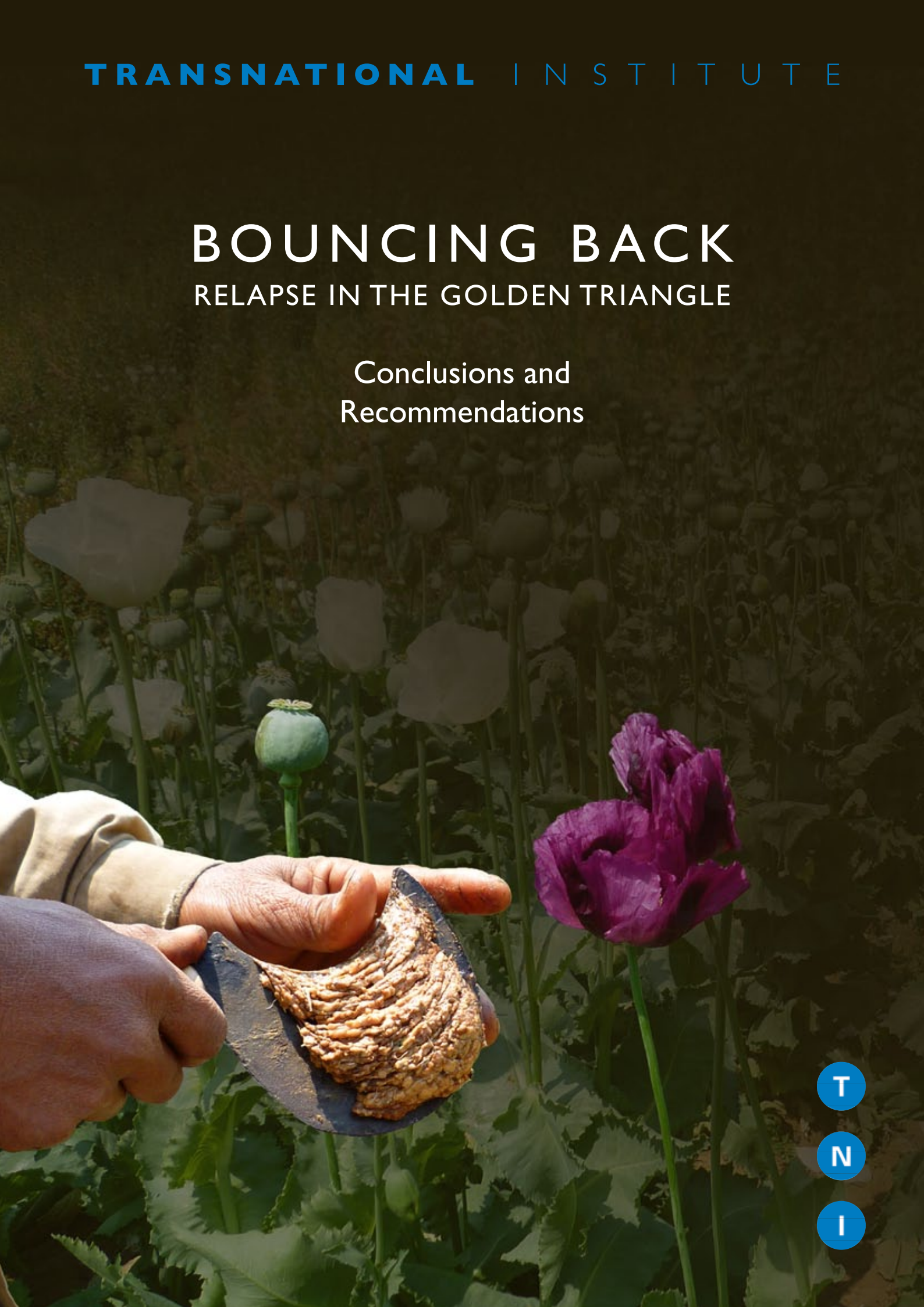


BOUNCING BACK

RELAPSE IN THE GOLDEN TRIANGLE

Conclusions and
Recommendations





Conclusions and Recommendations

The drug market in the Golden Triangle – Burma, Thailand and Laos – and in neighbouring India and China has undergone a number of profound changes. After a decade of decline, opium cultivation and production have doubled since 2006. The related drop in the quality and quantity of heroin on the regional market has also started to recover and there has been a further rise in the production and consumption of ATS – especially methamphetamines. The use of cannabis has long been prevalent in the region, and is used for recreational, medicinal and religious purposes. Drug users have shifted between substances, depending on availability, price and quality, as well as personal preferences and work-related issues. These trends in the regional drug market show that ASEAN's goal to make the region drug-free – or even to significantly reduce drug-related problems – by 2015 is not attainable. The deadline put great pressure on member states to achieve the impossible, which has in turn resulted in more repressive drug control policies.

The development of rational and effective policies depends on understanding the dynamics of the local, regional and international drug markets. Policies to address the supply and demand sides need to be integrated since they are strongly interconnected. Current drug-control strategies focus on repressive measures, ignoring the adverse consequences for drug users, poppy farmers, small traders, their families and society as a whole. It is important to understand how the market responds to policy interventions in order to avoid displacing drug-related problems from one area or substance to another – the so-called 'balloon effect'. Poorly designed policies can have severe unintended, or even counterproductive, impacts. Effective and sustainable drug policies would be based on understanding why people grow, trade in or use drugs. They would also put the interests of people first, especially the marginalised communities most affected by the negative impacts of drugs or of drug control measures.

This report argues that there is an urgent need to reform drug policies in the region to make them more humane, with a focus on health, development and human rights rather than on repression and law enforcement. Designing new policies and objectives is an opportunity to focus more on positive outcomes and to define indicators that are meaningful and achievable. Adopted in tandem, reforms in drug laws to decriminalise the most vulnerable people involved, shifts in resources from law enforcement to social services, rural development and harm reduction, and the provision of evidence-based and voluntary treatment services for those who most need them, could make the region's drug policies far more sustainable and cost-effective.



The Return of the Poppy

The Golden Triangle is once again a major opium growing region. After a decade of decline, poppy cultivation has doubled since 2006, and in 2012 the region accounted for almost 30% of global illicit cultivation. The cultivation of opium has shifted from the main cultivating areas in the Wa, Kokang and Mongla regions of Burma to southern Shan State. Poppy cultivation has also increased in northern Shan State and Kachin State as well as in Northeast India, and to a lesser extent in Laos (which was prematurely declared opium-free in 2005) and Thailand (where cultivation levels remain very low).

There are several reasons for this bounce-back. First, the strict implementation of opium bans in key cultivation areas, especially in Burma but also in Laos, pushed up the price of raw opium, making it more lucrative to expand cultivation to other areas. At the same time, the prices fetched by other cash crops dropped, while the cost of basic household items continued to rise. Lack of access to land also stimulated opium cultivation. When people could no longer grow licit cash crops because they had no access to land, some turned to growing opium in remote and isolated mountain areas. Ironically, China's opium substitution programme, which encourages Chinese companies to invest in large-scale agricultural concessions, has also contributed to this trend.

The main incentive for communities to cultivate opium – poverty – has not been addressed. Poverty is not solely a function of income, but is influenced by a range of

socio-economic and security-related factors. Upland rural communities are not 'profit maximisers' but rather cultivate opium as a coping mechanism to address various challenges and threats to their life and livelihoods. The continuing conflict in Burma and Northeast India has also stimulated poppy cultivation.

Finally, changes in the global heroin market influence the supply–demand dynamics of the Southeast Asian opiates market. The decade of declining opium production coincided with a process of regionalisation of the global market. While heroin from the Golden Triangle once ruled the world, the North American market was almost fully taken over by supplies from Colombia and Mexico, the established European market and newer markets in the former Soviet Union were flooded with expanding Afghan production. Global demand for Southeast Asian heroin dropped significantly in that period, explaining why the sharp decreases in opium production did not initially lead to substantial price increases. By 2006, however, the decline had reached a point where it could no longer satisfy existing regional demand (including Australia), while demand for heroin continued to rise, especially in China, leading to shortages and price increases and providing the economic incentives for a revival in production.

While there are no reliable data on how much opium is cultivated, it is becoming clearer that illicit poppy cultivation in India has now reached significant levels, larger than those of Laos and Thailand combined, making India the world's third-largest illicit opium cultivating country after Afghanistan and Burma. This recent increase,

primarily in Northeast India, needs to be interpreted as a response to the same regional and global market dynamics described above. It coincides with the shift in opium cultivation from the northeast of Burma to the southern part of Shan State, and the poverty in upland communities in Northeast India and the continuing conflict there created similar conditions for increased cultivation.

Trends in Drug Use and the Spread of HIV and Hepatitis

The Golden Triangle and its neighbouring countries have experienced dramatic changes in the patterns of drug use. The region has seen a shift from eating and smoking opium to smoking and subsequently injecting heroin. Opium has traditionally been used for various purposes, including recreational, cultural and medicinal uses, and the region has a long history of patterns of occasional and relatively non-problematic consumption. Opium is still widely used

in poppy growing regions in Burma, India and Laos, and local demand is among the drivers pushing up opium cultivation.

Heroin use is prevalent throughout the region, with some areas facing a 'heroin epidemic'. Most heroin is currently produced in Shan State, from where it is transported to other parts of Burma and exported to neighbouring countries. After the recent increase in poppy cultivation, the availability of heroin on the Southeast Asian market has risen again and prices have remained stable for some time, although the quality of heroin on the retail market has not yet fully recovered to previous levels. A similar trend can be seen in Northeast India, where users who had earlier shifted to the analgesic Spasmo-Proxyvon (SP) have switched back to heroin, also because the available SP cannot be easily injected and is of low quality. Throughout the region, heroin users have coped with temporary heroin droughts and rising prices by substituting it with pharmaceuticals. An increasing number of heroin users say they are also using methamphetamine to balance its 'sleepy' effect. High rates of injecting heroin use remain a major factor in the spread of communicable diseases such as HIV/AIDS and hepatitis C, which the WHO has called a 'viral time bomb'.

East and Southeast Asia continue to have high levels of ATS consumption and production, mostly methamphetamine. Problematic ATS use is a significant health and social issue. ATS use is also associated with the spread of HIV, hepatitis B and C, other sexually transmitted diseases, tuberculosis and mental health problems, in particular among vulnerable groups such as sex workers, unemployed youth, prisoners and marginalised migrant communities. There is an urgent need in the whole region to scale up evidence-based prevention, treatment and harm reduction services to halt the further spread of potentially life-threatening infections.

Policy Dilemmas Regarding Other Substances

The leaves of the kratom tree, indigenous to Burma, Indonesia, Malaysia and Thailand, have traditionally been widely used because of their psychoactive and medicinal properties. In low dosage, chewing kratom produces a mild stimulant effect (comparable to chewing khat in the Horn of Africa and the Arabian Peninsula or coca leaf in the Andean region), while a higher dosage has a narcotic effect, hence its traditional use as a painkiller. Kratom is not scheduled under the UN conventions, but was added to national drug control schedules in Southeast Asia (although not in Indonesia). Recent years have seen an increase in kratom-related arrests in southern Thailand, triggered by concerns about a new consumption method whereby the leaves are boiled as a tea and mixed with other ingredients such as Coca-Cola, cough syrup and ice cubes, and sometimes used by young people in combination



Preparing for heroin injection

Pharmacy, Lashio market



with ATS or benzodiazepines. While such cocktails may produce certain negative health impacts, kratom as such does not appear to have serious side-effects even in the case of prolonged regular use. In fact, the traditional use of kratom seems to prevent people from ‘graduating’ to more harmful patterns of alcohol, opiate or methamphetamine use, and it is attracting increasing attention for its potentially effective medical use in substitution treatment for opiate and methamphetamine dependence. In 2013 Thailand’s Minister of Justice announced it was considering the decriminalisation of kratom, a very welcome step that would also facilitate unhindered access for scientific research to explore its medicinal properties.

Other substances emerging on the region’s illicit drug market are diverted pharmaceutical drugs such as tramadol and ketamine. In recent years, countries in the region have exerted strong and continuous political pressure to bring these ‘misused’ pharmaceuticals under control of the UN drug conventions, ignoring the negative consequences of such a move for the availability of these essential medicines. These Asian countries also disregard the strong recommendations against scheduling made by the WHO Expert Committee on Drug Dependence, which decided that the harm related to the misuse of ketamine or tramadol do not warrant their scheduling and that their availability for essential medical uses would be seriously endangered if they were subjected to such controls. While there are clearly negative consequences of certain patterns of use of these substances, the potentially grave impact on their being available and accessible needs to be better understood

before considering adding such essential medicines to any UN convention or national drug control schedule. In most countries, existing legislative frameworks for the regulation of medicines outside the sphere of ‘illicit drug control’ seem to provide - if effectively enforced - adequate provisions to address the risk of large-scale diversion.

Conflict, Crime and Corruption

The international drug control system has been unable to prevent the existence of a large and growing illicit drug market. Rather it has created the conditions for organised criminal groups and drug syndicates to operate in a situation already rife with ethnic tensions and conflict, weak governance and conflicting international geo-political interests. The existence of a profitable illicit drug market has exacerbated conflict and stimulated corruption, crime, violence and human rights violations. Heavy-handed, zero-tolerance approaches and a focus on law enforcement have criminalised vulnerable and marginalised communities, including drug users, small traders and opium farmers. Such policies have also in some cases targeted political adversaries while providing space for allies to engage in illegal activities.

Most of the opium cultivation in Burma and Northeast India takes place in conflict affected areas. The conflict has destabilised and further marginalised ethnic upland communities, driving them deeper into poverty. Some of these communities have reverted to cultivating opium as a means to survive. The ongoing conflict hinders appropriate development initiatives and also limits drug users’ access to treatment and harm reduction services. In Burma, the *Tatmadaw* (national army) has followed a strategy of concluding ceasefires with some ethnic armed opposition groups while continuing to fight against others. Successive military governments have focused on ‘managing’ conflict as opposed to attempting to resolve it. As part of its counter-insurgency strategy, the *Tatmadaw* has stimulated and supported the creation of a large number of militias. Since security is of paramount concern, the *Tatmadaw* has left temporary military allies – in particular the militias – virtually undisturbed to produce and conduct trade in opium and heroin. The militias are now heavily engaged in drug production and trade. The use of government-backed militias in Burma and Northeast India has further contributed to violence and corruption.

The drug trade is a hugely profitable business, and corruption is widespread in the region – and extends to high-ranking officials. Weak governance and the absence of rule of law further contribute to drug related problems. This makes it unrealistic to attribute the drug trade to only one of the conflicting parties or to one country alone. There are huge vested interests in this lucrative illicit trade that benefit from these problems, and security has in some cases ceased to be a public good and become a

Former opium farmer tapping rubber in Wa region



private commodity, weakening the effective monopoly on the legitimate use of force normally attributed to a democratic state. 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 widespread means to manage conflict and power in informal settings.

The local population in such areas is trapped in an ambiguous situation whereby 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 promotion of an alternative agenda would serve to shift the focus of 'security' away from enforcement and repression and towards a 'human security' agenda that focuses on social solutions and places more emphasis on good governance, social and economic development and human rights. An open debate on alternative policies aimed at reducing the worst consequences of conflict,

crime and corruption is long overdue. This will require a critical analysis of the impact of drug control and law enforcement measures on conflict and crime, including their unintended consequences, and an open-minded exploration of potential alternatives that might be more effective and less costly – not only in terms of resources but also for human security.

Alternative Development First

There has been an expansion in the forced eradication of opium poppy fields, especially in Burma and Laos, where the governments are under pressure to comply with unrealistic drug-free deadlines and therefore seek the fastest way to reduce opium cultivation. However, there is no empirical evidence that such policies will lead to a sustainable reduction in opium cultivation, even if carried out in tandem with 'Alternative Development' (AD) projects. On the contrary, a focus on eradication can have severe negative consequences for the local population, and in some cases even lead to an increase in illicit cultivation or to its displacement to other areas.

The conflicting objectives of drug control (short-term reduction of illicit cultivation) and broader rural development (long-term process of reducing poverty and improving livelihoods) have led to a discussion about AD strategies and outcomes. The concept has evolved from a focus on crop substitution projects to a broader understanding of AD as an integrated and holistic concept that deals with the root causes of illicit cultivation, addressing the wider development problems in an entire community or area, rather than focusing on individual households. The importance of land tenure and access to land for small-scale farmers cannot be overstated. Most opium farmers in Southeast Asia practise upland shifting cultivation, and their land tenure rights are not protected by national policies and legislation. One of the key lessons learned about AD is the need for proper sequencing of policy interventions and the non-conditionality of development aid: alternative livelihood options need to be firmly in place before communities can be expected to abandon illicit cultivation when this is essential to sustain their right to live in dignity and free from hunger.

Even if support for AD programmes were to expand greatly, they would still not be able to achieve sustainable reductions in illicit opium cultivation at the global level while there is no drop in demand. Well-designed AD programmes can significantly diminish the dependence of rural communities on the illicit economy, can sustainably reduce or even eliminate opium cultivation in certain areas without pushing the communities involved deeper into poverty. But AD programmes – just like other supply-reduction strategies such as eradication, interdiction or drug law enforcement – cannot break the demand-supply logic of the global drug market. Ignoring the basic

dynamics of the illicit drug market has too often resulted in louder calls for a ‘war on drugs’ which has only made matters worse.

There is a growing appeal from countries where there is large-scale illicit cannabis cultivation to be included in AD policy discussions, in the hope of becoming eligible for special development assistance. Since there is currently only very limited support for AD to address areas of illicit coca and opium cultivation, international policy makers and donors are hesitant to agree to fund AD for cannabis as well. Furthermore, cannabis is less harmful than heroin or cocaine and thus less of a priority for international attention and funding. For these and other reasons, more and more countries tolerate or have decriminalised cannabis use and its possession and cultivation for personal consumption, and recently Uruguay and the states of Washington and Colorado in the USA have opted to regulate the whole cannabis market ‘from seed to sale’. Rather than adding cannabis to the already difficult AD debate, a more promising discussion would be on whether illicit small-scale cannabis cultivation might one day supply licit regulated markets elsewhere.

Harm Reduction and Drug Law Reform

In recent years there has been a change in how drug users are perceived, as the discourse has slowly shifted to seeing them as ‘patients’ rather than ‘criminals’. While any move towards decriminalisation of drug users is a positive step, the region’s policy makers are increasingly adopting the false assumption that all drug users are patients who need treatment. This has legitimised large-scale forced treatment, and is becoming a new obstacle to the cost-effective allocation of resources. Authorities do not distinguish between recreational and problematic drug use, and more than half a million people in Southeast Asia are undergoing compulsory ‘treatment’ either in a custodial setting or as out-patients. In most cases these treatment centres are run by law enforcement agencies with no medical supervision.

Compulsory treatment has proven to be very ineffective and is in breach of international human right principles. Throughout history and in many different parts of the world there is substantial and growing evidence that the large majority of people who take drugs are non-problematic and moderate users. Among those who do need treatment, only very few need residential care as most can be better treated at home, with the support of their family and community.

At the national level, there has been a slight tendency in recent years towards adopting a harm reduction approach with a stronger focus on addressing the health-related aspects of the drug problem. In practice, however, the implementation and scope of the harm reduction services

leave much to be desired. The hepatitis C virus prevalence among injecting drug users has now overtaken HIV as the most serious health threat. In order to address this, UNAIDS is advocating the joint prevention and treatment of hepatitis C and HIV.

Criminalisation and arrests of drug users have a profoundly negative impact on access to harm reduction and treatment services. Drug users and small dealers are stigmatised and face long custodial sentences in overcrowded prisons. Human rights violations in the name of drug control are rife. Some countries in the region still apply the death penalty for drug trafficking, thereby failing to meet the threshold of ‘most serious crimes’ defined in the International Covenant on Civil and Political Rights. UNODC, the UN Human Rights Council, the UN Secretary-General and most recently the INCB have all called for the abolition of the death penalty for drug-related offences. At the 2014 CND in Vienna no consensus could be reached on the issue, and as a result the Ministerial Statement made no reference to the death penalty. This was clearly a missed opportunity. UNODC and international donors should ensure that funding and technical cooperation in the field of drug control and intelligence-sharing do not in any way enhance law enforcement capacity to make drug-related arrests that might result in the death penalty. In case of reasonable doubt, the precautionary principle requires the suspension of such funding and cooperation until adequate guarantees are put in place.

Some countries are currently reviewing their drug legislation and it is hoped that this will bring some positive legal changes in support of adopting a public health oriented and evidence-based approach to drug policy, in compliance with accepted human rights standards. Compulsory centres should be closed and disproportionate sentences, including the death penalty, should be abolished. The Global Fund programmes have helped to advocate reforms of drug laws in the region to facilitate the implementation of HIV prevention and treatment programmes. Other UN agencies are also pressing for reforms in order to allow the implementation of harm reduction programmes and other alternatives to forced treatment.

Across the region, the emerging response to repressive drug-control policies is an increase in poly-drug use, including pharmaceutical drugs, and in more harmful forms of use. In order to avoid the displacement of drug-related problems from one area or substance to another – the ‘balloon effect’ – it is necessary to better understand how the drug market responds to policy interventions. There is an urgent need for resources to begin to address the region’s escalating ATS related problems. For a long time – and for good reasons – the main focus has been on injecting heroin users in relation to addressing the HIV epidemic, but it has become critically important to complement this with developing harm reduction, treatment and prevention strategies for problematic methamphetamine use.

‘Nothing About Us Without Us’

It is vital that people who are most affected by drug control policies have a much greater say in policy making. The principle of ‘nothing about us without us’ should be applied to all communities affected by drug related problems. Drug users are well placed to identify and understand their own needs and problems, and to help in the design of the most appropriate and effective responses. Women who use drugs face even more stigmatisation and discrimination and should be better represented in the policy debate. Similarly, opium farmers should be able to voice their grievances and aspirations in decision-making processes that affect their lives. However, the criminalisation of drug users and opium growers has excluded them from the policy debate in the key producing countries, Burma, Laos and Northeast India. Government restrictions and the ongoing conflict have further limited the space for farmers to organise themselves.

Some important first steps have already been made recently. Some representatives from opium growing communities and from Andean coca growing communities were allowed to participate in the ‘International Workshop on Alternative Development’ organised by the Thai government in collaboration with UNODC in November 2011 where initial inputs were discussed for the UN guidelines; a ‘First Southeast Asia Opium Farmers Forum’ was organised by TNI and *Paung Ku* in July 2013 in Yangon; and several representatives of opium growing communities in Northeast India participated in a government-sponsored drugs conference organised by the Delhi Institute for Narcotics Studies and Analysis (INSA) in December 2013 in Guwahati, the capital of Assam state. But much more needs to be done to ensure meaningful involvement of opium farmers in the region.

A more participatory and people-centred approach will also help to create alternatives to the dominant neo-liberal economic development model, which focuses on free trade and open markets, foreign investment, and large-scale agricultural production by big companies, often transnational corporations. It is important to create alternative development models that promote agrarian justice in rural areas in relation to access to, control over and ownership of resources and land. There is a need for a paradigm shift in favour of agro-ecological, multi-functional and resilient agriculture to deal with the global food and climate crises. The rights of small-holder farmers and upland farming communities in the region, which includes many (ex-)poppy farmers, need to be respected. Rather than relocating and turning them into plantation day-labourers, their contributions to food production for their communities and beyond should be positively recognised and supported by national and local governments. Agricultural investments in the region should respect human rights, including the right to water and food and the rights of indigenous peoples, and current practices of grabbing land and resources should no longer be allowed.

UN Drug Control and System-wide Coherence

There are inconsistencies in the UN drug control system that need to be openly discussed. The UNODC, INCB and CND, the specialised UN drugs triangle based in Vienna, too often operate in isolation from the larger UN framework and principles. The report has highlighted tensions with WHO about scheduling decisions for essential medicines such as ketamine or tramadol, and the inherent bias of the drug control agencies to prioritise law enforcement and reducing drug supply over guaranteeing



School in southern Shan State

the adequate availability of drugs for licit purposes. Similar tensions exist between zero-tolerant repressive approaches to drug control and the full protection of universal human rights, including the right to life; the right to health; the right to live in dignity; the right to be free from hunger; the right to be free from cruel, inhuman or degrading treatment or punishment; the right to due process and a fair trial; and indigenous rights to practise cultural and religious traditions. Many of these rights are violated on a daily basis as a consequence of repressive drug control policies.

The omission of other relevant UN agencies in the drug policy debate is also problematic. For instance, in the discussions on the UN Guiding Principles on Alternative Development, other specialised UN agencies have been completely absent, even though organisations such as the United Nations Development Programme (UNDP), the Food and Agriculture Organization (FAO) and the World Bank have much to offer in terms of expertise and experience in rural development, arguably more so than UNODC.

These tensions and inconsistencies should be addressed during the 2016 United Nations General Assembly Special Session (UNGASS) on drugs, for which preparations will start soon. The main challenge is to contribute to a more comprehensive and coherent approach to drug-related problems, which requires bringing into the discussion the various UN agencies that address the issues of drugs and crime from a health, development, human rights and peace-building perspective. The UN System Task Force on Transnational Organized Crime and Drug Trafficking established by the Secretary-General could play an important role in this process.

Drug Policy Goals and Indicators of Success

Numbers play a key role in shaping drug control policies in the region. Temporary reductions in opium cultivation are seen as successful outcomes, while increases are often used to legitimise the need for tougher measures. However, these figures are at best ‘guesstimates’, not reliable data. There should be a greater focus on addressing the underlying driver of opium cultivation – poverty in its broadest sense – rather than dealing with the symptoms, such as levels of opium cultivation. This requires a long-term vision and the commitment of national and international stakeholders to shift their attention to human development indicators. Similarly, instead of measuring numbers of people arrested and tons of drugs confiscated, more positive and meaningful indicators such as the number of people who have ready access to services and a decline in the number of overdoses should gain more weight when making policy choices.

Drug control agencies in the region are under constant pressure to apply policies and design strategies on the

basis of unrealistic and unachievable goals. This leads to making choices that favour measures that can show short-term ‘results’ in terms of numbers of arrests, seizures and hectares eradicated, and that can provide a public image of being ‘tough on drugs and crime’ by handing down disproportionate penalties. For the evaluation of policy effectiveness such ‘results’ are meaningless as they do not give any indication about their impact on drug-related problems. The relevance of other indicators needs to be brought forward to highlight the positive impacts of drug policies that are not based on zero-tolerance and deadline thinking and on criminalising users and producers, but instead aim to reduce as effectively as possible all drug-related harms.

This raises the fundamental question about the ultimate goals of drug control, according to the preamble of the 1961 Single Convention originating from concern about “the health and welfare of mankind”. The 1998 UNGASS adopted a Political Declaration which talked about the ideal of “a society free of drug abuse” and set a target for the year 2008 with regard to “achieving significant and measurable results in the field of demand reduction” and “eliminating or reducing significantly the illicit cultivation of the coca bush, the cannabis plant and the opium poppy”. Since then several UN reviews have been undertaken to measure progress achieved towards those targets. Struggling to defend the effectiveness of the global drug control system in view of clear evidence that the volume of the illicit market was not decreasing, UNODC claimed in 2008 that “there is enough evidence to show that the drug problem has been contained”. This containment hypothesis was defended again at the high-level CND review in March 2014, acknowledging that “the overall magnitude of drug demand has not substantially changed at the global level”.

While the evidence base for attributing the stabilisation of parts of the illicit drug market to the global drug control system is very weak, the containment theory does represent a significant departure from previous drug control dogma. It acknowledges that the original aspiration of a drug-free world is not a realistic policy goal, and that the focus of drug policy should shift towards averting the most harmful consequences of drug use, production and trafficking, because the illicit drug market may be contained but is here to stay. For Southeast Asia, accepting this reality poses a fundamental challenge to the ASEAN 2015 deadline and requires redirecting policies and resources towards a harm reduction strategy for managing – and no longer eliminating – the illicit drug market in the least harmful way. In view of all the evidence documented in this report about the bouncing back of the opium economy, the still expanding ATS market, and all the negative consequences of the repressive drug control approaches applied so far, making any other choice would be irresponsible.

The illicit drug market in the Golden Triangle – Burma, Thailand and Laos – and in neighbouring India and China has undergone profound changes. This report documents those changes in great detail, based on information gathered on the ground in difficult circumstances by a group of dedicated local researchers. After a decade of decline, opium cultivation has doubled again and there has also been a rise in the production and consumption of ATS – especially methamphetamines. Drug control agencies are under constant pressure to apply policies based on the unachievable goal to make the region drug free by 2015.

This report argues for drug policy changes towards a focus on health, development, peace building and human rights. Reforms to decriminalise the most vulnerable people involved could make the region's drug policies far more sustainable and cost-effective. Such measures should include abandoning disproportionate criminal sanctions, rescheduling mild substances, prioritising access to essential medicines, shifting resources from law enforcement to social services, alternative development and harm reduction, and providing evidence-based voluntary treatment services for those who need them.

The aspiration of a drug free ASEAN in 2015 is not realistic and the policy goals and resources should be redirected towards a harm reduction strategy for managing – instead of eliminating – the illicit drug market in the least harmful way. In view of all the evidence this report presents about the bouncing back of the opium economy and the expanding ATS market, plus all the negative consequences of the repressive drug control approaches applied so far, making any other choice would be irresponsible.

The Transnational Institute (TNI) was founded in 1974 as an independent, international research and policy advocacy institute. It has strong connections with transnational social movements and associated intellectuals who want to steer the world in a democratic, equitable, environmentally sustainable and peaceful direction. Its point of departure is a belief that solutions to global problems require global co-operation. TNI carries out radical informed analysis on critical global issues, builds alliances with social movements, and develops proposals for a more sustainable, just and democratic world.

TNI's Drugs & Democracy programme analyses trends in the illicit drugs market and in drug policies globally, looking at the underlying causes and the effects on development, conflict situations and democracy. The programme promotes evidence-based policies guided by the principles of harm reduction and human rights for users and producers. Since 1996, the programme has maintained its focus on developments in drug policy and their implications for countries in the South. The strategic objective is to contribute to a more integrated and coherent policy – also at the UN level – where drugs are regarded as a cross-cutting issue within the broader goals of poverty reduction, public health promotion, human rights protection, peace building and good governance.

TNI's Burma Project stimulates strategic thinking on addressing ethnic conflict in Burma and gives a voice to ethnic nationality groups. Burma has been exposed to some of the longest running armed conflicts in the world. Ethnic nationality peoples have felt marginalised and discriminated against. Addressing ethnic conflict in the country is a prerequisite to achieving democracy, development and peace. TNI believes it is crucial to formulate alternative policy options and define concrete benchmarks on progress. The project aims to achieve greater support for a different Burma policy, which is pragmatic, engaged and grounded in reality. It also builds capacity of local actors on key policy issues, including natural resource management with emphasis on land and water, and drug policy.