Addressing the challenge to security from drug trafficking and its social and economic aspects

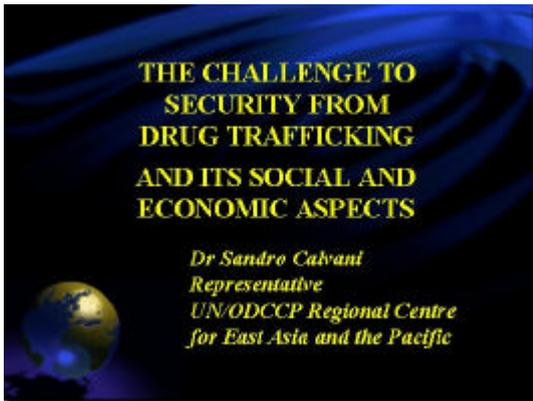Speech by

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at the <u>OSCE – Thailand Conference</u>
<u>on the Human Dimension of Security</u>

Bangkok, 20 – 21 June 2002

Mr Chairman
Distinguished delegates
Ladies and Gentlemen

On behalf of my Executive Director, Antonio Maria Costa, I wish to thank OSCE for inviting the United Nations to participate and speak in your conference in Thailand on human dimension of security.

Our UNDCP Regional Centre for East Asia and the Pacific is the oldest field presence among all multinational agencies in the world in fighting drugs and crime.

We opened the first UN operation against drugs in Thailand in May 1972. Hundreds of millions of dollars have been spent in action. Tens of best practices have been identified. Thousands of public servants have been trained. Many other similar endeavours around the world have utilized lessons learned in Thailand and South East Asia.

[…] At the dawn of the twenty-first century, a new understanding of security is emerging, in which the need for a more human-centred approach is paramount. It is time to identify ways to convert this new concept into a set of concrete, achievable goals.
Human security, in its broadest sense, embraces far more than the absence of violent conflict. It encompasses human rights, good governance, access to education and health care and ensuring that each individual has opportunities and choices to fulfil his or her potential. Every step in this direction is also a

steep towards reducing poverty, achieving economic growth and preventing conflict.
Freedom from want, freedom from fear, and the freedom of future generations to inherit a healthy natural environment -- these are the interrelated building blocks of human […] security.

*Kofi Annan, Mongolia, 2000*
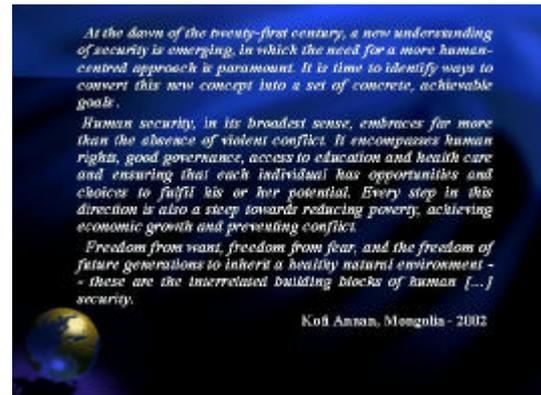
1. Facing our vulnerability to weapons of mass disruption.

Ladies and gentlemen,

Since the birth of the first civilization, human security has been an integral part of societies across the globe. After the Cold war, new issues concerning global security emerged that represented some of the greatest challenges facing the international community.
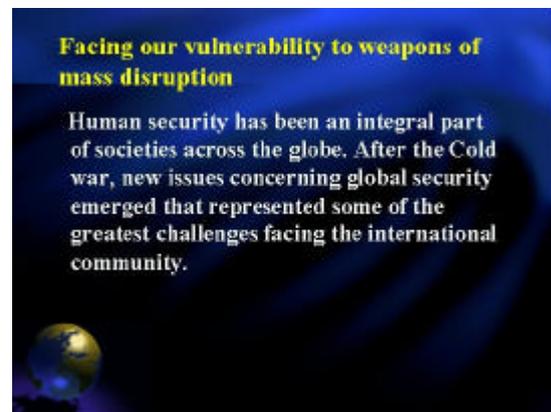
In Asia, recognition of the human security concept was a response to a more immediate catastrophe: the financial crisis in the later part of the 1990s. The crisis dramatically increased the incidence of poverty, undermined regional efforts of development, caused widespread political instability (the most dramatic case being Indonesia), and aggravated inter-state tensions over refugees and illegal migration. It also underscored the need for good governance and the crucial need for social safety nets for the poor. For the first time, human security was brought into focus.

Countries of the region realized that to pursue the notion of human security through economic growth and political stability without regard to human rights and political participation would be counterproductive. They further recognized that the preservation of a state's territorial integrity (security goals) had to be complemented with the provision of benefits, the distribution of public goods to citizens, the protection of individual welfare and vulnerability (welfare goals).

2. Global predators threaten human security.

"We cannot deny that individuals and communities that are excluded from, or are left at the margins of development processes, become easy prey of criminal enterprises. They become victims of drug lords and their evil trade; they become captive to organized crime and terrorists; they become unfortunate objects of traffickers in human beings". Antonio Maria Costa, UNODCCP Executive Director, June 2002.

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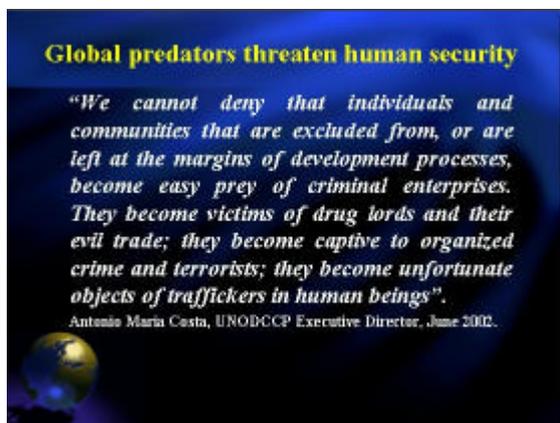
With the acceleration of globalization, other external and internal factors threaten human security in the Asian region including the trafficking of illegal drugs, arms, and humans; terrorism; environmental degradation; armed political conflict; internal strife; and transnational organized crime. In the last decade, most political crises, internal conflicts, dysfunctional development processes, and human rights abuses have occurred in countries all over the world where societies and the economies have been distorted by the activity of various forms of organized crime. Corruption, financial scams, trafficking in human beings, and money laundering perpetrated by cross border gangs and extremely aggressive and well organized global predators have destroyed the traditional fabric of civil societies, threatening the very foundations of development and of peace processes.

It is now evident that threats to security in Asia are symptoms of wider structural problems. The lack of internal regulation or the weakness of the rule of law presents many opportunities for organized criminal groups. As a result, corruption emerges and the rule of law deteriorates. Human security is further threatened.

The law should promote good governance through accountability and transparency in decision- making and predictability in the political process. Unfortunately, not all states have been created or have evolved according to the democratic ideal. In many countries, dictatorship and authoritarian politics have subverted the rule of law or have suppressed it before it could properly take root. Partisan and exclusive regimes and institutions like the military have been used to persecute and expropriate vulnerable parts of society. In the Asian region, many people are still living in an atmosphere of deep and enduring insecurity.

Violence, drug production and trafficking, and corruption generated by transnational organized crime poses serious threats to human security. The roots of organized crime are deep and they frequently have powerful connections with politicians, government officials, and law enforcement officers. The "dark side of globalization" must be acknowledged and

addressed because every nation, irrespective of its geographical, political, or economic situation, is affected.

Today's interconnectedness of individuals, communities, societies and states has implications for the entire international system, as problems in the weakest regions have repercussions and ramifications into the more powerful ones, resulting in a condition where no region in the international system may be immune to the risk of human security in another. At the same time, individual states cannot fight these forces alone.

3. Drug production, consumption and trafficking, are endemic in the Golden Triangle.

Let me now turn to one of the greatest menace to human security in the region, namely illicit drugs. While I have been requested to concentrate on the drug trafficking aspects, trafficking represents an intermediate link of the continuum between drug production and consumption. In order to provide you with a comprehensive overview of the phenomenon, I will therefore cover not only the trafficking of drugs but also its production and consumption.

Illicit drugs do not only carry serious physical, social and economic consequences for the individuals, but also imposes enormous costs on society as a whole, and ultimately funds massive criminal systems.

A few staggering figures illustrate the magnitude of the drug problem:
- There are 185 million estimated drug abusers in the world (3% of the total world population), of which ca. 33 million abuse Amphetamine-Type-Stimulants, 13 million abuse cocaine and 13 million use opiates;
- Due to the opium ban in Afghanistan, in 2001 73% of the global illicit opium poppy cultivation and production area was located in Myanmar, and almost 20% was in other Southeast Asian countries;
- In China, Malaysia and Iran, HIV appears to have spread through different trafficking routes and IDU now accounts for 70% or more of HIV cases;
- More than 60% of the world's opiates users are in Asia.
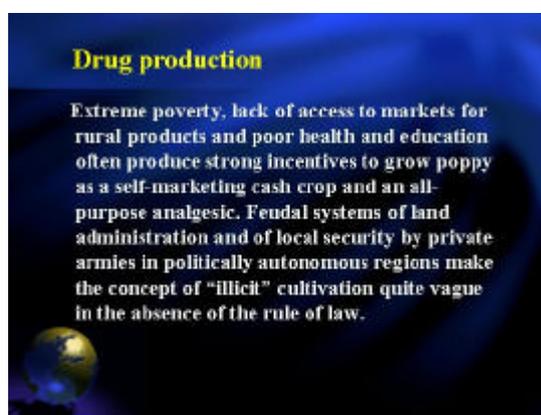
4. Drug production.

The population of production areas mainly consists of independent hill tribes for whom opium has been a part of everyday life for centuries. Extreme poverty, lack of access to markets for rural products and poor health and education often produce strong incentives to grow poppy as a self-marketing cash crop and an all-purpose analgesic. Feudal systems of land administration and of local security by private armies in politically autonomous regions make the concept of "illicit" cultivation quite vague in the absence of the rule of law. In Myanmar, cease-fire agreements with ethnic minorities often assign law enforcement responsibility to local ethnic authorities. Therefore, the political will of the central government may be weak in the periphery.

Geographic conditions and environmental features support the emergence of successful criminal organisations[1].

The production of opium and heroin has very recently been supplemented by rapidly increasing production of Amphetamine-Type-Stimulants (ATS) in traditional production areas and also around major markets such as big cities. Most production of ATS is recorded in Myanmar and China, while chemical precursors are trafficked mainly from China and India, where they are also produced.


5. Drug trafficking.

Drug trafficking is growing, thanks to a set of different phenomena.

First, raw materials are grown/produced in large quantities because rural poverty and the slow blossom of some rural development initiatives have attracted many poor farmers to drugs production. Second, drug processing is facilitated by lack of control over the precursors chemical and by the easiness to set up drug producing laboratories (at least with regard to ATS). Third, the low salaries paid to the local officials involved in fighting drugs, at least in comparison to what the traffickers can offer as bribes, have increased corruption opportunities for the traffickers. Fourth, globalisation has opened economies, thus creating new shares of illegal markets to be won. Technological progress has meant new opportunities for drug traffickers to intensify and diversify their operations into money laundering, falsification of documents, child pornography, cyber crimes, frauds and so on.

The adverse effects of drug trafficking can undermine any economic benefits in producing and transit and destination countries as traffickers infiltrate bureaucracies, buy public decisions and conduct business through violence and intimidation.

In the social sphere, traffickers affect a significant proportion of the population by attracting new generations to the drug trade, glamorizing gangs and glorifying the role model of the drug users and thereby contributing to social disorganization and disintegration. Furthermore, traditional social values tend to be eroded as illegality spreads into society, and people become less inclined to accept the norms on which consensus politics rest.
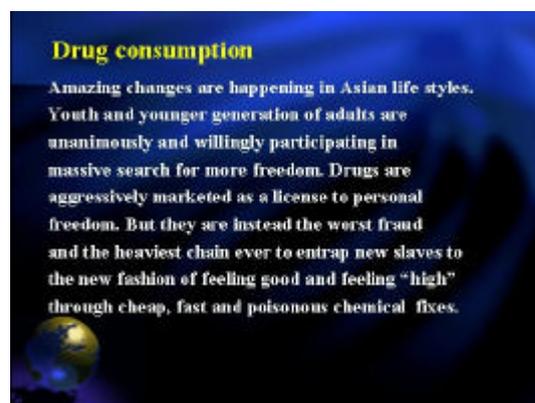
6. Drug consumption.

Amazing changes are happening in Asian life styles. Youth and younger generation of adults are unanimously and willingly participating in massive search for more freedom. No civil

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1. New threats to human security, also called Grey Area Phenomena, are threats to the stability of sovereign states by non-state actors and non-governmental processes. This concept was first developed by Jim Holden-Rhodes and Peter Lupsha in 1992 in "Grey Area Phenomena: New Threats and Policy Dilemmas, Criminal Justice International, 9 No.1, Jan-Feb 1993, p. 11-17 as quoted by Peter Chalk, "Grey Area Phenomena and Human Security, in William T. Tow, Ramesh Thakur and In-Taek Hyun, "Asia's Emerging Regional Order", United Nations University Press, 2000, p.134.

liberty experienced in other parts of the world appears unattainable to the new Asian generations.

Drugs are aggressively marketed as a license to personal freedom, as a bold statement of autonomy from authority.

But they are instead the worst fraud and the heaviest chain ever to entrap new slaves to the new fashion of feeling good and feeling "high" through cheap, fast and poisonous chemical fixes.

The consequences of individual abuse remain hardly ever circumscribed. Individual drug problems imply **social and economic costs** for the society, particularly those associated with their families, their medical care and other social services. For example, it estimated that if only one-third of all drug abusers in Thailand – presently estimated at approx. three millions – were admitted for treatment, the costs alone would be equivalent to USD 185 million. Additional social costs also arise from correctional and penal services (other than health institutions), which continue to constitute the preferred form of intervention. In China, the cost of one admission to a drug treatment institution has been estimated at USD 350. If all 681,000 registered drug cases (2000) were admitted to similar institutions, the costs would be approx. USD 2.38 billion.
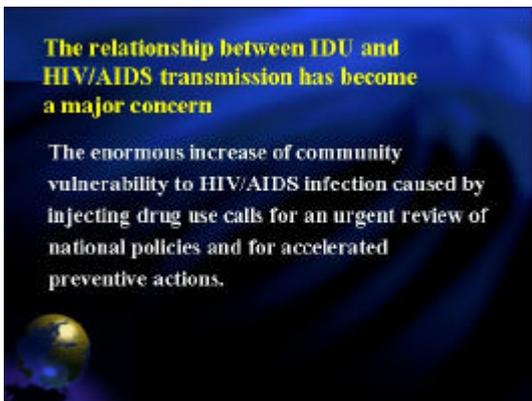
The relationship between IDU and HIV/AIDS transmission has also become a major concern in this part of the world. In 2001 about 2 people in Asia/Pacific became infected every minute. The growth of HIV prevalence in China and Vietnam suggest that even the worst scenario of growth of the epidemic as observed in Africa might be seen soon in our region. Common obstacles to an early response against HIV/AIDS in the Mekong Region are sense of security, stigma and denial, medical paradigm, competing priorities and limited resources.

The enormous increase of community vulnerability to HIV/AIDS infection caused by injecting drug use calls for an urgent review of national policies and for accelerated preventive actions.

Beside social costs, economic costs of drug consumption have been identified and categorized into direct and indirect. Direct costs include expenditures on police, trials, treatment programmes, detention centers as well as business expenditures on security measures. Indirect costs include decreased control over the economy, the displacement of legal industries and fiscal losses due to the inability to tax the drug economy.

7. Enhanced cooperative partnerships among institutions and more people empowerment can overcome the drug scourge.

Today, the battle against the international drugs problem is a complex political, economic, social and cultural dilemma interwoven with national and regional interests and concerns.

As long as the drug problem exist, there will be those who try to allocate blame. Are the drug producing nations to blame for providing the raw material or the consumer nations for not preventing its abuse?

In this part of the world, countries have gone beyond this simple dichotomy and have identified solutions rather than blames, in recognition of a collective responsibility that is

the key to succeed in the fight against drugs and in the enhancement of human security.

They have recognized that new strategies centered on joining forces, increasing coordination of actions and a wider involvement and participation of all sectors of society are essential.

As Mahbub ul Haq, Special Advisor to UNDP put it, "we cannot meet the new threats to human security through the ideas and weapons of yesterday"[2].

In the area of drug control, ASEAN countries and China have endorsed the ACCORD Plan of Action, which resulted from the International Congress "In pursuit of a drug-free ASEAN 2015" held in Bangkok in 2000 and aims at coordinating all existing drug control efforts and initiatives in the region. Its novelty lies in the fact that it is an inclusive and regionally-driven Plan of Action with clear indications of time frames and progressive objectives aiming at achieving a drug free ASEAN through collective efforts in the area of advocacy, demand reduction, alternative development and law enforcement and judicial co-operation.

In this regard there is a need of reviewed vigour, vision, leadership in translating international consensus in drug control policies in practical international partnerships to move to field action.

Such leadership is needed everyday to make practical cooperation action, really effective. In particular I wish to recognize the outstanding leadership provided by Chinese government and its National Narcotic Control Commission to push neighbouring countries to reduce words and increase actions.
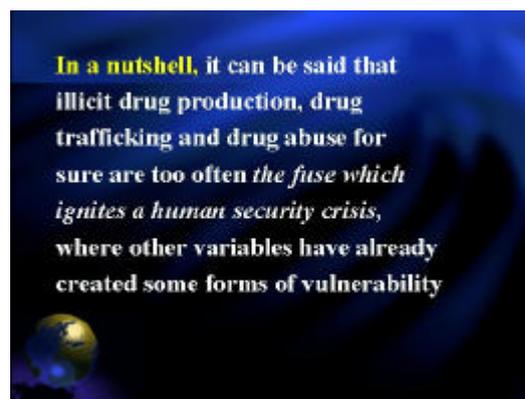
As a result of the new drug scenario, it is also becoming increasingly evident that drug-affected societies cannot rely on government responses alone. Communities and their leaders acknowledge that the cause of the drug problem has cultural and economic roots that the government cannot fully control. The bold surfacing of new people-power in drug control encourages officials to refocus and include all segments of society in the implementation of drug control policies. "People power against drugs", namely drug control policies that entail organizations of activities and mobilization of drug-affected communities mainly by the people themselves, represent the future. Through the resulting empowerment of communities, drug control policies will surely have a more immediate, yet lasting, impact.
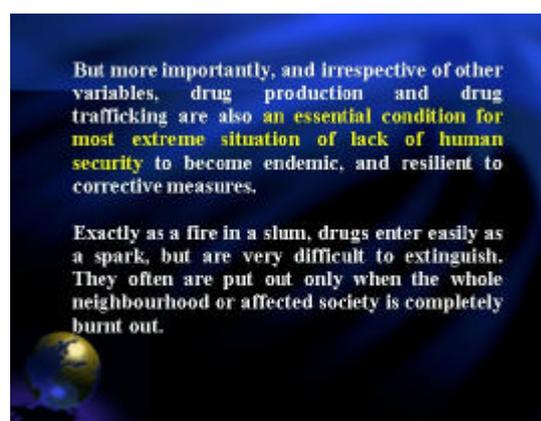
To contribute in addressing key threats to human security such as the growing problem of drug abuse and HIV/AIDS and of transnational criminal activities, different agencies of the United Nations have entered into a partnership

2. Address by Mahbub ul Haq, "New Compulsions of Human Security", NGO/DPI Annual Conference, New York, September 1993.

under the common umbrella of Human Security. UN organisations, the civil society, the business community are now working together to support activities in the area of human security, to share resources, experiences and expertise and are uniting in action to promote a more secure Asia-Pacific region.

Mr Chairman commented on OSCE interest in drug control. I would like to encourage further consultation of this kind because the job to be done is enormous. There is room for any person and institution of good will. And where there is will, there is a way.

Ladies and Gentlemen,
allow me now to conclude with a quote of encouragement by Kofi Annan, UN Secretary General:

from wants - for the people of Asia and of the world.

I wish success to your deliberations.

Thank you.

   "Globalisation offers the human race unprecedented opportunities. Unfortunately, it also enables many anti-social activities to become "problems without passports". Among these are drug abuse, which brings misery to millions of families around the world every year, and drug trafficking, which cynically promotes and exploits that misery for commercial gain.
If the international community is to deserve its name, it must respond to this challenge.
Happily, it is beginning to do so.[3]"

I hope that this beginning will blossom into new and collective efforts leading ultimately to a new and better future – free from fear and

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3. Kofi Annan, World Drug Report, 2000.

DETERMINANTS OF HUMAN SECURITY RELATED TO DRUG ABUSE

Uncontrolled drug production, trafficking and abuse, and uncontrolled AIDS are threats to human security.

a clear and present danger for sustainable development

Economic, food, health, environment, personal, community and political security are important elements of drug control.

illicit production, trafficking and abuse can have negative repercussions in the eight areas identified by UNAIDS: economic, food, health, environment, personal, community and political security

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On economic security

lack of government access to the illicit proceeds of drug production and trafficking has a negative impact on the gross domestic product, and direct correlation with the strength of the underground economy

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Agriculture Production

opium cropping, at best provides temporary relief to cash crisis in the short term, but it makes poverty more endemic and strongly rooted in the longer run

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Drug dependence in the opium producing communities

increasing risk of communicable and other diseases arising from the general deterioration in personal health care

Food security

law enforcement against primary bread winners who are producing, trafficking or abusing drugs have immediate tragic consequences for survival of the spouse and children, and long lasting devastating effect on their health, education and economic opportunities

Environmental security

slash and burn techniques to remove highland forest areas contribute to soil erosion

the pollutants from the synthesis of opium represent significant environmental damages

Personal security

enormous pressure has been placed on the juvenile and adult correctional systems

Personal level

stigmatization and isolation

Community security

the resulting corruption is often sufficient to at least create community conflict and

at worst create grave or total community fragmentation

Direct effect on national security

cross border incursion of traffickers and their attempts to maintain their own security through the use of fire arms as well as moderately sophisticated weaponry
the connection between insurgency, drugs, and arms