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THE POLITICS OF DRUGS AND INDIA'S NORTHEAST

SOMA GHOSAL



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The northeast of India is a colourful mosaic of tribes and cultures. But the region is riddled with a myriad of problems. The problem of narcotic drugs is a severe challenge facing the society and administration in most of the states of the northeast. While the most visible manifestation of it is the addiction to narcotic drugs that has had devastating consequences for the social fabric in these states, a more dangerous development is the increasing level of trafficking of these drugs across the border from Myanmar. The northeast is becoming a more preferred route in view of greater vigilance and international pressure on the existing routes across the Golden Triangle.

This study tries to delve into the various aspects of the narcotics problem in the states. The issue is not an isolated one and other factors like insurgency, lack of adequate economic development and corruption have all contributed to aggravating the situation.

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Preface

This work attempts to review the impact of narcotic drugs in the northeastern states of India keeping in view the complexities of the region and the international responses to the scourge of drugs. Drugs have come to form an integral part of not only the politics of the subcontinent but of the South Asian region. While Afghanistan and Myanmar are the major cultivators of opium poppy and producers of heroin, Pakistan has for long tried to fund its various subversive activities in the subcontinent with drug money. The colonial history of the region has provided a ready reference source on the ways and means of how narcotic drugs can be used to further economic and foreign policy goals. The British colonial policies in India and Myanmar on the cultivation of and control over the opium poppy followed by the OSS and later the CIA policies on trying to capitalize on the drug industry to further the US national interests prepared the grounds for the current state of development in the narcotic drug industry in the region.

Though the narcotic drug industry had international ramifications, the book attempts to draw the linkages with the situation in India and the northeast in particular. The international exposure of the problem elicits an international response, yet the specific situation prevailing in a particular region demands specific responses. It is in this regard that the case of India's northeast is worth reviewing, where responses to the problem have tried to adapt to the specificity of the region.

The book has four main chapters. The first chapter traces the evolution of the Drug Empire in Asia and the world. The British

colonial policies successfully metamorphosed a traditional crop, the opium poppy, into an economic commodity, which had deep international repercussions. It is not very unjust when the Burmese blame the British colonial policies in creating the problem of drugs in the region as the latter consciously promoted addiction.

The second chapter attempts to explore the arms-drugs nexus with a special reference to India's northeast. Drugs generate violence and since they are handled by transnational criminal organizations, they have acquired the potential to threaten international peace and security. This has serious consequences in regions like the northeast which are inflicted by ethnic discords where numerous insurgent groups pose a challenge to the stability of the region.

The third chapter deals with the trafficking and addiction of drugs and the various national and international mechanisms to deal with these problems. The transnational phenomenon of drug trafficking necessitate cooperation and coordination at the regional and international levels.

The fourth chapter is an attempt to grope for solutions to the problem of drugs. The solution is not easy to come by, especially in countries like India where any enforcement mechanism, whether legal or social, has to take myriad factors into consideration.

This work has been sponsored by my research institute, the Maulana Abul Kalam Azad Institute of Asian Studies, Kolkata. I am deeply indebted to the Chairman, Prof. Devendra Kaushik, and other Executive Council members of the Institute for making this work possible. I have a special word of thanks for the Director, Prof. Mahavir Singh for encouraging me in this study and providing adequate opportunities to conduct my field trips to Manipur and the NCB, New Delhi. I am especially grateful to Prof. J.K. Ray, whose able guidance and wise counsel has helped me to understand the various dimensions of the study. It was he who had put me on the path to this challenging project. I am also indebted to my colleagues in MAKAIAS, whose encouragement and cooperation have gone a long way in facilitating this work. My interviews with Mr. M.K. Singh, DG, NCB, New Delhi, were insightful and so was my meeting with the Deputy Director, Mr. Karan Sharma. I am grateful to them to have taken time out of their busy schedule for

me. I am extremely thankful to the faculty and scholars of the Manipur University, Canchipur, for extending all possible help and cooperation during my field trip to Manipur. Special thanks are owed to Dr. Salam Irene, Dr. Kunjeshwari Devi, Prof. Jitendra Singh and T. Sudhikumar, faculty members of the Department of History, Manipur University. I record my gratitude also for the personnel of the Narcotics and Border Affairs Cell, Imphal, the Customs Prevention at Moreh and members of NGO groups like SASO and Sneha Bhavan.

In the initial stages of this study, I received valuable guidance from Dr. Samiran Panda, who himself has done extensive and pioneering work on the problem in the region. I record my special thanks to him and to Mr. S.S. Ray, Librarian, Centre for Studies in Social Sciences, Kolkata, for providing me with his references. Last and not the least, I thank my parents without whose encouragement and blessings, I would not have been able to conduct my research.

The Evolution of the Drug Empire

Since time immemorial, drugs or mind-altering substances (MAS) have been an integral part of human civilization. The term narcotic, however, is a more recent coinage. Narcotic refers to anything that induces drowsiness, sleep or insensibility. In other words, while pharmaceutical drugs are used essentially for panacea or cure of a disease, once the drug starts having a debilitating effect on the mind, it is termed a narcotic. This in turn leads to drug dependency or in extreme cases drug addiction and drug abuse. However the latter two terms may not necessarily be associated with prescription drugs alone but may be taken out of sheer curiosity, peer pressure or as a stress reliever. The UNDCP in its report, 2000 on synthetic drugs, classifies drugs into two broad categories

- (a) Natural drugs or plant based drugs
- (b) Synthetic drugs

Natural or plant-based drugs are obtained by processing the plant products while synthetic drugs are synthesized in a chemical laboratory. The latter may be copies of substances occurring in nature or modifications or entirely new creations. The process of obtaining both these drugs differ. Natural drugs are obtained from isolation or extraction from plant materials, synthetic drugs are obtained through a multi-step chemical synthesis from various simpler chemicals. They usually use precursor or starting chemicals. Opium, cocaine, cannabis are all natural drugs. Morphine is a derivative of opium and can thus be considered a natural drug

while heroin which is prepared by a minor chemical modification of morphine can be termed a semi-synthetic drug. Synthetic drugs which are a major cause of concern today include a wide array of substances like amphetamine-type stimulants, example amphetamines and methamphetamines, ecstasy, LSD, depressant drugs like methaqualone, also known as Mandrax, various benzodiazepines with trade names such as Valium or Librium, synthetic painkillers such as fentanyl etc.

Interestingly all the drugs of abuse today originated as medicinal drugs. Both opium and cannabis, two of the major drugs of abuse, have been used traditionally, over centuries, as major healing agents. People in Africa and Asia have smoked cannabis for about three millennia or mixed it with tobacco, drinks and sweetmeats. People in the Andes smoked the coca leaves for centuries to stave off hunger and overcome fatigue and exhaustion caused by high altitude. However, the addictive properties of these plants were not totally unknown to our ancestors. Smoking of cannabis and coca leaves indicates that it was used as a stimulant. But as Carl A. Trocki points out, since most cultures found ways to control the use of their native drugs, all human societies had their own "drug cultures". Drugs, he feels, became social problems only when they were moved out of their "original" contexts to populations or nations which had not been habituated to their use, or when the availability, production or distribution of them was drastically changed. It was then that "drug epidemics" or "drug plagues" happened.¹

Indian mythologies mention the addictive properties of ganja or marijuana. Opium is said to have originated in the Mediterranean region about 5,000 years ago. The Sumerians probably referred to opium poppy as the "joy plants". The ancient Egyptians knew it as early as 1500 B.C. as also the ancient Greeks where poppy finds mention in Homer's Iliad and Odyssey. Opium poppy, scientific name, *Papaver Somniferum*, grows best in moist climates at heights above 2,000 ft. Opium is derived from the Greek word *opion* meaning poppy juice and has been from time immemorial the classic way to obtain "merciful oblivion from misery". Sources cite the earliest evidence of opium usage around 3100 B.C. in the ancient lake beds in the Alpine region of western Europe. In parts

of Switzerland, France and Germany, a cluster of sites dating from late Neolithic and early Bronze Age had revealed fossilized poppy seeds, poppy seed cake and poppy capsules.² The medicinal properties of opium were first chronicled by the Arab physicians in the 10th and 11th centuries. The Arabs are also credited to have introduced the cultivation of opium poppy and its use to East Asia and China, where it was initially used for the control of dysentery.

In Europe, during the 16th century, a German physician and alchemist compounded "panacea laudanum", a tincture of opium, to be used for the treatment of cough, abdominal pains and diarrhoea. However, the soporific influence of the drug did not go unnoticed and by the 17th century in Asia and the 18th century in Europe, opium addiction was on the rise. In 1806, Friedrich Wilhelm Serturner, a pharmacist in Westphalia, Germany, discovered the sleep inducing agent, morphine, by pouring liquid ammonia over opium. Morphium after the Greek god of dreams, Morpheus, was obtained after refining ten parts of opium down to one part of morphine. In 1874, a British research chemist, C. Alder Wright carried the process further to develop another lethal drug, heroin. Wright boiled some morphine over stove for several hours with acetic acid found in vinegar and discovered a strange substance. Testing it on dogs showed that the substance produced drowsiness, prostration and fear. He discontinued his experiments. The product was commercially developed and launched in 1898 under the brand name, heroin, by the German pharmaceutical combine, Bayer. It was marketed as a "sedative for coughs".³ The year 1843 saw the invention of the hypodermic needle and the 19th century witnessed a rapid indulgence of the drugs, heroin and morphine, to allay gloom and despair and a ready remedy for boredom and loneliness and an escape to "euphoric bliss".⁴

The Politics of Drugs in Asia

The Indian Scenario

Opium and cannabis both have an ancient history in India. Opium was first introduced by the Arabs as a medicinal commodity in India and China around the 8th century A.D. Opium was said to

be in traditional use in India in tantrik rituals and herbal treatments of diarrhoea, dysentery and fever. Cannabis derivatives like ganja, bhang, charas have found mention in Indian mythologies and folklores. Lord Shiva is said to smoke ganja and to placate him Shaivites also use ganja. Litterateurs like Tagore too have not often unfavourably used charas and chandu in their writings and have hinted at the special place the hubble-bubble joints and the hierarchical arrangements in them occupied in that society. Sadhus and tantriks have found in these drugs the gateway to 'moksha'. In the 12th century A.D., cannabis became a part of the traditional system of medicine. Studies by the Indian Hemp Association (1893-1894) and Chopra and Chopra (1965) have provided a more secular use of cannabis. They showed that cannabis was used in Hindu and Sikh temples and Mohammedan shrines.⁵ Among the fakirs, bhang is viewed as the giver of long life and means of communion with divine spirit. Among the high-caste Hindus, alcohol was prohibited but cannabis and opium was sanctioned. Thus culturally, though alcohol was taboo, plant drugs found a place in social norms. Opium like cannabis also enjoyed a controlled use and sanction in society. The Rajputs used opium both as an important social and recreational substance. In marriages, business deals, deaths, for longevity, sexual pleasure, in battle and peace treaties, long and tortuous journeys, opium had a special importance. Amongst the masses opium was also used as a sedative for children.⁶

These drugs were used in traditional systems of medicines, such as the Ayurveda, Siddha, Unani or Tibbi. Cannabis sativa was used in the treatment of tetanus, hydrophobia, delirium tremors, infantile convulsions, asthma, protracted labour and numerous other ailments. The Indian pharmacopoeia of 1954, officially sanctioned the uses of two preparations of cannabis, a liquid extract and a tincture. Opium was traditionally used by the Ayurvedic physicians in the 15th century. It was used extensively in Tibbi medicine. The Tibbi physicians used it for relief from pain, drying of catarrh, for coughs, asthma, hiccups, treatment of manic delirium and inflammatory conditions of the brain, diarrhoea, dysentery, facial paralysis, epilepsy and similar nervous conditions. The medicinal need as different from the addictive need decided the form of use of these natural drugs.⁷



In British India, hemp drugs formed an important aspect of the colonial drug policy. The narcotic products of the hemp plants were categorised into three groups: ganja, charas and bhang. The colonial government appointed a Commission in 1893 to inquire into the production of hemp drugs, the effect of their consumption upon the social and moral condition of the people, and the desirability of prohibiting the growth of the plant and the sale of narcotics. The inquiries of the Commission showed that bhang was, almost without exception, harmless when used in moderation, and that "its abuse was not so harmful as intemperate indulgence in alcohol." The excessive use of ganja and charas were more injurious, but as a rule were used in moderation and without appreciable injury. The Commission, though did not advise prohibition, recommended a policy of control and restriction. The main features incorporated were restricted cultivation under supervision, storage in bonded depots, payment of a quantitative duty before issue, retail sale under license, and restriction on private possession. No attempt was made, however, to extirpate the spontaneous growth of the hemp plant and no restriction was placed on the use of the wild plants in the green state. Endeavour was made to control the use of bhang by prohibition, taxation on cultivation, collection under license and transport regulations. The reforms introduced following the report of the Commission resulted in an "appreciable increase of revenue." Ganja formed the principal source of hemp drugs revenue in Bengal, Assam, the Central Provinces, Madras and Bombay; while consumption of charas was mainly confined to the northern India. Charas was said to be mainly derived from Central Asia, brought to Punjab by prescribed routes and then stored in government bonded warehouses. Bhang was consumed in almost all the provinces. By 1902-3, the average consumption of hemp drugs per thousand population in the larger provinces varied from 9 seers in the United Provinces, and 7.5 seers in Bombay, to 2.9 seers in Central Provinces and 1.2 seers in Madras. The total receipts from hemp drugs taxation had risen from Rs.11 lakh in 1860-1 to Rs.66 lakh in 1902-3. However, the thrust of the colonial policy was on opium where the revenue credited under excise rose from Rs.16 lakh in 1860-1 to Rs.110 lakh in 1902-3.⁸

In any discourse on the politics of drugs in Asia, opium generates considerable debate. Opium is a drug that has been long associated with imperialist designs. During the Mughal empire, poppy was extensively grown and became an important article of trade with China and other Eastern countries. During the later part of the 16th century, opium was made a state monopoly. However with the fall of the Mughal empire, the state lost its hold over the monopoly and control of the production and sale of opium was appropriated by a ring of merchants in Patna.⁹ Patna became virtually synonymous with the opium trade. "Patna" was also a brand name for one of the major types of British-Indian opium traded at Calcutta, Singapore, Hong Kong, Canton and in every major part of Asia.¹⁰ Opium became an exportable commodity since the early 16th century. The metamorphosis of the natural drug into a commercial item radically altered its relationship with the human society. The first drug to undergo this transformation was opium and the Europeans the first to build the drug empire. Thus while Asians used the drug, Europeans became the most prominent producers and purveyors. However, it would be misleading to say that the Europeans alone benefited from the drug trade. Several groups of Asian merchants, especially, Chinese, too built their wealth on the opium trade.¹¹ Trocki opines that the opium trade laid the foundation for the global capitalist structure, both in its nurturing of European imperial capital and its international merchant class, as well as providing a foundation for the development of indigenous capitalist groups in India, southeast Asia and China, creation of a class of consumers and most of all in the creation of the merchant itself.¹²

Until the late pre-modern period, both China and Europe imported the drug from Western Asia. Turkey and Persia were both well-established sites of production. By the 16th century, India became a major production site. The arrival of the Europeans at Melaka in 1509 is heralded with the beginning of the change in patterns of traditional commerce. Initially, it was the spices that had made Melaka attractive. But soon the city's ideal location as a centre for trade made it one of the principal bases in southeast Asia. In the 16th century, the Portuguese discovered the cultivation of opium in India and Albuquerque is said to have recommended to

the king of Portugal to make it a source of profit. At that point of time too, India had two production areas—eastern India and western India. Opium from the western region, later known as “Malwa opium”, was shipped through Cambay. Interestingly, according to one account of Ralph Fitch, an English merchant who visited India in 1585, the Burmese imported opium from Cambay. Fitch also mentions opium coming from Patna. During the 16th century, Indian opium was being used in Melaka and other parts of south-east Asia and also traded to China.¹³

By the 17th century, the new consumer markets and the apparatus which served them had been built on commodities that no one had ever considered as one. They were nothing more than “smoke and water”. Several studies have shown that opium was the answer to the tea remittance for the East India Company. Opium paid for the cost of tea purchase and eliminated the bullion drain from Europe. It functioned in the first instance as a source of virtually free capital which allowed the English to get their foot into the door of the Asian commercial system. Opium was promoted as a commodity and an opium epidemic created in Asia. The production was organised with a force of cheap and malleable labour and on land that was already controlled for as cheap a price as possible. Centralised control over collection and processing of the product was established and a market for mass consumption created. The English were not ignorant of the negative aspects of the products. From the time of Warren Hastings in the 1770s, the British colonial records and other contemporary materials are full of quotations that indicate a perfect acquaintance with the nature and power of opium.¹⁴ The production of opium in Asia had become a cottage industry in many parts of the region and a more or less standard product had been developed by local peasants and merchants. By the beginning of the 18th century, “Bengal opium” was being made into balls and packed into chests for export. The major markets were Aceh and China. Before the British takeover, the Dutch had been responsible in turning the product into a “luxury item” in southeast Asia. The Dutch seem to have been instrumental in bringing the habit of smoking opium to the Chinese, if not to China itself.¹⁵

During the second half of the 18th century, the British began

to move towards domination of the Asian trade and they did it largely by taking control of opium. This brought them into collision with Dutch for control of the sources of opium, as well as markets for the drug. Initially, each had a different market in mind.¹⁶ The Dutch, from accounts, traded in cloth and opium and brought gold-dust in return. This trade turned Batavia into a major trading centre of the Dutch in southeast Asia. But soon a tough competition was to be provided by the English East India Company (EIC). Expelled from the spice trade of southeast Asia in 1623, it went on to create a credible presence in India, especially Calcutta, Madras and Bombay. As the Mughal empire began to collapse in the early 18th century, the Company moved into the power vacuum. The opening of the Company's factory in Canton gave the British direct access to the tea trade in China and later expanded into the opium trade.¹⁷ When the EIC was granted the diwani of Bengal following the Battle of Plassey in 1757, it gained control over one of the major opium-producing region of India. During this period, a group of Indian merchants in Patna had gained a monopoly on the purchase of the drug from the ryots. The Patna Council sold the opium to the Dutch at Chinsura, to the French at Chandernagore and the English at Calcutta. It seems that the Indian merchants enjoyed a monopoly of the opium trade in return for an annual payment or "peshkush" to the Mughal court. It was only in 1773 that Warren Hastings took over the monopoly on behalf of the company from the Patna and Ghazipur councils that controlled the opium trade of Bihar and Varanasi.¹⁸ The right to produce Bengal opium was farmed by the *Muhamadan rulers* who preceded the British, and this method was adopted by Hastings.¹⁹

By the late 1770s, critics of Warren Hastings and the EIC raised a storm of protest against the abuses of the opium system in India. Opium "is not a necessity of life, but a pernicious article of luxury, which ought not to be permitted but for purposes of foreign commerce only." The drug market was a highly limited one, and a profitable trade therefore depended upon a restricted output. The opium trade found a most pliant market in China. Opium was considered a contraband in China, Burma, Siam and Vietnam. However, in China, the bans were not vigorously enforced and it

was usually possible to bribe local officials. In the early years of the trade, the job was done by the Chinese dealers. The British decided to carry the trade to Macau, a Portuguese colony then, where the trade was managed by the Portuguese traders. By 1792, British traders from India to China showed a balance in favour of India. Country ships delivered a total of £9,43,000 worth of goods, both legal and illegal. The illegal trade included 2,500 chests of opium valued at £2,50,000 (the price was then \$400 per chest, or about £100). The bulk of the legal trade was made up of cottons which totalled about £5,71,464 by both country and company ships. The country traders only exported about £3,22,877 worth of goods in that year, thus leaving a balance in favour of India of £6,20,971.²⁰

The years between 1780 and 1842 were the formation years for the opium trade as also the formation of the British empire. For most of the 19th century, opium was the major export from India to China, pushing aside Indian textiles as the most valuable of India's products. According to analysts opium was used by the East India Company (EIC) to cover the tea trade deficit with China. The supporters of the opium trade, however, justify it on the ground that the problem with tea was that it was easily smuggled and throughout the 18th and early 19th centuries, virtually every town on west and south coast of England was a haven for tea smugglers. Some analysts like Lin Man-huong seek to explain the growth of the opium trade due to the shortage of silver between 1820 and 1850.²¹ In India, between 1773 and 1793, the EIC tried to devise a number of ways to effectively impose its monopoly over the trade. In 1773, Warren Hastings introduced the "contract" system by which the company contracted with a pivotal individual to deliver a required number of chests of opium at an agreed upon price. After Hastings, the contracts were let at auctions after corruption charges regarding contracts awarded were levelled at him. But low price fixations by the Company created resentment amongst the contractors and the peasants and led to frequent adulteration.²² The system gave rise to deterioration of the product and to oppression of the cultivators by the contractors. In 1797, Lord Cornwallis brought the opium monopoly under direct management of the Company as part of his "Permanent Settlement." Cultivation was

restricted to specific areas of the states of Bihar and Benaras. The system enforced corresponded with that in force in regard to salt. The growth of poppy and the manufacture of opium were under the superintendence of a special department. This department was divided into two agencies—one for Bihar with headquarters at Patna, and one for the United Provinces with headquarters at Ghazipur. Both agents were under the control of the Bengal Board of Revenue and the Bengal Government. The opium agents of the government gave advances to peasants via go-betweens in four instalments—the first when the fields were measured and the size of the crop estimated; the second after the crop was sown; the third just before the harvest; and the fourth upon delivery of the raw opium. The output of British Indian opium was also sought to be restricted to guarantee quality control and substantial profits.²³ The poppy was to be grown only under license from an authorised officer of the department; and the cultivators who received advances, was bound to sell the whole of his produce at a fixed rate to the Government. He delivered it in the form of crude opium at local centres from where it was dispatched to the head factories and there prepared for the market. The rate paid to the cultivators fluctuated; in 1850-1 it was Rs.3-10 a seer (opium seer measured about 2 lb.) and from 1894-5 onwards it had been Rs.6 a seer. The bulk of the opium was for export and was known as 'Provision Opium' and that destined for domestic consumption was called 'Excise Opium'. The cost of producing the excise opium was credited to opium receipts at the estimated rates of Rs.8.50 a seer. The production of crude opium was believed to average about 20 lb./acre and the crop could yield 250 lb. of seed per acre. The statistical returns gave the average area under poppy for the ten years ending with 1899-1900 as 1,000 sq. miles. The area in the United Provinces was nearly 625 sq. miles, and in Bengal more than 310 sq. miles. Punjab had a cultivation area of about 11 sq. miles. The provision opium was packed in chests, each containing 140 lb. and was dispatched to Calcutta, where it was sold by public auction. In 1896-7 the exports amounted to about 62,000 chests valued at Rs.8 crore. In 1903-4, the failure of the China crop led to an export of about 73,600 chests valued at 10.5 crore. The total exports of opium in the year amounted to Rs.1,047.02 (in lakhs) out of a

total export in various items of Rs.5,539.01 (in lakhs), while the export for tea amounted to Rs.855.79 (in lakhs), for coffee Rs.136.74 (in lakhs) and for tobacco Rs.20.97 (in lakhs). According to the foreign sea-borne trade (exports) of British India, 1904-5, hemp and manufactures of hemp amounted to Rs.44,84,410 while that of opium amounted to Rs.10,62,34,442 in a total export of Rs.1,74,13,65,396.²⁴

The two major opium agencies were in Patna and Ghazipur. The system remained in place, with a few modifications in production and more frequent auctions, for the next century. There are several accounts of coercion of peasants in opium cultivation.²⁵ It is said that from the period 1820 to 1859, peasants in Bihar and Benaras received three rupees fifty paise per seer of raw opium. By contrast, about the same time opium cultivators in Malwa got around eight rupees per seer of prepared opium. British administrators had reported that Koeris were the "most laborious and industrious order of ryots" and till 1890s were thought to be the best opium cultivators.²⁶ As early as 1870, opium was being shipped from Patna to Calcutta by rail. With the advent of clipper ships and then steamers it became possible to maintain a constant flow of opium and other goods to China, and auctions came to be held on a monthly basis. George Traveyan, the historian, in an account on an opium factory at Patna, wrote, "It is the most romantic of manufactures. Everywhere the drowsy scent of the poppy prevails, and lulls the pleased visitor into a delightful consciousness of oriental languor and boundless profits, and into a sweet oblivion of the principles of competition and free trade."²⁷

The auctions were used to manipulate the market so as to obtain the highest possible price for their opium. Merchants and speculators who traded in the "Calcutta Bazaar" were seemingly well versed in the current prices of opium in China and other southeast Asian markets. Jardine Matheson regularly provided their constituents with information in their Asian opium market through their regular "Opium Circulars". The correspondence in the Jardine Matheson collection shows an active correspondence between the Canton traders and their agents and affiliates in Calcutta and Bombay.²⁸ By the 1820s, opium had come to be the second largest source of government revenue in British India, regularly constituting

about 15 per cent of the total. By the late 1870s, it had dropped to second behind cotton and by the middle of the century, opium was regularly about a third of all exports and by itself a major prop of the colonial Indian economy. But British Indian opium was by then also open to competition. The first came from the Americans who were selling Turkish opium in British Indian markets. The second was the competition from the "Malwa opium". The third was the appearance of significant poppy cultivation in China itself, particularly, in Yunnan and Sichuan provinces.²⁹

The "Malwa opium" posed immediate threats to the British government. As early as the beginning of the 16th century, a native trade in opium existed between the west-coast of India and the Far-East, and for a time a large share of it fell into the hands of the Portuguese. The early efforts of the East India Company were directed to restrict or suppress the trade which interfered directly with the Bengal monopoly. But this proved impossible. The Company tried to adopt several methods to control the Malwa production. At first, it tried to block access to sea. When that failed they decided to go into the marketplace and purchase Malwa opium on the company's account. But this too backfired as not only the Malwa merchants increased production but also started to sell substandard opium to the Company. In 1821-2, the Chinese paid \$83,14,600 for 4,628 chests of opium, both Malwa and Bengal combined. This meant an average price of about \$1,796 per chest. In 1823-4, they paid \$85,15,100 for 7,072 chests, an average of \$1,204 chest. By the mid-1850s, the total area engaged under the Bengal opium monopoly was about 31 million hectares (1,20,000 sq. miles), where under the licensed system 1.25 million cultivators were engaged in poppy cultivation. In 1857, a British Parliamentary paper documented that the production of opium under the Bengal monopoly rose from 1,600 metric tons in 1845-6 to 3,200 metric tons in 1854-5. The British Parliamentary Paper *East India (Opium)* in 1857 maintained that the government of India earned a total land revenue of 4.42 million pounds.³⁰ The Opium Act of 1857 placed the cultivation of poppy and manufacture of opium under the direct control of the Bengal administration and the Board of Revenue at Calcutta. The law forbade clandestine cultivation of poppy and made it a punishable offence. The Opium

Act of 1878 sought to curb any illicit trade in opium.³¹ Most of the smuggling took place through Hong Kong into China and also sent elsewhere to the Asia-Pacific region. The Company's conquests in western India enabled it to impose a "pass duty" on each chest shipped through Bombay. In 1830, the Government of India authorised the export of Malwa opium subject to the payment of duty. The levy of this duty was facilitated by the fact that the main opium-producing tracts had no access to the sea except through British territory. The annexation of Sind in 1843 enabled it to raise the duty up to four hundred rupees in 1893. The duty was levied at convenient stations maintained by the British government at Indore and elsewhere, whence the bulk of the opium was consigned to a central depot at Bombay for issue to traders. The Company's concern about the Malwa opium has been aptly expressed as follows:

I now come to opium, of which the Company long enjoyed a monopoly, as the Mogul rulers had done before. When tranquillity was established in Malwa, the cultivation of the poppy which had hitherto been checked by the disorders that prevailed there, considerably increased; and a great export of opium took place. It was at first attempted to stop this by prohibitory duties; and the native princes were induced to forbid the cultivation of the poppy, and the sale and transit of opium through their states, by receiving compensation for their loss of profits and dues. This, however occasioned, serious evils, paralysing industry, and leading to affrays, and even loss of life, and was ineffectual as it was unjust. It was at last determined that the conveyance of opium from the parts of Malwa where it is grown to Bombay, should be licensed; a regulation which still continues.³²

Malwa opium became a source of substantial supplementary income for the Indian government and by the 1880s was yielding a revenue of nearly twenty-five million rupees annually. The rate of duty per chest rose from Rs.175 in 1830 to Rs.700 in 1861, fluctuated between Rs.700 and Rs.600 until 1897-8, and was then reduced to Rs.500. The duty had to be adjusted keeping in

view the progressive slump in the quantity of export for Malwa opium. In 1800-1, 37,000 chests of Malwa opium passed for export to China. This slumped to less than 18,000 chests in 1901-2. The net receipts from Malwa opium fell from 2½ crores in 1880-1 to 99 lakhs in 1902-3. Though it has not been explicitly mentioned, the levying of duty might have led to an increase in smuggling activities. The duty was again raised to Rs.600 following some improvements in exports, in 1904.³³

The settlement of the question of Malwa opium led to an expansion of the opium trade of the British and finally culminated in the Opium War between China and Britain. The trade in opium, that also included opium from central India (Malwa), was continued by the British government until 1935. In central India, the government regulated about 1,17,000 hectares engaged in poppy cultivation.³⁴ Alongside its revenue from the opium export, the colonial authorities increased the amount of revenue from the domestic consumption of intoxicating drugs. Opium was said to be consumed in all the Provinces of India. The consumption was highest in Assam, where it amounted to 8.8 seers per thousand of the population. On the other hand, in Bombay the corresponding figure was 2.4 seers, in the United Provinces and Bengal 1.3 seers and in Madras 1.1 seers.³⁵ In Bengal, Assam, the United Provinces and the Central Provinces, Bengal opium was sold at Government treasuries to licensed vendors and druggists at a fixed price, which included the cost of production and duty. In parts of the United Provinces, the treasury officials were also permitted to sell opium direct to the public at fixed rates, an arrangement intended to check illicit practices in the opium-producing tracts. In Punjab, licensed wholesale vendors procured opium from the government treasuries (in the case of Bengal opium) or from crop owners, or by importation, and sold the same to retail vendors. In Bombay, opium was passed from the central warehouses to the district depots. It was then issued to licensed vendors. The vendors could also import the drug directly from the sources of supply. In Madras, Malwa opium from the Bombay warehouse was stored in two depots and sold to wholesale vendors. The right of retail vend was in general sold by annual auction, for one or several sanctioned shops. Intoxicating drugs prepared from opium could be sold in

some Provinces by licensed vendors and in others only by licensed druggists for medicinal purposes.

The British had also adopted excise duty on licensed vendors and on the transit of cannabis from north Bengal to Dhaka (formerly Dacca) and other urban areas. Licensed shops were set up in different city centres for the distribution of excise opium and cannabis to local customers.³⁶ The excise revenue derived from opium was mainly composed of duty and vend fees. The rate of duty varied with the conditions of the locality, being highest where smuggling was most difficult. The average rate of duty per seer was Rs.28.5 in Assam, Rs.20.5 in Bengal, Rs.13.5 in the Central Provinces, Rs.10 in Madras and Bombay, Rs.8.8 in the United Provinces and Rs.3.6 in Punjab. The Bengal opium had an additional duty of Rs.81.50 per seer to cover the cost of production. The addition of vend fees to the duty, the average taxation per seer in 1902-3 varied from Rs.34.90 in Assam to Rs.11.5 in Punjab.³⁷

According to estimates of Chinese opium imports since the early 19th to the mid-19th century, the Chinese were spending between two to three million Spanish dollars for about 4,000 chests of opium at the beginning of the 19th century. The amount of opium being constant, they were paying between four to five million dollars about ten years later and about eight million by 1820. The immense profits from opium, prompted the British to push the trade forward with China, as can be witnessed in a comparative study of Britain's sea-borne opium trade worldwide, despite a rise in the anti-opium movements back home and elsewhere.

The trade had been throughout unofficial as it had been banned by imperial decree since 1729. Its sudden expansion in the 1830s and the realisation of the flight of millions in silver led to attempts at stronger reprisals. In 1839, the Daoguang Emperor sent Commissioner Lin Zexu with instructions to stop the trade. The Company had never involved itself officially but the opium was carried as private cargo of the captains, crew members or other company servants who were permitted shares of the cargo. The opium trade developed as a "necessary aberration" alongside the Company's monopoly of the China tea trade and the so-called Canton system, by which the Chinese government conducted foreign maritime trade and international relations. Legitimate trade

Destination	Quantity in lbs.	
	1905-6	1923-4
China (including HK and Macao)	67,20,980	
HK (British)		33,600
Macao (Portuguese)		34,300
Straits Settlements (British)	17,31,520	3,25,500
UK	59,780	
East Coast of Africa	1,820	
Mauritius (British)	5,600	
Natal (British)	3,220	
Ceylon (British)	25,060	
Indo-China (French)	70,000	3,79,400
East Indies (Dutch)	1,07,800	1,26,000
Australia	9,940	
Persia		55,440
Other countries (including North Borneo, Japan, Siam)	75,320	
Japan		14,000
Siam		2,29,000
North Borneo (British)		25,060
Total exports	88,11,040	12,17,440

Source: The Opium Research Committee of the Foreign Policy Association, 'The Opium Situation in India: Recent Developments', New York City, F.P.A. Pamphlets, No. 39 series of 1925-26, May 1926.

and other foreign relations were conducted by the Cohong, a guild of principal merchants of Canton who were authorised by the Chinese government.³⁸

The Cohong and all of the Canton officials knew of the trade and many, as individuals, were involved in it. In 1839, the British government sent a fleet to China to defend its opium traders. The outbreak of the Opium War and the peace treaties were influenced to a great extent by the opium traders. Whatever else the Opium War did, it certainly did not solve the opium question as neither the British forbade it nor the Chinese legalized it. After the Opium War of 1839-1842, China was forced to pay an indemnity equalling US \$2,10,00,000 and cede Hong Kong Island to the British. India's unrestricted trade with China came to an end in 1907 when India agreed to abolish the notorious opium trade.

Early in 1908, the Government of India concluded an agreement with China calling for a reduction of her exports to China by 10 per cent each year for ten years, simultaneously with China's reduction of poppy cultivation within her own borders. By 1913, China had made such progress in effectively suppressing production that "India discontinued her export without waiting for the expiration of the period agreed upon. India thereby sacrificed an annual revenue of approximately 4 million pounds a year."³⁹ The trade came to virtually a complete end by 1917.

The Burmese Connection

In Burma, the initial drug of choice was cannabis which was in use long before the British colonisation. Cannabis had its patrons amongst the Indians staying in Burma who used it on religious occasions. It was used by indigenous tribes like the Karens and the Shans as an ingredient in their cuisines. The narcotic properties of the drug were also not unknown to them. The Kachins and the Shans were also aware of the medicinal value of opium. It is said that cocaine was another substance of choice and found its way from Japan traded by the Chinese traders. However, cannabis could not attain the commercial success of opium as it was easily cultivated throughout Burma.⁴⁰ The cultivation of opium was said to be in vogue in the northern part of Burma bordering Yunnan, as chronicled by Chinese historians in 1736, and is said to pre-date that in India. However, a fillip to cultivation came with the British opium trade in China. Poppy cultivation in the northern Kachin areas, the Hukawng valley and Mogaung, was also described by the Christian missionaries in 1837. The use of opium was more frequent in Upper Burma in the Kokang areas than in the Lower Burma.

The prevalence of Buddhism in Burma had long preached an abstinence from all addictive substances, including narcotic drugs. In 1782, when King Bodawpaya came to power, he made intoxicant and stimulant use capital offences. But opium abuse did exist among the Burmese elite. Opium and alcohol came to be chronicled in Burma only in the 19th century, which saw the rise of the opium empire in the whole of Asia. Though usage became widespread, the

elite evaded it. Opium was restricted to the lower classes and the locals in the hills. The Burmese way of taking the drug was very different from that of the Chinese. The Chinese smoked *beinsi*, i.e., crude opium clarified with water. The Burmese used *beinsi* orally in a number of ways like *katpon* and *kunbon*, i.e., *beinsi* mixed with shredded plantain leaf and betel leaf respectively or as *shangawng*, opium mixed with powdered siliceous minerals.⁴¹ By the 1860s, China began to grow her own opium on a massive scale. After 1880, the demand for foreign opium decreased and by the early 20th century, China's annual opium crop was over 22,000 tonnes. The areas of China most suitable for growing the opium poppy were in Sichuan and, most importantly, in Yunnan across the border from Burma. Around 1855, there was a minority rebellion against the emperor in Beijing by the Panthays. The Panthays were Muslim minorities of southern China, descendants of Kublai Khan's Arab and Tartar soldiers who had settled in the Dali area of Western Yunnan and married local women. The Panthay rebellion was crushed and the survivors fled across the mountains into the north-eastern Shan states of Burma. They settled to the south of Kokang proper and deprived of any land to cultivate formed the crux of opium smugglers.⁴² During that time, Yunnan and not Burma, was the main source of opium in East Asia, but although increasing amounts of raw opium were harvested in southern China in the 19th century, India remained the chief producer of the drug for international trading.

The opium trade flourished in Kokang after 1868. The social acceptance of the drug along with the conditions of revolt helped in the increased cultivation and trade of the drug. The remote location of Kokang only added to the advantages. The trade in opium successfully used the existing networks for the tea trade. By the mid-19th century, the autonomous province of Kokang in Burma had a Chinese ruler and was one of the richest opium-production centres in Burma.⁴³ The Panthay rebellion, according to certain researchers like Chiranan Prasertkul, led to the spillover effect of the opium trade into Kokang and the northeastern Shan states of Burma, the Kentung area, just north of Siam, with much cash-crop cultivation conducted east of the Salween.⁴⁴ In the late 19th century, poppy cultivation spread from Kokang into the Wa

Hills, and the Panthay Muslims, who lived in Panglong-Hopang in between, carried the drug by mule convoys from poppy fields to buyers in major market towns in northern Burma and further afield.⁴⁵ The major consumers of the drug were mostly ethnic Chinese, i.e., the local people in Kokang, Panglong-Hopang and across the border in Yunnan, and overseas labourers and other Chinese in Siam (Thailand), Malaya, Singapore and elsewhere in South-east Asia. Kokang and Yunnan remained the most esteemed producing areas generating a consumer base even in other producing areas like the Kachin state. By 1898, opium was used as a standard medium of exchange in trade in southern Yunnan and Upper Burma. The shortage of silver coupled with the high value of opium and its control by locals facilitated this change.⁴⁶ In the 1940s a study by Edmund Leach revealed that equal amounts of opium and silver were part of the price negotiated for a bride.⁴⁷ This demonstrated that opium was as valuable as silver. British colonisation of Upper Burma in 1886 and the delineation of international boundaries failed to limit the trade. The demarcation of the Sino-Burmese border in all but the Wa states led to British suzerainty over most of the Kachin areas, while Kokang was left to China by the Anglo-Chinese Treaty of 1 March 1894. Burma acquired Kokang at the end of the 19th century as compensation for China's alleged violation of that treaty, formalised by the Anglo-Chinese Burma Treaty of 4 February 1897. Though smuggling and unauthorised or illicit trade did occur, the business was sought to be slightly controlled by local and British authorities under the 1910 Opium Act and the 1938 Opium Rules.

Meanwhile anti-opium opposition was gaining ground in Britain. In the first half of the 19th century, opium was accepted in Britain socially and medically. Gradually by 1868, a distinction emerged between legitimate medical use and "illegitimate non-medical use of drugs". Physicians started to distinguish between working class use of opium as a cheap intoxicant to the middle class use of it to assuage "severe mental disorders". Addiction to opium was considered a deviant. In 1843, Lord Ashley raised the matter in the House of Commons and challenged the monopoly rights of the East India Company on opium.⁴⁸

During the late 19th century, opposition against opium usage

was voiced from two important segments of English society—the middle class and the church. There was considerable opposition to British opium sales to China. In 1886, England's Society for the Suppression of the Opium Trade requested the Viceroy of India to forbid opium from being imported into Upper and Lower Burma. However, huge profits from the opium trade hindered any effective action. In India too, missionaries of Bombay and Calcutta raised the first voice of protest against opium. The Calcutta missionaries were more outrageous in their attack. They accused the government of committing 'a breach of faith' and involving itself 'in a guilty and ruinous trade'.⁴⁹ At the initiative of some Quaker-reformers, evangelicals and representatives of various missionary societies, the Anglo-Oriental Anti-Opium Society was established in London in 1874. The Society expanded its sphere over India as well. In 1892, following the election of Gladstone's Liberal government in Great Britain, Parliament passed a motion terming Indian opium revenue "morally indefensible" and calling for opium produced in India to be used for medical purposes only. The Society submitted a petition to the House of Commons in May 1892, calling for a reduction in area of poppy cultivation. Dr. D. Morrison, a Presbyterian medical missionary in Rajshahi, Bengal, published a report, *Friend of China*, the organ of the Anti-Opium Society.⁵⁰ Other voluntary organisations such as the Society for the Suppression of the Opium Trade, the Urgency Committee, the Christian Union and the Women's Urgency Committee were also active against opium in India and China. In 1893, a Royal Commission on Opium was established to look 'not into how but whether the opium traffic should be suppressed'.⁵¹ This Commission held hearings in London before making investigations in India and Burma. The Commission reported, "that the open habit as a vice scarcely exists in India, that opium is extensively used for non-medical and semi-medical purposes in some cases with benefit and for the most part, without injurious consequences; that the non-medical uses are so interwoven with the medical uses that it would not be practicable to draw distinction between them and that it is not necessary that the growth of the poppy and manufacture and sale of opium in British India should be prohibited except for medical purposes".⁵² Following the Liberal Party's removal

from office in 1895, the British India government based its opium policy on this report for over a decade. In 1906, the Liberal Party regained power in Britain and the anti-opium movement gathered momentum. Britain pledged its cooperation in the international efforts to control narcotics. In 1909, the Shanghai International Opium Conference was able to call for the suppression of non-medical uses of opium. This agreement did not compel compliance by the signatories. In 1912, in the Hague Opium Convention, signatories such as Britain, including British India and Burma, agreed to conventionalize the Shanghai resolutions and to suppress international narcotics trafficking. In 1910, the registration of new users in Lower Burma stopped. In 1921, government opium shops in Burma Proper were closed. International opium control efforts continued after the establishment of the League of Nations. Following the League's establishment, two Geneva Opium Conferences were held. At the second conference, in 1924, British defence of opium use in India was overcome, and the conference resolved to suppress the contraband traffic in and abuse of narcotics (including cannabis, morphine and cocaine, which were not discussed at the Hague Convention). From this time on, however, little international effort was made to counter opium use. The Conference on Suppression of Opium Smoking, which met in 1931 in Bangkok, made only marginal efforts to reduce opium use, such as forbidding minors from entering opium dens.

The British followed a two-pronged opium strategy in Burma, one for the areas under its direct administration and the other for those under indirect administration. Tenasserim and the Arakan plains which were parts of Lower Burma, the British farmed out the sale of opium to individuals, especially Bengali and Chinese. Simultaneously, efforts were made to introduce the drug amongst the populace, who were not habituated to opium use. The relapse of the royal bans having lapsed, young men in the region were induced to try the substance which led to chaos as opium suddenly became easily available. The promotion of opium use by East India Company led to opposition from the Burmese and Mon Buddhists. The British opium policy responded to the belief that opium was harmful to the indigenous Burman population. In 1871, opium farming system was replaced by the selling of fixed

duties on opium consumption, and a licensing fee for opium shops. Two years later use of cannabis was also prohibited. In 1874, its importation by sea was banned as well.

The 1878 Opium Act recognised that opium had become a problem in British Burma. It sought to reinstate the royal sanctions against opium use. However, registered users were exempted. The 1881 Excise Act continued the bans on cannabis that had been set by various local governments. What these acts and other measures did not do was to restore the moral authority lost with the removal of the traditional administrative system grounded in Buddhist morality. The younger monks, in their opposition to Christianity, joined the nascent nationalist movement, the members of which were unamenable to helping the British fight opium. Opium use flourished in the society where the traditional values were being compromised, just as surely as it did in the lawless growing region in and around Kokang.

The third Anglo-Burmese War in 1886 saw the extension of British rule over Upper Burma which included states ruled by Shan, Kachin and others and also vast areas inhabited by independent ethnic groups like the Chinese and the Karennis. The system of indirect rule was pursued in the areas wherein in lieu of an annual tribute to the British, the rulers were granted considerable autonomy over their own customs, religious affairs and local administrations. This was also the area which boasted of "whole stretches of hillside ... covered with opium" while approximations of the area under cultivation varied from 10,000 acres to at least 75,000 acres. The market price for a kilogram of opium was 6-7 rupees just after the harvest and 10 rupees during the off-season. In 1903, about 6 rupees equalled £1. A convention of the League of Nations in 1930 concluded that Kokang opium was the best in the world, apparently based on its morphine content and its flavour. About £1,60,000 was expected to be reaching Kokang as part of the opium trade at that time in an average year. A sum of at least half that is estimated to have reached opium traders in the Wa region.⁵³ The cultivation area was also expanding into south Hsenwi, west Mang Lon, and on the hills everywhere higher than 1,200 metres. The cultivators included the Chinese, Shan, Kachin, Panglong and Lahu. Opium cultivation also followed

trade routes south into Kengtung state. Opium was smuggled over the virtually unpoliced border into Siam where the artificially high rates at government dens gave the Shan states' opium a ready market. Opium smuggling also became a regular and increasing feature in supplies to users in Rangoon and other cities in the Burma delta. The rail lines and other transportation links built by the British facilitated the channel.

Besides, certain policies adopted by the British with regard to opium also helped the black market to flourish. The British treated the ethnic groups like the Shan, Kachins and others differently and permitted them to use opium. Immigrants to Burma who were allowed to use opium could declare themselves as users upon entry from overseas and receive a regular quota. Most immigrants who were non-users claimed to be users and then sold the quota in the black market. Opium remained legal for patients and tattooers and a substantial amount for them found its way out. Despite several narcotic laws in Burma Proper, opium trends rose. The legal supply came from India. The government decided to control opium and register users from time to time, but opium prices at government dens were prohibitively high which facilitated the rising demand for illicit opium from India and Kokang. Perhaps the most important reason behind the increase in opium use was the British reluctance to take firm action. After the 1912 revolution in China, opium was banned. The cultivators in Yunnan started to look for greener pastures in the Kachin and Shan states. Despite the Government of India's urges to British Burma to check opium poppy in the region, officials in British Burma cited reasons of subsistence and lack of direct control as hindrances to the job. The cost of extending direct administration to the areas were said to be extremely prohibitive as to realise any tangible results.⁵⁴ By 1918, there were reports of renewed cultivation in Yunnan and thereby a shift in the smuggling routes in Siam.

The international anti-opium pressures led the British to re-organise the Shan states into the Federated Shan States. In an explanation to the League in the 1920s, the British explained that the term included three regions. In the first, under Burmese control, cultivation had been prohibited in 1923 except for use in licensed dens. In the area west of the Salween controlled by Shan

princes, a policy of progressive control had been introduced. In the third region from which major profits from the opium trade accrued to the government, suppression was said to be difficult. The Kokangese were described as wild, independent tribes, a description more often associated with the Was.

In 1937, the British extended the ban on opium to the Kachin states but no restrictions applied to the Hukawng Valley, the major opium growing area there. Opium cultivation continued to remain legal in the Trans-Salween states, Wa states, a small area known as "the triangle", and the Naga Hills on the Indian border.⁵⁵ A direct fallout of the British policy on opium cultivation in Burma was the increased opium shipments to Siam. The centuries-long trade of the Kentung region of Burma bordering northern Siam with its cities like Chiang Mai and ethnic similarity of the people coupled with the porous border promoted the trade. The shipments were even negotiated by high-ranking officials. There were instances of deals having been formally rejected by the Siamese Finance Ministry but of shipments having reached the opium dens of Bangkok.

The trade increased after 1938 and was chiefly carried out by Yunnanese Muslim opium traders financed by Singapore Chinese. It is said that Field Marshal Pibun Songkhram promoted poppy cultivation himself during his premiership to curb this Chinese influence. Pibun renamed Siam "Thailand" to promote a pan-Thai policy bringing together the Shan, Lao, and other Tai groups under a greater Siam promoted by many Thai cultural attributes. The policy was also to link Shan States' opium, government officials in Bangkok and Thai opium dens beyond World War II. The Thai leaders suspected British motives in controlling the opium across Thai borders and wished to take over the trade.

During World War II, when the Japanese military took over the whole of Burma in 1942 till 1944, contrary to the British claims, the Japanese came up with concrete steps to abolish opium. This ranged from a three-year plan of the Japanese chief commissioner of excise to extreme measures against addicts. But major opium producing areas like Kokang and Wa states were probably not affected. It has been reported that during the war, the British military air dropped a large amount of opium to pay for intelligence.⁵⁶

The Japanese had ceded Kentung to the Thais and the Thai opium monopoly established a smuggling route, the viability of which outdid the British recapture of Kengtung after the war. Many members of the Northern Thai Army rose to prominent positions like future Prime Ministers Sarit Tanarat and Chatichai Choonhavan. The Golden Triangle trade was in the making and three prominent actors were in play—the Thais, KMT leaders and agents of the US Office of Strategic Service (OSS) later to be remoulded into the CIA.

Burma's independence in no way hit the drug empire. The ethnic problems remained and rather aggravated over the years, severely thwarting any strong central authority to control the production and trade in opium and later heroin. After a period of political instability, a military coup by General Ne Win sought to consolidate the power under the Burma Socialist Programme Party (BSPP) in 1962. The government outlawed political opposition and sought to transform the economy through measures such as the 1963 Enterprise Nationalisation Law and 1964 Socialist Economy Protection Law. These had devastating effects on the political and economic structure of the country. A thriving black market developed wherein goods from across the Thai border were freely traded. One of the busiest Rangoon markets was thus popularly renamed the "Yodaya Zei" (Thailand Market).⁵⁷ As the Thai-Burma border was patrolled by "independent" ethnic groups like the Karens and others, they sought to profit immensely from the transactions.

Since independence, the various governments in Burma have tried to adopt anti-narcotic measures. In 1961, Burma signed the UN Single Convention on Narcotic Drugs but contingent upon reserving the right to cultivate opium in the Shan and Kachin states for twenty years. In 1962, after the Ne Win coup, the government organised another Opium Enquiry Committee, which considered rewriting the opium laws to reflect the implications of having signed the UN Single Convention. But the "opium insurgents" of the producing areas sought to frustrate the government attempts. By the 1960s, another product, heroin (No. 3), was creating a new market in South East Asia with US GIs stationed in Vietnam. Opium now came to be associated with mainly the older

users and included Chinese and tribal people, while heroin abuse was more common among the younger generation.

The Burmese military operations, called Mohein, with the aid of US fixed-wing aircraft and communications was another measure aimed at destroying refineries and interdicting opium caravans near Tachilek, opposite Thailand's northernmost point.⁵⁸ In 1974, the Narcotic and Dangerous Drugs Law was enacted and in 1975, the Central Committee for Drug Abuse Control (CCDAC) was established. However, the narco empire not only sustained but expanded itself. A few factors may be said to have enabled the process:

- (a) The lack of administrative control in most of the major producing areas enabled the unhindered production and trade in opium to take place in Shan and Kachin states.
- (b) The differences between the ethnic groups and the Revolutionary Council as also the Burma Communist Party (BCP) led each of the parties to capitalise on the narco trade to get an upper hand. For e.g., the military junta tried to utilise the Ka Kwe Ye, people's militia, formed to deal with the Shan nationalist groups, in their attempts to curb the BCP. In turn Shan opium warlords like Khun Sa were allowed an exalted position in lieu of their support. Similar was the case of Lo Hsing-han of Kokang whose opium business received protection in exchange for the support against the BCP. The BCP, too, initially opposed the opium cultivation and trade due to its communist ideology, but was later forced to accept the same to maintain its hold in Kokang.
- (c) The international forces at play in the region also boosted the narco trade. The presence of the KMT and the US OSS initially tried to capitalise on the opium trade to gain a foothold in the region. Later, the stationing of US GIs in Vietnam provided a lucrative market for the narco trade.
- (d) The porous border and the ethnic linkages of the groups with Thailand also furthered the trade. The corruption among the Thai officials and the emergence of Bangkok

as a major trading centre coupled with lenient immigration laws of the land enabled the narco trade. From 1978, China's increasingly open economic policies and its almost complete eradication of illegal opium use since 1952 made the country seem a route free of suppression and smugglers were tempted to move opium through China. Exporting opiates overland from places such as Kokang grew in popularity after China and Burma agreed to trade officially in 1986 and after the Chinese army border patrolling was reduced in 1988. The increased traffic resulting from the trade agreement aimed to mask rapid increases in opium smuggling into China.

The Golden Crescent

The opium politics in South West Asia is also the creation of the West. The Golden Crescent comprising of Pakistan, Afghanistan and Iran is another major producer and exporter of illicit opium and heroin. Pakistan is also one of the largest exporters of hashish, a cannabis derivative, in the world. Afghanistan had a modest opium production of 200 t. to 300 t. before the conflict broke out in 1979. This supply mounted through the 1980s, due to absence of any effective state control in the territory. The Pakistani army secret service (ISI) effectively used the drug trade to swell its covert fund for financing destabilising operations in India in Punjab and Kashmir. Till 1993, the US State Department could alone provide the estimates for the opium production in the territory that it grossly underestimated at 690 t. The underestimation, it was assumed, was a cover up for the American authorities' failure to mention expanding production in areas controlled by the mujahiddeen throughout the war in Afghanistan (the CIA kept quiet about this). In 1994, the UNDCP, on the basis of its extensive field reports put the production at between 3,200 t. and 3,300 t. Most of the production came from the southern provinces under Taliban control for more than a year—Farah, Helmand, Nimruz, Uruzgan, Kandhar and Zabul. In the east Nangarhar produced the maximum opium. In early September, 1999, Afghanistan's opium production literally exploded by reaching 4,600 mt. as against

2,200 t. in 1998. The total surface area where poppy was grown had increased by 43 per cent in 1999 over 1998 (64,000 ha. in 1998 to 91,000 ha. in 1999). The Taliban not only imposed the Islamic tax (zakat) on opium production but also taxed the heroin laboratories and heroin transportation. As far as the opium was concerned, the tax in kind was 12.5 per cent. The tax on heroin laboratories was set at \$70 per kilogram of heroin at the laboratories' gates or a total profit of about \$5.53 million. The Taliban then authorized the transport of the heroin at the rate of \$250 a kilo. All taxes combined, the Taliban earned an estimated total of some \$25 million. The Taliban did carry out a pseudo-eradication campaign in Kandhar, the province of Mullah Omar, but it might partly have been owing to a split between the Pashtuns and the Taliban. In mid-February 1999, it also launched a campaign against the heroin laboratories in Nangarhar. These heroin laboratories are actually mobile kitchens producing No. 3 (brown) and also No. 4 (white) heroin. But it is again estimated that only 10-20 per cent of the 200 odd kitchens were affected in which not a gram of heroin was seized nor a single trafficker arrested.⁵⁹

Interestingly, most of the major drug barons of Afghanistan are Pakistanis, though some are Afghans. The major names in this field are Haji Baktey, Haji Bakhchud, Ghazi Khan, Haji Manjey, Haji Qimya Khan and Haji Shahbaz. The Pakistani origin of the drug dealers is often cited as one of the reasons for the decline in local opium production in Pakistan. The production had gone down from 9,441 ha. in 1992 to less than 300 ha. in 1999, according to official estimates and had not led to any major upheavals. It is estimated that about 60 per cent of illegal crops grow in Pakistan's north-west district of Dir. Another explanation provided is the relative inaccessibility of some of these regions which enjoy a semi-autonomous status, like the Tirah Valley, Bajaur and north and south Waziristan. There have been attempts to build roads through Shin Qamar, 50 km. west of the NWFP capital, which have been violently resisted. The Anti-Narcotics Front had reported on large seizures in early 1999 close to the Iranian and Afghan border. The Iranians had issued an official protest against the infiltration of about a hundred drug traffickers into Iran, which reportedly forced Pakistan to swing into action. The close relation between

the Pakistani politics and drug traffickers can be observed in the case of Haji Ayub Afridi, one of Pakistan's most important traffickers. Afridi had played an important role during the Afghan war and it was in view of his "services" then that his surrender to the American authorities was a negotiated one. It is reported that Benazir Bhutto had acted as the emissary for his surrender and he was awarded a modest three and half years of jail in a US prison and a \$50,000 fine. Afridi belonged to the Khyber tribal agency not far from the Afghan border. In 1990, upon a coup against Benazir Bhutto, he was elected to Parliament from the tribal agencies to be one of the eight deputies. He contested the elections on the ticket of the Islamic Democratic Alliance, the coalition of the new Prime Minister, Nawaz Sharif. In 1992, he formed a part of a sixty member delegation which travelled to Afghanistan to mediate between the rival groups there.⁶⁰

Narcotics has come to provide a motivation for Pakistan in its border conflicts with its neighbours. During the Afghan war, the Inter Services Intelligence (ISI), developed close working relations with the CIA and Saudi intelligence organisations. It also developed extensive hands-on expertise to wage a proxy war in terms of handling logistics on an international scale, training Afghan guerillas in low intensity conflict operations (LICO) and intelligence-gathering activities. The ISI has developed close linkages with various Islamic fundamentalist organisations, like the Lashkar-e-Toiba, Harkat-ul-Mujahideen and others. The World Geopolitics on Drugs Report 1998/99, maintains that it is notable that the offensive in Kashmir by Islamic groups supported by the Pakistan military are on each occasion preceded by intense activity by armed groups of Pashtun and Baluch irregulars along the Afghan and Iranian borders. Added to this is the fact that Saudi Arabians are building a veritable chain of mosques and Koran schools in this region whose exteriors resemble fortresses more than religious establishments. It was precisely in this region that the ANF seized 25,427 tonnes of drugs between January 1999 and March 2000, including 16,320 tonnes of hashish, 7,630 tonnes of opium and 417 tonnes of heroin.⁶¹ Since the 1990s there had been reports on the smuggling of heroin from Pakistan by camel-borne smugglers through the Thar desert in Rajasthan. The NCB

reports reveal that the bulk of the heroin seizures in India are of Pakistani origin. In 1989, a study by B.V. Kumar, a member of the Central Board of Excise and Customs, indicated that the cost of heroin per kilo was Rs.30,000 in Pakistan, 1,00,000 in New Delhi, 2,00,000 in Bombay and reached \$1,00,000 on the US wholesale market and one million dollars on the streets of New York. In the first week of March 1996, a large consignment of heroin and arms was seized near the Pakistan border in Rajasthan. The merchandise belonged to the LTTE, the Khalistan Liberation Force and the JKLF, leading intelligence officers to assume a linkage between the various insurgent movements in the subcontinent. Since the 1980s, the various insurgent groups in the northeast of India have also added to the nexus. NH 39, running along the 1,643 km. of jungle territory along the Burma border, is increasingly becoming the alternative gateway of heroin to the world. With the focus increasingly falling on the Golden Triangle and Thai enforcement agencies under severe international pressure to limit the illicit trade, the northeast of India is providing an easier conduit and a vital link with the routes leading out of Asia into Europe and United States.

The Columbian Drug Empire

The Columbian drug saga as its Asian counterpart is rooted in the colonial policies in the region. Though coca was initially viewed with suspicion by the Spanish "conquistadors" and the Church, yet by the mid-19th century, there were regions in Columbia where peasant wages were being paid partly in coca leaves. The colonial government established official monopolies for the sale of tobacco and alcoholic beverages, particularly aguardiente, that were used to generate substantial revenues. Aguardiente was a sugar-cane distilled drink with high alcohol content to which anise was added for flavour. Some of the popular uprisings that led to independence originated in protests to the high taxes imposed by the government on the consumption of tobacco and aguardiente. Coca use was not as widespread in Columbia in the 19th and 20th centuries as in other Andean countries. However, marijuana and cocaine is said to have been produced in Columbia throughout the 20th

century along with smaller quantities of other illegal drugs. Perhaps one of the earliest evidence of the existence of illegal drug manufacturing organisations is the establishment in the late 1950s of a laboratory in Medellín by a group of Columbian smugglers. They refined cocaine, heroin, and morphine which were exported to Havana, where American mafia managed the distribution. The laboratory was discovered and destroyed by the Columbian secret service with the help of the FBI.⁶² Marijuana production is said to have grown in the 1960s in response to increases in domestic demand, particularly among the elite who had been educated in or had visited the US. Authors also argue that the US Peace Corps contributed substantially to popularising the use of marijuana in Columbia. However, production and trafficking gained in volume only in the early 1970s. The involvement of the American traffickers in the growth of the marijuana trade has been brought out by authors, who point to the popularity of the product from Sierra Nevada de Santa Marta region and marketed as Santa Marta Gold. By the late 1970s, marijuana cultivation spread outside the Sierra Nevada region, mainly in areas of recent settlement in the Eastern Prairies (Llanos).⁶³ Marijuana, however, after a decade started losing out to the opium trade, which came to be increasingly cultivated as an illegal crop in Columbia.

The mid-1970s also saw a greater involvement of cocaine. Cocaine was a "cottage industry." The cocaine industry that grew in Columbia towards the mid-1970s began as a manufacturing and marketing enterprise that imported coca base or paste from Bolivia and Peru; some chemical precursor products imported from the US and Europe, while others obtained locally. In the 1980s, domestic coca production replaced imports only partially and Columbia remained the most important processing centre for Bolivia and Peruvian coca paste. The growing cocaine industry also gave rise to the illegal traffic and production of chemical precursors. Columbians not only participated in coca paste and base smuggling into Columbia and cocaine manufacturing and smuggling into the US, but they also participated at certain levels in its distribution. This arrangement was aided by the large number of Columbian immigrants residing in the United States.

The cocaine and marijuana drug empire of Columbia is essentially a post-colonial development and has been actively sustained

by the conditions of successful guerilla operations in the state for a fairly long time. This has set well-defined limits in the region, helped by geographical characteristics.⁶⁴ The guerilla forces have filled in the vacuum left by a weak state and acted as a catalyst in the delegitimation process occurring in the state. The growth of the underground economy, speculative investments, corruption in the state bureaucracies and the government's inability to implement social and economic reforms have characterised the system. In the rural areas, wealthy drug entrepreneurs have sought to increase drug plant cultivation through new techniques giving higher yields and simultaneously introduced a culture of violence. Peasants were discouraged towards political participation and land tenancy increased. The Columbian drug empire facilitated the rise to prominence of such traffickers as Pablo Escobar, who played a vital role in the development of his home town, Envigado and used the base to run for Congress.⁶⁵ He was elected as an alternate deputy. The entire run of the empire has set into motion a high level of corruption in the rest of the society.

The global drug empire was built on an unethical foundation. The British colonial rule had deliberately followed a system of corrupting the local populace to engender the consumption and trade in opium, and thereby maximise profits. The vehement international protests, even those in Britain, failed to move the colonial rulers to effectively curb the drug trade as the profits accruing to the policy makers were too huge to be ignored. The adoption of unscrupulous means to enhance the profits continued. The British were also a trendsetter in another way. They used drugs to pay for intelligence during World War II. This trail was picked up by the Americans in their covert war against the Chinese communists. But neither the British nor the Americans could ever visualize that the very empire that they had built up would boomerang on them. The Vietnam war was the turning point, which witnessed an increasing number of American troops falling prey to heroin addiction. With time what started as a conscious political decision began to threaten the very basis of legitimate national and international political order. Today, the Drug Empire exists but it is an evil empire run by transnational criminal organizations, who use their ill-gotten money to direct their vengeance at those very

states which helped lay the foundation of the global drug empire.

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