there is historical evidence of a Muslim population living in the area for hundreds of years. The Myanmar government, however, often claims that most Rohingya are illegal immigrants who arrived very recently from Bangladesh. It is known that a number of Chittagonians (from the neighbouring Chittagong division of Bangladesh) did flee across the border to Myanmar as a result of the civil war in the East Pakistan in the 1960s, but probably very few since.

Whatever the extent of the historical population, and of recent migration, there was undoubtedly also significant migration from Chittagong to Rakhine during colonial times, with the encouragement of the British administration. This changed the ethnic and religious mix, created socio-economic problems, and led to considerable resentment from the Rakhine Buddhist community.

These tensions erupted into violence during the Second World War. The Japanese advanced into Rakhine State in 1942, and the area became the front line until the end of the war. The Rohingya remained loyal to the British, while the Rakhine supported the Japanese, as part of the broader Burmese independence movement. Each community formed armed units, and launched attacks on the other. Rohingya fled or were expelled from areas under Japanese control to areas in the north of the state, and Rakhine similarly moved south away from the areas held by Allied forces. The effect was to further segregate Rakhine State into Muslim and Buddhist areas.

After the Second World War, just as the country gained independence, a Rohingya mujahidin rebellion erupted. They sought the right to live as full citizens in an autonomous Muslim area, and an end to what they saw as discrimination from the Buddhist officials that replaced the colonial administrators. The rebels targeted Rakhine Buddhist interests as well as the government, quickly seizing control of large

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178 See Moshe Yegar, Between Integration and Secession: The Muslim Communities of the Southern Philippines, Southern Thailand, and Western Burma/Myanmar (2001), chapter 1.


180 Since colonial Burma was, at least for part of the time, governed as a province of British India, Chittagong and Arakan (Rakhine) were part of the same political entity. Migration was encouraged by the colonial administration as part of efforts to develop the agriculture of the sparsely-populated Arakan region. Yegar op. cit, chapter 3

parts of northern Rakhine State. Relations between Buddhist and Muslim communities deteriorated further. The rebellion was eventually defeated, leaving only small-scale armed resistance and banditry. Partly in response to political demands from mujahidin, in 1961 the government established a Mayu Frontier Administration in northern Rakhine State, administered by army officers rather than Rakhine officials.\(^\text{182}\)

The 1962 military coup in Burma then ended Muslim political activity, as it also banned other forms of political organisation, and brought about a more hardline stance toward minorities. New policies effectively denied citizenship status to the majority of Rohingya, and the short-lived Mayu Frontier Administration was dissolved.\(^\text{183}\)

In 1977, the government began a nationwide operation to tackle illegal immigration (operation \textit{nagamin}, or “dragon king”). The lack of formal immigration status of many Rohingya, combined with the abusive or violent way in which the operation was implemented in Rakhine State – including serious episodes of intercommunal violence – caused some 200,000 Rohingya to flee to Bangladesh. Most of these refugees returned over the course of the following year, under intense pressure from Bangladeshi authorities, but there were no real efforts at reintegration, and the majorities still had no citizenship papers, or were registered as “foreign residents” with fewer rights.\(^\text{184}\)

In 1991, the new military regime – which had come to power following the 1988 coup against the socialist government – began a significant deployment of troops to northern Rakhine State. These troops confiscated land from Rohingya for their camps and for agriculture to provide for their food, levied arbitrary taxes, and imposed forced labour on the Rohingya villagers. In addition to violence, the economic burden of these various demands became unsustainable and by early 1992 more than 250,000 Rohingya had fled to Bangladesh, where they were housed in crowded refugee camps. Some 200,000 were subsequently repatriated, under the auspices of the UN Refugee Agency (UNHCR), but human rights groups and other observers denounced the poor conditions in which the repatriation took place, and criticized the fact that it was sometimes involuntary.

In 2001, riots between Rakhine Buddhists and Rohingya broke out in the state capital Sittwe. An argument between a group of young monks and a Rohingya

\(^\text{182}\) Ibid, chapter 5.

\(^\text{183}\) That is, the Emergency Immigration Act (1974) and the fact that Rohingya were mostly not provided with citizenship cards that the act required people to carry.

stallholder escalated into a night of violence during which perhaps twenty people were killed and homes and businesses were torched. A curfew was imposed in the city for several months. Violence also spread to Maungdaw Township, and several mosques and madrasas were destroyed. In 2001, violence also targeted Muslim communities in other parts of Myanmar.

C. The Role of Buddhism

Many observers have been surprised at the links between Buddhism – a central precept of which is non-violence – and the extremist views and violence against Muslim communities, including by Buddhist monks.\textsuperscript{185} Although most Buddhists and monks eschew violence, Myanmar’s history and experience from elsewhere in the region demonstrate that in certain political circumstances, Buddhism and Buddhist monks can become vehicles for violent ideologies and actions, for example in Sri Lanka, southern Thailand and other Buddhist countries.\textsuperscript{186}

In Myanmar, Buddhist monks played a prominent role in the anti-colonial movement, leading some of the armed resistance against the colonial occupation in upper Myanmar in the 1880s. They were in the forefront of the Burman nationalist proindependence movement in the 1920s and 1930s, often preaching non-violence, but not always; for example, some monks led or participated in deadly anti-Indian and anti-Muslim riots.\textsuperscript{187}

Just as monks have been prominent in Burman nationalist organisations, they have also been influential in ethno-nationalist movements for those ethnic groups that are predominantly Buddhist. They have played a vital role in supporting ethnic insurgencies against successive military regimes and there has been a long tradition of monks disrobing to become insurgent fighters.\textsuperscript{188} Nearly all the leaders of the staunchly Rakhine nationalist Arakan Liberation Party armed group – which signed a ceasefire in April 2012 and which has been implicated in the 2012 violence against Muslims in Rakhine – were formerly monks.\textsuperscript{189} The Democratic Kayin Buddhist

\textsuperscript{185} For an insightful discussion of the issue, see Matthew J. Walton, “Myanmar needs a new nationalism”, Asia Times Online, 20 May 2013.


\textsuperscript{187} See, for example, Thant Myint-U, The Making of Modern Buma (2001), chapter 8; and Robert Taylor, The State in Myanmar (2009), chapter 3.


\textsuperscript{189} Ibid; and “Thousand interrogated for Arakan strife role”, The Irrawaddy, 1 November 2012.
Army (DKBA), which was established and led by the Karen monk U Thuzana, provides another example. The group emerged from a split in 1994 in the Karen National Union (KNU) armed group, partly as a result of tensions between the KNU’s rank and file and its mostly Christian leadership. The DKBA was accused of targeting Muslim communities in Kayin State to force them to relocate and destroying mosques.

The Role of Buddhist Monks:

These incidents have cast a harsh light on elements of the Buddhist monkhood in Myanmar, some of whom preach extremist anti-Muslim views, and a small number of whom have been involved in perpetrating acts of violence. The “969” movement, led by prominent monks including Wirathu and Wimala, has been particularly vocal in its extremist rhetoric, including making wild claims of a Muslim plot to take over the country, jihadi infiltrators and of schemes to pay Muslims for marrying and converting Buddhist women. It also encourages Buddhists to boycott Muslim businesses, and has been a leading voice for the adoption of a law to restrict inter-faith marriage – with one monk threatening to launch an electoral boycott of parliamentarians who oppose the law. The movement’s name, a numerological shorthand for the special attributes of Buddha and his teachings, was coined as a counterpoint to the number “786”, long used by Muslims in Myanmar to designate Halal shops and restaurants. Although 969 is new, it is repeating old prejudices: a British colonial inquiry into anti-Indian riots in Yangon in 1938 noted that “one of the major sources of anxiety in the minds of a great number of Burmese was the question of the marriage of their womenfolk with foreigners in general and with Indians in particular”.

Wirathu denied that the 969 movement is contributing to anti-Muslim violence. He accepted that it may be causing Burmans to have greater hatred of Muslims, but said that this is because, through the information provided by 969, they are finding out “the truth about Muslims”. Such information includes a book, distributed under Wirathu’s name, containing a lengthy interview with a Buddhist woman who says she suffered domestic abuse at the hands of her Muslim husband.

The 969 movement has resonated strongly with many Buddhist Burmans, and has considerable popular support. Promotional DVDs containing sermons by the movement’s leaders are widely sold in Myanmar. Partly this reflects the disturbing reality of strong anti-Muslim sentiment in many quarters, but it is also due to the fact

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190 U Thuzana was initially described as “chairman” of the DKBA, and subsequently came to be referred to as its “chief patron”.

that 969 are often sold as a “Buddhist solidarity” movement intended to strengthen the religion. Many followers say that they are supporting Buddhism, not attacking Islam. Even Burmans who do not follow 969 are very reluctant to criticise it for fear of being seen as critical of Buddhism. This sense of indivisibility between 969 and devout Buddhism has certainly been strengthened by the movement’s leading monks in the way they have presented it, and by the choice of a logo that incorporates a Buddhist flag and other Buddhist iconography. In many ways, it resembles a populist political movement, and this could be regarded as a section of the monkhood seeking to assert its moral-political authority as the country reforms and opens up.

The reluctance to criticise 969 extends to the Buddhist clergy itself. Many prominent monks believe that the movement’s message of intolerance and religious nationalism is inconsistent with, and even antithetical to, Buddhist teaching. Most are reluctant to say so publicly. They are worried about a backlash, held back by a general taboo against criticising other monks, particularly those from other sects, or because many of the more orthodox monks follow a practice of disengagement from worldly affairs. If influential moderate monks do not speak out clearly and repeatedly against the violence, the Myanmar people and the world will only hear voices of intolerance. This would be hugely damaging for the country and the religion. In this regard, it is encouraging that the top Buddhist regulatory body in Myanmar has refused any religious status for the 969 movement.

**Attacks on the Muslim Community in Meiktila:**

In a context of rising anti-Muslim sentiment across Myanmar following the events in Rakhine State, violence broke out in the town of Meiktila in central Myanmar. Clashes started following an argument between a Buddhist customer and the staff at a Muslim-run gold shop on 20 March 2013, and quickly escalated into attacks on Muslim residents of the town and their property by Buddhist mobs, including monks. The killing of a Buddhist monk – who was apparently uninvolved in the events – by a group of Muslims caused the already volatile situation to explode, greatly increasing the intensity and extent of the violence. This led to widespread destruction of Muslim neighbourhoods of the town, and a massacre of at least twenty students and several teachers at an Islamic school. The official death toll was 44, but there are indications that it may have been higher.\(^\text{192}\)

\(^{192}\) Crisis Group interviews, witnesses to the violence, Meiktila, August 2013. For a detailed account based on numerous interviews conducted shortly after the events, see “Massacre in central Burma: Muslim students terrorized and killed in Meiktila”, Physicians for Human Rights, May 2013. See also “Burma: Satellite images detail destruction in Meiktila”, Human Rights Watch, 1 April 2013; and “Satellite-based damage assessment for city of Meiktila, Mandalay Region, Burma”, Human Rights Watch, 27 March 2013.
Meiktila is a key trading town in central Myanmar, strategically located at the intersection of the main north-south and east-west highways. It has a comparatively large Muslim population, including some wealthy traders and other businessmen. While local people from both communities said they did not sense any particular increase in tensions prior to the outbreak of violence,\(^\text{193}\) it came in the context of a very obvious upsurge in anti-Muslim sentiment and rhetoric in Myanmar as a whole, including the rise of the “969” movement. Meiktila, with its large and visible Muslim population, certainly had the potential to become a hotspot.

The spark in this case was the argument at the gold shop. A dispute between the female staff and a female customer turned violent, with the latter reportedly receiving a serious beating. The police did not intervene, allegedly because the staff paid a bribe. When an angry crowd started to assemble, local authorities arrived and the shop staffs were arrested. The incident appeared to have ended, but then (false) rumours started to circulate that the customer had died of her injuries. A large crowd, including some monks, started to ransack the shop. Outnumbered and unable to control the situation, the police reportedly told the crowd that they could destroy the shop, but must then disperse. They looted and destroyed several nearby Muslim shops before doing so. A short time later, a group of Muslims in another part of the town, possibly in retaliation, attacked a monk passing by on a motorbike, who later died of his injuries in hospital. When this news spread, the situation escalated from a relatively contained incident to a deadly rampage by a mob at least 1,000 strong over the following two days.\(^\text{194}\)

The response of the security forces was clearly inadequate. Witnesses described police officers standing by while people were killed in front of them, and video footage shot by police has depicted this. The only time when police reportedly fired their weapons was when a rock thrown by the crowd struck an officer. When the mob surrounded a large group of Muslims who had sought refuge in a compound, the police did escort some of them to safety, but were apparently unable to prevent several being killed by the mob while under escort.\(^\text{195}\) On 22 March, President Thein Sein declared a state of emergency in Meiktila and surrounding townships, which was enforced until it was revoked on 20 July; a night-time curfew remained in force.\(^\text{196}\)

At present, several thousand people are still living in crowded shelters and camps around and outside the town, the great majority of them Muslims. Most have

\(^{193}\) Crisis Group interviews, Meiktila, August 2013.
\(^{194}\) Crisis Group interviews, individuals who witnessed the events, Meiktila, August 2013.
\(^{195}\) Crisis Group interviews, witnesses to the violence, Meiktila, August 2013. Physicians for Human Rights, op. cit. For the video footage, see “Buma riots: Video shows police failing to stop attack”, BBC, 22 April 2013 (http://bbc.in/108cJgn).
\(^{196}\) President Office Ordinance No. 1/2013, 22 March 2013; and Ordinance No. 2/2013, 20 July
suffered the destruction of their homes and belongings, and have lost their livelihoods. There continues to be a strong presence of armed police in town, but those Muslims who have stayed in their homes remain fearful. Many Muslim shops are shuttered, and inter-communal interactions remain tense and are minimised. Few Muslims shop in the central market, and those who do are reportedly being extremely cautious, even about haggling over the price of goods (a standard and usually good-natured practice) for fear of sparking an incident. Some Muslim students have returned to school, which at the primary level tends to be separate (since there is a primary school for each area, and communities tend to live separately or send their children to separate schools). At middle- and high-school levels, however, schools are mixed and there are reportedly tensions between students, with some parents telling their children they can no longer have friends from the other community.197

It is unclear when the displaced Muslim population – both those in the camps and the many others staying with friends and relatives in other townships – will be able to return. Two main Muslim areas in the town were destroyed: a poor neighbourhood of mainly wooden houses, Chanayethaya Quarter, which has since been razed by the authorities in preparation for rebuilding, and a richer area in the centre of town, which as of August was still in its post-riot condition – burned out and partially destroyed buildings. Under a law dating from the colonial period, ownership of municipal land damaged by fire reverts to the authorities and “no trespassing” signs have been erected. The authorities have indicated that the land will be returned to its original owners, but it is not clear when this will take place.

Violence Continues in Other Areas:

There have been several subsequent outbreaks of anti-Muslim violence in other parts of Myanmar, although Meiktila remains by far the most serious to date outside of Rakhine State. These other clashes have followed a similar pattern: an apparently random incident between a Buddhist and a Muslim sparks attacks by Buddhist mobs on Muslim shops, homes and religious buildings, with the security forces often caught unprepared and arriving too late (however, as noted below, the police have more recently shown the intent and ability to intervene promptly to good effect).

On 30 April 2013, there was an outbreak of anti-Muslim violence in the town of Okkan, north of Yangon. One person was killed and several others seriously injured in a few hours of violence and looting sparked by a Muslim woman bumping into a novice monk in a crowded market, causing his alms bowl to be knocked over. Dozens of Muslim shops and homes were looted and destroyed, and a mosque burned down.

197 Crisis Group interviews, Muslim residents of Meiktila, August 2013.
After several hours, a large number of police and some military personnel arrived in the town, and security was then quickly restored.

A few days later, on the night of 2 May, several Muslim shops and houses were destroyed in the far north of Myanmar, in the jade mining town of Hpakant in Kachin State; two people were arrested and the situation was brought quickly under control.

On 28 May, anti-Muslim violence erupted in the north-eastern town of Lashio. One person was killed, and a number of Muslim homes and shops were looted, damaged or destroyed in a night of attacks by a mob of 200-300 people. Parts of the town's main mosque were damaged by fire, and a large building nearby that housed an Islamic school and orphanage was burned down. The violence was sparked by an incident in which a Muslim man – who sources described as suffering from mental illness – poured petrol over a Buddhist woman and set fire to her, leaving her with serious burns. Several hundred Muslims took refuge in a Shan Buddhist monastery in the town, where many stayed for several weeks.\(^\text{198}\)

Lashio is a somewhat unexpected place for anti-Muslim violence to break out. Located in northern Shan State, it has a long history of various insurgencies in the surrounding hills, but the town itself has always been relatively calm, and its focus has been on the role it plays as a key trade hub, on the main road from Mandalay to China. It has a large Chinese population particularly active in the commercial and trade sectors, a Muslim community that – unlike Meiktila – is not particularly large, and a fairly small population of Buddhist Burmans. The great majority of Buddhists in the town are Shan, among whom there does not appear to be any significant anti-Muslim sentiment – if they harbour any resentment; it tends to be against the growing Chinese immigrant population.

The Muslim population in Lashio is mixed. Some are of Indian origin, like in Meiktila, others are Chinese Muslims, known as Panthay, who are, and look, ethnically Chinese. But the largest group is Shan Muslims, most of who have partial Indian ancestry but are culturally Shan and speak the Shan language. This population does not fit the stereotype of Indian Muslims who have been the targets of violence elsewhere. Some Muslims whose homes were attacked describe mobs searching for particular houses owned by particular named individuals; others said that some among the mob would point out which houses and shops were owned by Muslims. Arson was used much less, perhaps because in mixed residential areas, it is not feasible to burn down only Muslim homes without fires spreading. There may also have been opportunism at work: the mob created a climate of lawlessness and impunity which,

\(^{198}\) Crisis Group interviews, community leaders, Lashio, August 2013. The man was convicted and imprisoned for 26 years on 11 June 2013.
according to several sources, was taken advantage of by people with no anti-Muslim agenda to profit from looting. This dynamic is very likely present in many of the recent cases of inter-communal violence.\textsuperscript{199}

On 29 June, an alleged rape of a Buddhist woman by a Muslim man in Thandwe town in Rakhine State led to mob violence that resulted in the destruction of fourteen homes. A curfew was imposed by the authorities and order was restored the following day.\textsuperscript{200}

On 24 August, anti-Muslim violence erupted in a village in Kanbalu Township in Sagaing Region. The trigger was again a sexual assault of a Burman woman by a Muslim man. Police reinforcements sent from nearby were able to contain the situation, but only after a mob of several hundred people burned dozens of Muslim houses and shops. The mob also prevented firefighters from tackling the blazes, and the regional security minister, a monk, and several villagers were injured by projectiles from slingshots when they tried to intervene to stop the violence. The situation was only brought under control when police reinforcements fired several rounds of warning shots, and then detained some dozen suspected arsonists.\textsuperscript{201}

In several other cases in recent months, incidents that could potentially have sparked intercommunal violence did not do so, sometimes because of the quick intervention of police or community and religious leaders.

\textit{The Government Response:}

The government and police have been widely criticised, domestically and internationally, for the poor response by security forces to the violence, which in many cases was clearly biased and woefully inadequate.

In Rakhine State in 2012, the police reportedly did little to stem the violent attacks.\textsuperscript{202} Police in the area are overwhelmingly made up of Rakhine Buddhists who are at best unsympathetic to Muslim victims and at worst may have been complicit in the violence against them. The army, recruited nationally and rotated into the region, has been better at maintaining security – preventing or deterring attacks against

\textsuperscript{199} Crisis Group interviews, Muslim residents, Lashio, August 2013.
\textsuperscript{200} “Arrests made over Thandwe rape case”, \textit{Myanmar Times}, 4 July 2013.
\textsuperscript{201} “Shops, houses torched in fresh anti-Muslim violence in Myanmar”, Radio Free Asia, 25 August 2013.
\textsuperscript{202} See, for example, “‘The government could have stopped this’: Sectarian violence and ensuing abuses in Burma's Arakan State”, Human Rights Watch, August 2012.
Muslim villages, and guarding the last Muslim-majority neighbourhood in downtown Sittwe.203

In Meiktila, witnesses spoke of police being apparently incapable of initially controlling the angry crowd at the gold shop, and then rapidly outnumbered. They appeared to lack the training, equipment, and rules of engagement or leadership that might have enabled them to contain the situation and restore order more quickly, potentially saving many lives.204

One important factor influencing the nature of the response appears to have been the bungled police crackdown on demonstrators at the Letpadaung copper mine near Monywa in upper Myanmar on 29 November 2012.205 In this incident, the police were strongly criticised for their heavy-handed operation to clear demonstrators from the mine site, which included the improper use of military-issue smoke grenades containing an incendiary substance that caused many demonstrators, including monks, to suffer severe burns. The incident sparked protests across the country by monks and lay people, and the regional head of the police had to appear before senior monks to give a personal apology.206 President Thein Sein then set up an investigation commission, headed by Aung San Suu Kyi, and sent a minister from his office to a ceremony in Mandalay to present a formal government apology to senior monks.207

The Letpadaung incident, and the enormous criticism and scrutiny of the police that followed, seems to have had a significant impact on the willingness of the police to use force in the context of riot control.208 Police on the ground in Meiktila had no specialised competence in riot-control techniques, nor did they have non-lethal riot control equipment. A government official also identified a lack of vehicles as a constraint preventing police from mobilising quickly, especially to more remote areas.209 Heavily outnumbered and possibly lacking clear rules of engagement and direct orders from above, their actions were mainly limited to self-defence,
negotiating with the mob (to limit its destruction to the gold shop or, later, to allow women and children to be escorted away from areas of violence).\textsuperscript{210}

This analysis is supported by the fact that incidents of communal violence in the wake of Meiktila, and particularly since Lashio, have generally been responded to more quickly and more assertively by police, with the result that mob violence has lasted hours not days, and casualties have been less. It therefore appears that the events in Meiktila may have been a wake-up call, and have pushed the police towards tougher responses that they had avoided in the wake of Letpadaung. It remains to be seen whether this positive trend will continue. A flashpoint has traditionally been the Muslim festival of Eid al-Adha in October, which also coincides with a major Buddhist lunar holiday, Thadingyut.\textsuperscript{211}

Following the various incidents, police arrested and prosecuted a significant number of people accused of violence and arson. There had been concerns that mainly Muslim suspects were being sentenced, despite the fact that most of those arrested were Buddhists; but subsequently greater numbers of Buddhists have been imprisoned. On 17 July 2013 a sting operation by police from Naypyitaw arrested six people in Toungup in Rakhine State in connection with the murder of the Muslim pilgrims in June 2012.\textsuperscript{212} In early July 2013, 25 Buddhists were found guilty of murder, assault and arson in connection with the riots in Meiktila, including two monks who were caught on camera engaging in violence.\textsuperscript{213} The authorities have also made a point of quickly prosecuting those responsible for the incidents that sparked the violence, presumably in an effort to ease communal tensions in those areas.\textsuperscript{214}

1.\hspace{1em}Illegal Trafficking promotes Economic Imbalance

Conflict, Crime and Corruption

\textsuperscript{210} Crisis Group interview, source close to the police, Meiktila, August 2013.

\textsuperscript{211} In 2013, Eid al-Adha will most likely be on 14-15 October; Thadingyut will be on 19 October.

\textsuperscript{212} “Burma arrests six Buddhists for role in Muslim massacre”, Democratic Voice of Burma, 18 July 2013.

\textsuperscript{213} Crisis Group interview, local journalist, Meiktila, August 2013; and “25 Buddhists sentenced in deadly Myanmar riot”, Associated Press, 11 July 2013.

\textsuperscript{214} See, for example, “Burma riots: Muslim gold shop workers jailed”, BBC, 12 April 2013; “Myanmar court sentences Lashio violence instigator to 26 years’ prison term”, Xinhua, 12 June 2013; “Burma imprisons two Muslim women for sparking Okkan unrest”, The Irrawaddy, 18 June 2013; and “Burma jails Muslim for attempted rape that sparked riot”, BBC, 5 September 2013.
“Observers almost always blame the armed ethnic rebels as the main culprits when talking about the drug trade. A case in point is the upsurge in drug production and rising number of seizures by law enforcement agencies in Thailand, Laos and China during the past few years. Predictably, a number of experts have concluded that the ceasefire groups, especially the Wa, which have spurned Nay Pyi Taw’s call to forget their self-rule ambitions and become Burma Army-run Border Guard Forces (BGFs), are furiously churning out more drugs to sell and buy weapons to fight. However, such analysis ignores a number of glaring details.”

SHAN

The relations between drug, conflict, crime and corruption are complex. The international drug control system has failed to prevent the existence of a huge and growing illicit drug market. At the same time, it has helped to create the conditions for large criminal groups and drug syndicates to operate in a situation already rife with ethnic tensions and conflict, weak governance and conflicting international geopolitical interests. The existence of a profitable illicit drug market has exacerbated conflict and stimulated corruption, crime, violence and human rights violations. The ASEAN goal to make Southeast Asia drug free by 2015 has put further pressure on member states to achieve quick results, leading to heavy-handed zero-tolerance approaches and a focus on law enforcement.

The system has also contributed to the criminalization of large numbers of vulnerable and marginalized communities. These include drug users trying to sustain their habits, small drug traders and farmers growing opium poppy and cannabis as a livelihood and for traditional use. International pressure has resulted in repressive national drug policies that have often targeted political adversaries while providing space for allies to engage in illegal activities. At the same time there has been a tendency to blame the region’s drug problems on drug ‘kingpins’, ‘kings of opium’ and ‘narco-trafficking armies’ rather than addressing corruption and seriously investigating illegal transactions that come dangerously close to the higher echelons of power in the region.

The ‘war on drugs’ has focused on reducing supply by trying to wipe out production by eradicating crops in producer countries rather than addressing domestic problems related to drug use. US supported eradication campaigns – especially in Latin America and Afghanistan – have been militarised, leading to human rights abuses and contributing to greater conflict. Between 1985 and 1988 the USA also supported the Burmese government in carrying out aerial spraying of opium fields in Shan State using the herbicide 2,4-D (a major ingredient in the infamous Agent Orange). It also provided helicopters to be used in drug control efforts, although the national army used these mainly for military campaigns against ethnic armed opposition groups. US
support for both ended in 1988 after the regime’s bloody crackdown on the prodemocracy movement.3

China’s version of the drug war suffers the same problem. Drug production in neighbouring countries is considered a security threat. In Burma, China put pressure on ceasefire groups to ban opium cultivation and the production of heroin and methamphetamines in order to stop the flow of drugs across the border. The current Chinese opium substitution programmes in Burma and Laos have further marginalised vulnerable communities by pushing them off their lands to make way for large-scale agricultural concessions controlled by Chinese entrepreneurs and local authorities.4 It is therefore not surprising that the supply-side approach has failed, and has only caused more conflict and violence. There has been no decline in global opium cultivation and also methamphetamine production has increased in the region.

The continuing political and armed conflict in Burma and Northeast India has destabilised and marginalised ethnic upland communities, driving them further into poverty. Some of these communities have reverted to cultivating opium as a means to survive. Over the years, the drug trade and insurgency politics have become increasingly intertwined. Almost all parties to the conflicts in drug producing regions have in some way been involved in or profited from the drug trade. This is especially the case with government-backed militias in Burma. In the 2010 elections, some of their leaders were elected to regional and national parliaments as representatives of the pro-military Union Solidarity and Development Party (USDP). There are concerns about drug money flowing into the coffers of political parties in the region, particularly in Thailand.5 As in the case of Thailand, it is possible that as the political system opens up in Burma, the holding of office provides further opportunities for corruption and abuse of power.

It is time to promote an alternative agenda in order to realign the focus of ‘security’ away from enforcement and repression as a way to address the symptoms and towards a ‘human security’ agenda that looks into root causes and social solutions and puts more emphasis on good governance, social and economic development and human rights.6 Furthermore, it is important to start a discussion on alternative policies aimed at reducing the worst consequences of conflict, crime and corruption. This will require a critical analysis of the impact of drug control and law enforcement on conflict and crime, including its unintended consequences, and an open debate on potential drug policies that are more effective and less costly – not only in terms of resources but also for human security and community health and wellbeing.

Drugs and Conflict in Northeast India
For decades, both Burma and India – currently the region’s main poppy cultivating areas – have been plagued by internal conflict. In Northeast India, conflict and underdevelopment have contributed to drug consumption and production, and are hampering access to treatment, care and support for drug users. Obstacles include curfews imposed by the national government, as well as punitive actions taken by armed opposition groups against drug users, and discrimination and stigmatisation among the local population.

The states of Manipur and Nagaland in Northeast India have a troubled relationship with the central government in New Delhi. In 1947, when the country achieved independence, states in Northeast India also declared themselves independent. In response to the national government’s rejection of their demand, local groups began an armed struggle. Since then, a violent civil war has raged in the region. The Assam Rifles were sent to Manipur and Nagaland to control the uprising. Since 1958 the Armed Forces Special Powers Act (AFSPA) has been in force, giving the army unrestricted powers to arrest, search, and shoot to kill, with immunity from prosecution. The Act has led to grave human rights violations. Several reports draw attention to the escalation of violence, torture and extrajudicial killings by the Armed Forces and the state police, and recommend that it should be repealed. After appointing a committee to review the Act, the government subsequently failed to disclose its report and the recommendation to repeal it. In 1997 the National Socialist Council of Nagaland-IM (Isak- Muivah faction) and the central government agreed on a ceasefire, resulting in a significant reduction of violence in Nagaland. The truce has been extended several times, but as yet no sustainable peace agreement or political solution addressing the grievances and aspirations of the NSCNIM have been reached, and sporadic fighting continues. There are a large number of other armed groups in Northeast India, and conflict in the region has far from been resolved.

As shown in the previous chapter, Northeast India is a major opium producing area. Different ethnic groups in Manipur, Nagaland and Arunachal Pradesh cultivate poppy. Communities living in isolated and undeveloped areas grow opium in the upland areas. Besides being a cash crop, it is used as a medicine and also plays a cultural and traditional role. There are several links between drug consumption and production and the conflict in Northeast India. “Opium cultivation here is a very recent thing”, says one local NGO worker in Manipur. “It happened because people find it difficult to find their livelihood any other way. Kuki people are planting it. They live from hand to mouth, and with poppy they can get some money. Generally they can harvest about 2–3 kg of opium per year. The fields are far away, they have to walk several hours. Opium cultivation is in areas where there are so many problems, and insurgency.”
The government accuses the armed opposition groups of being involved in the drug trade as a means to finance their armies. At the same time government officials have been accused of corruption and involvement in trade in heroin and ATS precursors.16 “There is no evidence that armed groups are involved in the drugs trade”, says a local NGO worker. “But everyone knows that money and guns go together. The armed groups need money for guns. But there are others who are the drug dealers.”17 According to a representative of another local NGO: “Drugs and conflict are all mixed up. There are more than 20 armed groups [in Manipur]. The Indian government claims that armed opposition groups are involved in the drug trade to finance their struggle. Armed groups claim the government of India is bringing drugs down here.”18

The conflict hinders appropriate responses and limits access to treatment and harm reduction services. It has also further isolated the region from the rest of the India, preventing much-needed socio-economic development and the opportunity for opium farmers to find alternative livelihoods.

Drugs and Conflict in Burma

The decades-old civil war in Burma and the failure of the government to address ethnic conflict has greatly contributed to the country’s drug-related problems. Burma is an ethnically diverse country, with non-Burman ethnic minorities comprising about 40% of its estimated 56 million inhabitants. Ethnic minorities in Burma have long experienced marginalisation and discrimination. Armed rebellions began at the country’s independence in 1948. The situation deteriorated after the military coup in 1962, when minority rights were further curtailed. Most of the poppy growing regions are in conflict areas in Shan State, Kachin State and Kayah State.

The local population, consisting mainly of ethnic minority groups who cultivate upland rice, have suffered greatly as a result of the fighting. A significant part of the population in these areas – on whom the ethnic armed groups depend for intelligence, food, taxes and recruits – rely on opium as a cash crop. The adoption of a strong anti-opium policy by these ethnic armed groups would also bring them into conflict with potential allies against the government. Over the years, most armed groups in Shan State have relied on income from the opium trade, either by taxing farmers (mostly in kind), providing armed escorts for opium caravans and sanctuaries for heroin laboratories, or by setting up toll gates at important trade routes to Thailand. In the process, some of the armed groups became more committed to the opium trade than to their original political objectives.
Since 1989, most of the ethnic armed opposition groups signed ceasefire agreements with the then military government. The larger groups include the Kachin Independence Organisation (KIO), the Shan State Army-North (SSA-N) and United Wa State Army (UWSA). In many border areas, the ceasefires subsequently brought an end to the fighting, curtailed the most serious human rights violations, and created a more favourable environment for community development. The main shortcoming of this first wave of ceasefires was the lack of an inclusive peace process and subsequent political dialogue to build national peace and reconciliation. The agreements were limited to military matters and did not address any political issues. The groups were allowed to retain their arms and control their territory and were encouraged to engage in business.

The ceasefires had several negative consequences, as the end of the fighting allowed for larger-scale and unsustainable economic projects. The uncertainty of the situation gave rise to illegal logging, mining, gambling, drug and human trafficking and other black-market activities. The armed groups still needed to find sources of income to finance their organisations and armies. As the central government was unable and unwilling to provide the necessary resources, the ceasefire groups sought other ways to finance these needs. Since the government restricts access to legal trade and business, ceasefire groups came to rely in part on ‘illegal’ economic activities.

The Tatmadaw (the national armed forces) has been cunningly switching alliances and support according to circumstances. Following the ceasefire agreements, the government reversed its policy of allowing militia groups to be involved in the drug trade. A 2002 US State Department publication reports that: “According to military intelligence officials, with peace now prevailing in most of the countryside and the government no longer in need of the local security services these groups provided, steps are now being taken to slowly scale back their privileges, including the right to grow and traffic in opium.” Instead, when maintaining the ceasefires was a priority for the military government, these ceasefire groups were allowed to engage in the drug trade relatively undisturbed.

The main ceasefire groups accused of involvement in the production of and trade in drugs are the UWSA and the Myanmar National Democratic Alliance Army (MNDAA) in Kokang and the National Democratic Alliance Army (NDAA) in the Mongla region, all located along the border with China in Shan State. The Kokang, Wa and Mongla regions were also the main opium cultivating areas in the Golden Triangle. Following international pressure, especially from neighbouring China, all of these groups imposed opium bans, which are strictly enforced. Historically, another significant force in the drug trade in Shan State was the Mong Tai Army of Khun Sa, which splintered following its 1996 ‘surrender-ceasefire’.
Following decades of war and isolation, the ceasefire groups such as the UWSA hoped to gain international recognition and support to develop their impoverished regions. These groups officially banned the production of and trade in heroin and methamphetamine, mainly due to Chinese pressure. Nevertheless, they continued to be accused of involvement in production of heroin and especially of having switched to large-scale methamphetamine production. In January 2005 the US Department of Justice announced the indictment of eight UWSA leaders on charges of trafficking heroin and methamphetamine, and the UWSA is described as one of the world’s largest heroin-producing and trafficking groups.24

“The opium ban was mainly because of pressure from the Chinese”, said a representative of the Mongla group. “They tell us ‘you started the drug ban quite early, so why are there so many drugs coming into China from your area?’”25 The Thai government has accused the UWSA, which also controls a huge stretch of territory along the Thai border, of flooding the Thai market with ATS.26

As explained below, however, few of the conflicting parties in Burma’s Shan State can claim to have clean hands in relation to the drug trade. Placing all the blame on one side of the conflict has usually been driven by political considerations rather than being based on impartial investigations, and ignores the realities on the ground. Many groups produce heroin and ATS, including government-backed militias. “It is very difficult to get rid of the drug problem in Shan State”, said a former member of a ceasefire group in northern Shan State. “It is probably the area with the most armed groups in the country. The majority need money to support their armed struggle and drugs are probably the source of income for most of these groups to acquire arms, ammunition, uniforms, and food.”27

According to a local NGO worker in southern Shan State: “People have limited access to land due to the unstable political situation. People also have to pay a lot of taxes to all the conflict parties: the government, armed groups and nmilitias. People are food insecure, with a food gap in some areas of four to six months per year. Their livelihood is not stable. So the easy way is to grow poppy.”28 Another local NGO representative in southern Shan State adds: “Due to decades of conflict in this area, people find it very difficult to have food security. This area in southern Shan State is complicated because there are many armed groups. If we deal with one armed group, we have to be careful with the other groups. These are among the reasons why poppy cultivation is growing bigger and bigger now, it is very popular in this area.”29

The increase in opium cultivation in southern Shan State and Kayah State since 2006 is also related to conflict and a worsening economic situation. “There is a lot of opium
cultivation in southern Shan State and Kayah State because of the unstable political situation”, said a local NGO representative. “It is a very difficult area because of the ongoing conflict, and the only thing people can grow there is opium, which is easy because it is a mountainous and isolated area. The lower prices of other crops they could produce as alternatives and the connections with opium buyers who offer a good price also stimulate cultivation.”30 Another local NGO worker in southern Shan State added: “Because of the conflict, the poor soil quality, and the lack of jobs, people have to struggle a lot, so they grow opium. Opium cultivation increased because of the decreasing prices of other crops they could grow, such as garlic, while at the same time the price of opium is up.”31

In the past, successive military governments have pursued a policy of the political exclusion of ethnic nationalities and militarisation of ethnic areas, which has exacerbated ethnic conflict. A new political system was introduced in Burma in 2011. Following the adoption of a new constitution in 2008 and national elections in November 2010, the State Peace and Development Council (SPDC, the name of the military government) was dissolved, and a new military-backed government was inaugurated in March 2011, headed by President Thein Sein, a former general and ex-SPDC member. Since the end of 2011, the new quasi-civilian government has concluded peace talks with all of the country’s major ethnic armed opposition groups. With some important exceptions, the talks appear to be an important first step towards achieving national peace and reconciliation. By February 2012, initial peace agreements had been reached with most ethnic armed opposition groups.

Nevertheless, the continuing conflict in the Kachin State and northern Shan State in 2013 demonstrate the continuing need for a lasting peace settlement. There are four main armed opposition groups active in these areas,32 of which two already have a new ceasefire agreement, but the Tatmadaw has continued offensive operations against all of them. “Signing a ceasefire agreement is not real, there is still fighting going on”, says a representative of an ethnic Palaung organisation. “Ethnic armed groups do not believe the government, there is a long history and they made promises in the past. In 1991 they also told the Palaung armed group to sign a ceasefire first and political dialogue will come later, but until now it has not happened.”33

Ending the civil war is important to bring about peace, political stability and sustainable economic development. The new ceasefire talks initiated by the Thein Sein government appear to be a welcome breakthrough, but they have not yet led to a political dialogue and the government has yet to address ethnic grievances and aspirations. The failure to do so will make prospects for peace, democracy and development grim. As long as conflict, poverty and underdevelopment continue


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unabated in ethnic upland areas, it is unlikely that opium cultivation and the production of heroin and ATS will end.

Militarisation and Conflict Management

The Burma Army’s strategy of concluding ceasefires with some ethnic armed opposition groups while continuing to fight against others, and also supporting a large number of militias, follows a long and consistent pattern. Given the country’s turbulent internal history, successive military governments have focused on ‘managing’ conflict as opposed to attempting to resolve it. Rather than seeking a political solution through dialogue and peaceful means, the Tatmadaw’s strategy has been to contain and divide armed groups both internally (creating and/or stimulating internal splits and breakaway groups) and externally (trying to weaken unity and alliance building by pursuing different policies towards different groups). Instead of an all-out military offensive, the Tatmadaw has preferred to take on groups individually, focusing on weakening them by military, political and economic means. These breakaway groups have been subsequently pushed to accept militia status. This strategy of stimulating a wide range of armed groups has further contributed to a high level of militarisation in the country. Inevitably, the civilian population has suffered most, especially in areas where various armed groups are present.

As part of its counter-insurgency strategy, the Tatmadaw has stimulated and supported the creation of a large number of militias. First launched in the 1960s under the name ‘Ka Kwe Ye’, the militias were created to counter the threat posed by insurgent groups and, since the end of the 1960s, also the China-backed Communist Party of Burma (CPB). The militia programme has gone through several phases and gone under different titles, but still exists. The Ka Kwe Ye programme was abandoned in 1975, as most groups were more preoccupied with the opium trade rather than fighting the CPB. This included the Kokang Ka Kwe Ye led by Lo Hsing-han and the Loi Maw Ka Kwe Ye led by Khun Sa, who refused to give up arms and went underground. They later both surfaced at the Thai border and became known as the ‘Kings of Opium’.34

The Ta Moe Nye Militia in Kutkai Township was formed in the 1960s and supported the government in fighting the CPB. Its leaders established a close working relationship with the subsequent SPDC chairman Senior General Than Shwe when he was serving as a Tatmadaw officer in northern Shan State, supplying guides and large numbers of mules and horses for army operations. “We never paid them for it, but there was an understanding that they would get something in return”, says a retired army officer who was on active duty in the region at the time. “These militias were
involved in opium and heroin production and they sent convoys to Lashio. We let them through, and we knew they were transporting drugs.”35

The Tatmadaw continued to use militias as part of its counter-insurgency strategy. By the 1980s these were known as Pyi Thu Sit (People’s Militias Force). Other new Pyi Thu Sits were formed by breakaway groups from Khun Sa’s Mong Tai Army (MTA), such as the Manpang Militia in northern Shan State and the Nayai Militia and the Homong militia in southern Shan State. The Tatmadaw has also supported the formation of new groups, such as the Rebellion Resistance Force (RRF) in the northern Kachin State, which challenged both the KIO and New Democratic Army-Kachin (NDA-K) presence in the strategic N’mai Khu area. The Tatmadaw provided all weapons and other essential supplies.36

In 2009, the then SPDC military government caught most observers by surprise by suddenly demanding that all ceasefire groups in Burma be transformed into Border Guard Forces (BGF). This would effectively break up the groups into separate units of 326 soldiers, divorced from their existing ethnic administrations and military structures. Each BGF would include 35 members of the Burma Army, including one of the three commanding officers in each unit. After several deadlines passed, only some of the smaller groups accepted the BGF proposal, such as the NDA-K in Kachin State. Most of the larger armed groups such as the KIO, SSA-N and UWSA rejected it, pointing out that the plan failed to address their political grievances and aspirations. The army told militias that they did not have to become BGFs and could continue to exist as they were.37 The formation of BGFs created another layer of armed groups with a separate status, further complicating the conflict in Burma.

The Tatmadaw also applied pressure on a number of smaller ethnic armed opposition groups to accept either militia or BGF status and thus abandon politics. In northern Shan State, the Palaung State Liberation Front was disarmed and became the Mantun Militia in 2005 and the Kachin Defence Army (KDA) became the Kaungkhamilitia in 2010. According to KDA leader Matu Naw, the army told him to choose between becoming either militia or a BGF. “I think if we turned into BGFs we would be under the command of the Burma Army. Under militia status we can still support our community.”38 In November 2009 the Tatmadaw told several of the armed ethnic opposition groups such as the Kayan New Land Party, the Karen National Solidarity Organisation, and the Karenni National Peace and Development Party in southern Shan State and Kayah State to accept militia status. Others were coerced to become BGFs, such as the Karenni Nationalities People’s Liberation Front and the NDA-K, which broke up into two separate BGFs each.
The militias are intended to act as buffer between the Tatmadaw and armed ethnic opposition groups, and to deny the latter access to territory, resources and population. Militias are directly under Tatmadaw control and are allowed to do business and to tax the local population and trade passing through their checkpoints. Many of them have become heavily involved in the drug trade, especially in recent years (see section below). Their status and size varies, ranging from only 10–20 men to groups with hundreds of soldiers. The large ones in northern Shan State include the Pansay Militia in Namkham Township, the Manpang Militia in Tangyan Township, and the Ta Moe Nye and the Kaungkha Militias in Kutkai Township.

Almost all militia commanders are of ethnic minority origin, and their soldiers are local ethnic people, including Kachin, Shan, Wa, Palaung and local Chinese. The Tatmadaw do not allow militias to become involved in opposition politics, thereby neutralising potential ethnic political resistance. The militia groups are not included in the current peace process and are unlikely to join in any future political negotiations. According to the 2008 constitution there can be only one national army in the country (the Tatmadaw), but there is a special provision that allows for the Tatmadaw to create and use militias.39 "The government tells us to protect our area and prevent other groups from entering", said a member of the Manpang Militia. "Our main task is to protect our area and to support the functioning of the government. We have no idea about our future status, but it did not change with the 2008 constitution. I think it will go on forever."40

According to a senior Shan opposition leader: "There are over 100 militias in Shan State alone. They are making a lot of money. But according to the rules, they are not allowed to do politics."41 Militias have, however, been used to support government policies, and some militia leaders have become MPs for the military-backed USDP and hold seats in regional and national parliaments. Some have been accused of drug trafficking.42

**Role of Militias in the Drug Trade**

There is significant evidence that the government-backed militias in Burma are heavily involved in producing opium and heroin. TNI research shows that the principal areas in which opium is cultivated in northern Shan State are also where militias are mainly located. These include Namkham Township (Pansay Militia), Kutkai Township (Ta Moe Nye Militia and Kaungkha Militia), Theingie Township (Kaungkha Militia) and Tangyan Township (Man Pang Militia). The Tatmadaw also has a presence in all these areas, and as stated earlier, the militias are under its direct command.
A case in point is the Pansay Militia in Namkham Township, led by Kyaw Myint, a former Kuomintang (KMT) member. “Opium cultivation is now mostly in Namkham area”, says a representative of a local Palaung organisation. “This is near the area of the Pansay militia, so they can grow easily. Militia groups such as the Pansay Militia are also involved in heroin and yaba production. Before the 2010 election, the Pansay militia leader let opium farmers grow poppy to get more votes.”43 Other reports also mention militia leaders allowing farmers to cultivate poppy in return for electoral support and say that opium is being used for political influence.44

A senior police officer claims that the production of heroin is mainly carried out in the Mong Khyet area in northern Shan State, where the Manpang and Kaungkha militias are based. According to him, little or no heroin is produced in southern Shan State or Kachin State.45 Other sources, however, have documented heroin production in various parts of eastern Shan State.46

The Tangyan-based Manpang Militia broke away from Khun Sa’s Mong Tai Army (MTA) in 1991, and is led by Bo Mon, an ethnic Wa. This is a key opium growing region. “Before we were opium traffickers”, says a militia member. “When we split from Khun Sa we became a militia. We set up a company called ‘Triple A’, and tax farmers and cattle passing through our area. We also produce coal, set up a factory and we own one petroleum filling station in Lashio. We also encourage people to grow opium so we can tax them.”47

Militia territory has dual administration comprising the militia and the central government, and both rule the area. “The militias do their business and control the area, but the government general administration is also there”, said a government official based in northern Shan State. “We need to inform the militias beforehand every time we enter their area. There is the Manpang Militia in the north and the Mong Ha Militia in the south. This is an opium growing region, and during the cultivation and harvest time we are not allowed to enter. They say, ‘We need to take care of your security’. From November to February it is difficult to go there.”48

While the militias are under control of the army, the police comes under the responsibility of the Home Ministry, and the latter also claims not to have easy access to militia territory. “Sometimes there were drug cases in these areas in northern Shan State, but it is difficult for us to enter”, said the senior police officer quoted above. “And if we entered, they already had previous information we were coming.”49

Clearly, security matters have been of paramount concern for the Tatmadaw, and temporary military allies – in particular the militias and to some extent the BGFs – have been allowed to produce and conduct trade in opium and heroin virtually undisturbed. According to the 2012 US State Department report: “The GOB
[Government of Burma] policy of folding ethnic armed groups into quasi GOB-controlled BGFs complicates anti-narcotics efforts as BGFs are often complicit, if not active protectors, of illicit drug production and trafficking. Loosely-controlled remote territories and GOB bureaucracy forces CCDAC [drug control police] officers to work with the BA [Burma Army] and BGF; in this process actionable intelligence is often leaked by the BA or BGF to the targeted traffickers.50

**Blame and Shame**

Decisions about who to blame and indict for the drug trade seem arbitrary and politicised. Demonising a single actor in the conflict usually has stronger roots in politics than in evidence.51 Most governments in the region have failed to arrest large-scale drug traffickers, including high-ranking government officials. Indeed, many traffickers have been accepted in the establishment. Both Lo Hsing-han and Khun Sa, once known as ‘Kings of Opium’, made agreements with the government and were able to conduct their businesses legally, while maintaining houses in Yangon until their death. Lo Hsing-han’s Asia World Company, now managed by his son Steven Law, has become one of the country’s largest businesses with investments in the hotel, construction and harbour sectors.

The drug trade has been blamed on the government’s political adversaries or former supporters who have outlived their usefulness, while allowing political and military allies to conduct their business undisturbed. In the past, when it was convenient to do so, the previous military government presented the Kokang and Wa regions as a showcase of drug control efforts in the country. Several diplomatic missions were flown to the Kokang region, for instance, to meet the Kokang leader, Pheung Kya-shin, and to observe drug eradication activities, cultivation of opium substitution crops and regional development.52

When conflict erupted in the Kokang region in 2009, and the military government broke the 20-year old ceasefire and occupied the area, Pheung Kya-shin was accused of “illegal production of narcotics drugs and smuggling, and also the manufacturing of arms and smuggling of weapons.”53 For his part, Pheung Kya-shin defended himself by arguing that, while ceasefire groups in Kokang and Wa regions have imposed opium bans, poppy continues to be cultivated in SPDC-controlled areas.54

Similarly, tensions rose when the UWSA and other ceasefire groups refused to accept the demand of the military government that they become BGFs. Subsequently there was a sudden and unusual increase in seizures of drug shipments in Burma and Thailand. Many pinpointed the UWSA and other ceasefire groups, arguing that they were selling the drugs stock to buy weapons and ammunition to resist the Tatmadaw.
However, a more plausible explanation is that in order to increase the pressure on groups such as the UWSA, the authorities in Burma started to block all such shipments, which it had previously allowed to pass through, as part of an effort to squeeze their sources of income.55

This policy shift had a profound effect on the drug trade, as the Tatmadaw allowed the militias to expand their involvement in opium cultivation and heroin production. These groups used the opportunity to establish heroin production factories and became the country’s main producers. According to a Shan newsgroup, the militias established “their own drug production plants and trafficking networks” and could “thereby wrest the markets away from the ceasefire groups”. The result was a “shift by investors, both domestic and foreign, away from the Wa and their allies to areas under the control of the Burma Army and the People’s Militia Forces (PMFs) where their drug activities are more secure and their profits more assured”. According to the newsgroup, it also led to a “massive increase in poppy cultivation, and heroin and methamphetamine production, in the Burma Army- People’s Militia controlled areas, far more than in areas under rebel-ceasefire control”.56

**Chinese Entrepreneurs**

The ethnic armed groups in Shan State do not control and finance the drug trade. This has traditionally been the preserve of ethnic Chinese syndicates. There are strong connections between foreign entrepreneurs and those associated with the armed groups. “The local businessmen involved in the drug trade can only manage to expand their business because of money from outside sources, from China”, said a former member of a ceasefire group in northern Shan State. “It is difficult to get rid of the drug trade because of the strong financial support from these drug traders.”65 According to a senior police officer: “The organisers are from outside the country, the financiers are Chinese, some from Hong Kong. They pay off these groups and manage the heroin production. The armed groups provide sanctuary and security.”66

A 2009 study on the drugs trade in the Golden Triangle found little evidence that traditional Chinese organisedcrime groups such as triads are currently the main actors in the drug trade in Southeast Asia. The study argued that a new generation of Chinese is not only involved in drug trafficking, but also active in money laundering and human trafficking. The most interesting revelation is that these are not professional criminals, but “otherwise legitimate business people who are also opportunists and risk takers”.67

An earlier study by the same author on drug trafficking between Burma and China concluded that most drug traffickers are poorly educated, with few employable skills or alternatives to make a living that matches their aspirations. “Drug traffickers in
general do not belong to street gangs, organized crime groups, or terrorist organizations. Most are simply bold risk takers who work with family members, or form alliances with friends or other social contacts whom they come to trust.68 The study found that drug trafficking between Burma and China has evolved in recent decades from large shipments by a small number of people to small-scale trafficking undertaken by a large number of individual traffickers, commonly known as ‘mules’, who are often unaware of the big traders behind the scene.69

**Corruption and ‘Markets of Violence’**

The drug trade is a hugely profitable business, and it is clear that corruption and the involvement of high-ranking officials play an important role in the region. Until now, however, there have been few efforts to address this. As a Shan newsgroup, which regularly publicises drug issues, wrote following Thailand’s indictment of three suspected drug traffickers from Burma: “Drug businessmen, however, question why Bangkok is doing nothing about financiers and government officials from Thailand who constitute the mainstays of the drug trade.”70

“When discussing drugs, there are no angels in this part of the world, but there are no full devils either”, said a former country representative of UNODC in Burma. “Is it fair to direct all the blame on one country? I think that the Government in Thailand has made its conclusions already. It has said, yes, we have a shared responsibility and we have to clean out our house because there is a lot of involvement and corruption on all sides of the borders.”71

During the first forum for opium farmers in Southeast Asia, held in Yangon in September 2013, participants stated that, in many areas, corrupt army and government officials tolerate opium cultivation in their area in return for ‘taxation’, sometimes agreed upon in advance. Weak governance, corruption and lack of awareness of the government drug control laws and policies were all seen as contributing to opium cultivation and use. According to one participant, “bribery and secret deals have become part of everyday life among the authorities”.72

The involvement of Tatmadaw units and commanders in the drug trade has also been documented. TNI research in Shan State, for instance, found that all parties in the conflicts – including Tatmadaw units – taxed opium farmers.73 Exile media groups have also reported the involvement of Tatmadaw units in the drug trade.74 Corruption and involvement of Tatmadaw in the drug trade is also stimulated by the policy that local units have to be largely self-reliant, meaning that they have to find their own food and other supplies and enjoy less logistical support from the army headquarters.
Year in year out, the US State Department has argued that Burma has “failed demonstrably” to meet international anti-drug obligations. Among other things, the USA stressed the failure to “investigate and prosecute senior military officials for drug-related corruption”.75 According to the 2013 US State Department report: “Many inside Burma assume some senior government officials benefit financially from narcotics trafficking, but these assumptions have never been confirmed through arrests, convictions, or other public revelations. Credible reports by NGOs and media claims that mid-level military officers and government officials were engaged in drug-related corruption; however, no military officer above the rank of colonel has ever been charged with drug-related corruption.”76 This classification seems to some extent politically motivated, however, as in 2013 the only three countries that were identified as such were Bolivia, Burma and Venezuela. Conspicuous by their absence from the list are the US allies Afghanistan (the world’s largest opium producer), Colombia and Peru (the main coca and cocaine producers) and Mexico (the main transit country for drugs destined for the US market).77

In Northeast India, corruption among local authorities is also a serious problem, according to a local source in Manipur who used to work in the border region: “Government officials from both sides of the border are involved in drug trafficking and precursor smuggling.”78 According to the 2013 US State Department report, corruption is pervasive in India “across police forces at all levels of government, with officers rarely being held accountable for illegal actions. This undermines the effectiveness of even the most elaborate control regimes for dangerous drugs.”79

Regarding Laos, the 2013 US State Department report maintains that because the police and military earn low salaries, “corruption in Laos continues to plague law enforcement and government”, and that “it is likely that corruption in the security forces and government plays a role in narcotics trafficking in Laos”.80

With such pervasive corruption among the region’s politicians, army and government officials, militia leaders and ethnic armed groups, the drug trade cannot be blamed on only one of the conflicting parties or one country alone. The huge vested interests in this lucrative illicit trade have benefited from conflict, lack of the rule of law and the consequences of the war on drugs. In many of the unruly regions in Southeast Asia, governments are often unable to provide law and order and satisfy basic security needs, and their efforts are superseded by a range of illegitimate security arrangements, creating a power and governance vacuum.
The use of government-backed militias in Burma and Northeast India has further contributed to violence and corruption. In Burma, the policy of tacitly allowing government-backed militias to engage in drugs production and trade has created a lucrative cooperation between Tatmadaw officers and militia leaders. There are similar problems in Northeast India. According to a high-level police officer in Manipur: "we cannot altogether rule out a politician-Army-Assam Rifles-underground group nexus."

With the absence of the rule of law and good governance, security potentially ceases to be a public good and becomes a private commodity. The effective monopoly on the legitimate use of force normally attributed to a democratic state is seriously weakened and 'markets of violence' or 'markets of force' become the predominant mode of security regulation. In this vacuum, violent entrepreneurs controlling certain territories impose alternative security arrangements, using arbitrary and random violence. A 'market of violence' arises from the complex social, economic, political and institutional processes that make violence a prevalent means of managing conflict and power in informal settings. According to the ethnologist Georg Elwert, who coined the term 'markets of violence' in the 1990s, it is:

"... a field of activity which is mainly characterised by economic aims, in which both robbery and barter and the related activities of collection of ransoms, protection money, road tolls etc. feature. Each actor has a number of basic options ranging from theft to trade. The generals, princes, militia chiefs and party leaders who lead the troops in such conflicts are known in the research as warlords. Warlords are understood as entrepreneurs who use deliberate violence as an efficient tool for achieving economic aims. These 'entrepreneurs' differ from normal entrepreneurs in that they also use violence - although not exclusively - as an instrument for the generation of revenue." 83

Informal local security arrangements, such as the government-backed militias in Burma, function as 'parallel power systems' or 'feudal systems of government'. They can use their capacity for force to protect their criminal activities, extort security taxes and impose protection rackets on formal or informal economic activities, and also as a commodity for hire and sale. Every so often, members of the state security apparatus are involved as well, imposing their conflict management strategies as representatives of the regime and offering private protection for illegal activities in return for payoffs.

For local proponents of promote democracy, ethnic peace and sustainable development, the existence of 'market of violence' conditions poses enormous obstacles, while violent entrepreneurs benefit from the instability, and conflict and
lawlessness. The local population in such areas is trapped in an ambiguous situation where they are forced to ‘migrate into illegality’ in order to survive in a difficult and violent environment, for instance by taking part in the illicit economy of opium cultivation. The same holds true for ethnic armed opposition groups who control their areas but are at the same time denied access to the formal economy and may consequently be compelled to depend on illegal activities in order to sustain their base – a situation that could potentially corrupt their legitimate political aims. The Tatmadaw exploits this situation in its effort to manage the conflict instead of seeking a political solution, by creating and supporting militias and switching alliances with different armed groups at will. In a fastchanging and dynamic region, it will be essential in the coming decade to address the issues of transparent law and order and the suffering of local communities.

CHAPTER – V

Other Factors of affecting stability of the Region of N-E

A. Interest of China in the Region

When we think of our national security in the context of north-east India the picture of China comes in our mind. China has been a major threat to our northern security since 1962. Though there has been no engagement of armed forces after the last war, a local cold war situation exists between the two countries. China sided with