GA6 Chair Report

Topic 1: Addressing the Rise of the Drug Trade and Drug Cartels Across Southeast Asia

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Introduction

The drug trade frequency in Southeast Asia has increased drastically over the past decade, with the region becoming one of the world's largest sources of synthetic drugs, especially methamphetamine. The Asia-Pacific drug trade is estimated to be worth approximately $61.4 billion annually/yearly. The epicentre of production is the **Golden Triangle region**, but trafficking networks now extend throughout Southeast Asia and beyond the region, creating complex transnational criminal enterprises that challenge the law enforcement across multiple member states[1].

Methamphetamine production and trafficking have reached alarming levels in the recent years. In 2021, the authorities seized approx. 1 billion methamphetamine pills across the region, representing nearly 8x increase from decades earlier. Over 90 percent of these tablets originated from: **Thailand, Myanmar, Cambodia, and Laos**. Despite increased enforcement efforts, organized crime groups have maintained a supply-driven market expansion strategy, pushing high volumes while simultaneously lowering costs, increasing accessibility for drug trade [1][2].

The consequences extend far beyond border security concerns, affecting public health (concern with WHO), economic development, political stability, and societies throughout Southeast Asia.

Communities face increasing rates of drug addiction with limited access to health and harm reduction services, while corruption and violence challenge governance and law.

This narcotic nightmare requires coordinated action from member states within the region and the international community, making it an urgent priority for diplomatic discussion and cooperation[3][1].

Glossary

- **ASEAN**: Association of Southeast Asian Nations, a regional intergovernmental organization comprising ten countries in Southeast Asia that promotes economic, political, and security cooperation[1].
- **ATS**: Amphetamine-type stimulants, a group of synthetic drugs including methamphetamine, amphetamine, and ecstasy that act as stimulants of the central nervous system[1].
- **Golden Triangle**: The area where the borders of Thailand, Myanmar, and Laos meet, notorious as one of the world's major opium-producing areas and increasingly a centre for synthetic drug production[2].
- **Yaa Baa**: Thai term for methamphetamine tablets, meaning "crazy medicine," widely used in Thailand and neighbouring countries[1].
- **UNODC** : United Nations Office on Drugs and Crime, the UN agency mandated to assist member states in their struggle against illicit drugs, crime, and terrorism[2].
- **Illicit Financial Flows**: Money that is illegally earned, transferred, or utilized across borders, often related to drug trafficking, corruption, or other criminal activities[3].
- **Precursor Chemical**s: Chemical substances that can be used in the production of narcotic drugs and psychotropic substances, often diverted from legitimate commerce[4].
- **OMCGs**: Outlaw Motorcycle Gangs, organized criminal groups that use motorcycle clubs as a front for criminal activities, including drug trafficking in the region[5].
- **DAINAP**: Drug Abuse Information Network for Asia and the Pacific, a regional drug data collection system that monitors drug trends across the region[4].

Issue Explanation

The drug trade across Southeast Asia has evolved due to the shift from traditional plant-based drugs like opium and heroin to synthetic drugs, particularly methamphetamine. This transformation represents both change in substances being produced and trafficked, as well as a fundamental shift in the scale, organization, and impact of drug-related crime across the region. Production has been consolidated primarily in Myanmar's Shan state, with significant trafficking operations also established in Cambodia, Laos, and Thailand, creating a network that spans the entire region and extends into South Asia, Oceania, and further[1][2].

The impact of this crisis is severe and multifaceted. With methamphetamine prices dropping to as cheap as 10-20 baht (28-56 cents) per tablet in some areas. Accessibility has increased dramatically, leading to rising addiction rates across communities with limited access to healthcare and rehabilitation services. The social strength within communities is being torn apart as families contend with addiction, violence, and the criminalization of vulnerable populations. Marginalized communities are particularly at risk, with organized crime groups recruiting couriers and middlemen from economically disadvantaged areas, especially in northeastern Thailand, creating repeating cycles of poverty and criminality that are difficult to break[3].

Economically, the illicit drug trade affect legitimate economic development while generating massive illicit financial flows that fuel corruption and weaken governance. The billions of dollars generated through drug trafficking ruin local economies and create parallel economic systems beyond government control. These illicit financial flows enable organized crime groups to corrupt officials, invest in legitimate businesses as fronts, and even gain political influence in some areas. Furthermore, the resources spent on law enforcement, healthcare, and addressing the social consequences of drug addiction represent a significant economic burden on states already struggling with limited resources[3][2].

Organized crime groups operate with increasing sophistication and violence. They are remarkably adaptable, shifting trafficking routes in response to law enforcement efforts and diversifying their criminal portfolios to include human trafficking, wildlife smuggling, and weapons trafficking. The consolidation of territory by major crime groups in areas like the Golden Triangle has allowed them to operate with relative impunity, with UNODC noting that "the most powerful regional trafficking networks are able to operate with a high degree of certainty they can and will not be stopped"[1]. This threatens state sovereignty, border security, and regional stability, creating zones where criminal enterprises effectively challenge state authority.

Without intervention, the drug trade will continue to expand its reach and impact, leading to increased violence as criminal organizations compete for control, greater corruption of government institutions, rising addiction rates with associated public health crises, and further destabilization of vulnerable communities and regions. The repeatability of the issue means that no single country can effectively combat it alone, requiring coordinated regional and international responses that address not just the supply of drugs, but also demand reduction, alternative development for affected communities, and the complex financial networks that sustain the trade[2][4].

Perspectives of Parties Involved

United States: approaches the Southeast Asian drug trade primarily through the lens of international security and transnational crime, providing significant funding and technical assistance for counter-narcotics operations while emphasizing intelligence sharing and capacity building. The U.S. is particularly concerned with the financial aspects of drug trafficking, focusing on disrupting the money laundering networks that sustain criminal organizations. Additionally, the U.S. maintains an interest in strengthening regional cooperation mechanisms to prevent the expansion of drug trafficking routes that could eventually reach American shores[1].

China: views the drug trade in Southeast Asia as a domestic security threat and a regional stability issue, with concern regarding the flow of drugs across its southern border with Myanmar. Chinese authorities have implemented strict border control measures and harsh penalties for drug trafficking, while also engaging in bilateral and multilateral cooperation efforts with neighboring countries. China's approach is complicated by its economic and political interests in the region, particularly in Myanmar, where Chinese influence intersects with areas of significant drug production. Additionally, China is a major source of precursor chemicals used in synthetic drug production, creating tension between its commercial interests and counter-narcotics goals[2][3].

Russia: Centers on the international dimensions of drug trafficking, viewing Southeast Asian drug networks as part of a global criminal ecosystem that threatens Russian interests. With experience combating drug trafficking from Afghanistan and Central Asia, Russia advocates for strong international cooperation mechanisms and intelligence sharing. Russia approaches disrupting trafficking networks through law enforcement operations while supporting international legal frameworks to combat transnational organized crime[3].

Thailand: Faces the direct impact of drug production and trafficking while also contending with high domestic consumption rates. Thai authorities have implemented aggressive enforcement measures along their northern borders but have been forced to continually adapt as trafficking routes shift in response. Thailand has increasingly recognized the need to balance enforcement with public health approaches, acknowledging that the falling prices and increasing availability of methamphetamine require comprehensive demand reduction strategies alongside traditional interference efforts. Thailand advocates for stronger ASEAN cooperation on border control and intelligence sharing/transparency[4][1].

Laos: serves as a critical transit country while contending with limited resources for border control and law enforcement. Lao authorities face significant challenges in patrolling remote border areas, with UNODC officials noting that "interception capacity in Lao PDR is low, intelligence officials have come to the conclusion that supply is transiting the country with little to no resistance"[2].

The Lao government's perspective emphasizes the need for international support and capacity building while struggling to address the corruption that facilitates trafficking through its territory.

Malaysia: Emerged as a significant transit country and a destination market, with authorities reporting increasing quantities of drugs being trafficked through the country to destinations within and beyond the region. Malaysian law enforcement maintains some of the harshest penalties for drug trafficking in the world, reflecting the government's strong stance against narcotics. However, Malaysian authorities have also recognized the need for regional cooperation, participating actively in ASEAN mechanisms for coordinating counter-narcotics efforts[3].

History of the Topic

The drug trade traces back to opium production that began during the colonial era, but the modern drug trade that dominates the region today has evolved primarily over the past few decades. Prior to the 1990s, the Golden Triangle was primarily known for opium production and heroin trafficking, with Myanmar being one of the world's largest opium producers. During this period, drug production was often connected to insurgent groups, particularly in Myanmar's Shan state, who used drug profits to finance their operations against the central government[1].

A shift began in the late 1990s and early 2000s as law enforcement pressure on traditional opium cultivation coincided with growing demand for synthetic drugs, particularly methamphetamine, across Asia. This period marked the beginning of the transition from plant-based narcotics to synthetic drugs, which offered criminal organizations significant advantages:

- production was not dependent on growing seasons
- could be conducted indoors in controlled environments
- could be relocated quickly to avoid detection.

By the mid-2000s, production of methamphetamine tablets (yaa baa) and later crystal methamphetamine had begun to supplant traditional heroin production in parts of the Golden Triangle[2].

From 2010 to 2020 began the expansion in the scale and sophistication of synthetic drug production. According to UNODC reports, methamphetamine seizures in East and Southeast Asia increased this decade, with at least 120 tons seized in the region in 2018 alone. This period also saw the consolidation of production in Myanmar's Shan state, particularly areas with limited government control, allowing organized crime groups to operate with ease and minimal interference. The borders between Myannmar, Thailand and Malaysia became critical trafficking areas, with Thailand seizing more than half of the confirmed regional total in 2018[1].

A development in trafficking patterns was spot in 2019 when, in response to increased enforcement, organized crime groups demonstrated their adaptability by shifting routes eastward through Laos to Thailand, Cambodia, and Vietnam. This shift highlighted the remarkable flexibility of trafficking networks and their ability to quickly respond to law enforcement pressures. During this same period, Cambodia emerged as both a significant transit point and, increasingly, a production center, with authorities discovering industrial-scale clandestine laboratories for ketamine and other synthetic drugs[3][1].

The COVID-19 pandemic period (2020-2022) brought new challenges but did not slow the drug trade. Despite global transportation disruptions, trafficking networks adapted by increasing maritime shipments, particularly out of Myanmar's:

- Irrawaddy Delta
- Mon state
- Tanintharyi state
- Rakhine state.

This period also saw increasing diversification of production sites, with organized crime groups "developing" their operations by establishing facilities in multiple countries to mitigate risk. Seizures of methamphetamine reached a peak of 1 billion pills across the region in 2021, from the interception of authorities[3][4].

Throughout this evolution, the economics of the drug trade have followed a clear strategy: flooding markets with supply to drive down prices and increase accessibility, which expands the consumer base. Wholesale and street prices of methamphetamine reached their lowest levels in a decade by 2018, with tablets selling for as little as 10-20 baht (28-56 cents) in some areas by 2021. This price collapse made these powerful stimulants affordable to new demographics of users, expanding the market while creating severe public health challenges[4].

The problem has undeniably worsened over time, with production and trafficking reaching unprecedented levels. What began as a regional issue has expanded to impact South Asia, particularly Bangladesh and

northeastern India, as well as Oceania, where Southeast Asian methamphetamine has displaced competitors in oceania markets. The increasing professionalization of criminal networks, their ability to corrupt officials and institutions, and their innovative adaptation to law enforcement pressures have created a situation where, as UNODC officials have noted, the drug trade has become one of the world's "biggest drug trafficking corridors"[5][3].

Potential Solutions for the issue:

Regional cooperation frameworks represent one of the most promising approaches to addressing the transnational nature of drug trafficking in Southeast Asia. Existing mechanisms like the ASEAN Ministerial Meeting on Transnational Crime and the ASEAN Senior Officials on Drug Matters provide platforms that could be strengthened through increased intelligence sharing, joint operations, and improvements of centralised legal frameworks. The cross-border collaboration between law enforcement agencies supported by the UN in Thailand offers a model that could be expanded to include more countries and receive greater resources. Successful regional cooperation would be needed to overcome sovereignty concerns and historical tensions between states on specific aspects of counter-narcotics work[1][2].

Strengthening border security represents a critical component of any comprehensive strategy, though the region's challenging geography of:

- mountainous terrains,
- jungle-covered borders
- extensive riverine
- Maritime boundaries

These geographic borders make border patrolling difficult. As crime groups constantly shift routes in response to enforcement, adaptive and coordinated border security approaches are needed. Technological solutions including surveillance systems, advanced scanning equipment at official crossing points, and aerial monitoring could enhance detection capabilities, particularly in areas like northwest Lao PDR and the upper Mekong that continue to be extensively used by traffickers[3][2].

Controlling precursor chemicals used in synthetic drug production offers a potentially high-impact intervention point. As organized crime groups increasingly use non-controlled substances for the production of methamphetamine. The regulatory frameworks of these precursors ingredients need to be updated while strengthening monitoring of legitimate chemical trade. The UNODC has noted that the ability of

organized crime to source chemicals has been a key factor in maintaining the supply-driven market expansion strategy which has characterized the regional drug trade. Enhanced laboratory capacity to identify new precursors and production methods would allow for more nimble regulatory responses as criminals adapt their techniques[3].

Addressing demand through public health approaches represents an essential strategies towards the buyers. There is an urgent need to expand evidence-based treatment and harm reduction services. This is particularly critical in regions with limited health service. Prevention programs targeting vulnerable populations, particularly youth, need to be developed based on scientific evidence rather than fear-based messaging that has proven ineffective[4].

Financial investigation and anti-money laundering measures target the profit motive driving the drug trade. With billions of dollars in illicit financial flows generated annually, tracing the money supports disrupting trafficking networks. By strengthening the capacity of financial intelligence units, improving cross-border cooperation on financial crimes, and implementing international standards for anti-money laundering, countries can make it more difficult for criminal organizations to launder and invest their profits. Asset seizure and forfeiture programs can both deprive criminals of their gains and generate resources for counter-narcotics and rehabilitation programs[4].

Alternative development initiatives for communities involved in or vulnerable to involvement in drug production offer sustainable long-term solutions by addressing root causes. The UNODC has observed that smuggling rings have recruited couriers and middlemen from marginalized northeastern communities in Thailand with ease, highlighting the economic vulnerabilities that drive participation in the drug trade. Successful programs would need to provide viable economic alternatives, improve access to education and healthcare, and strengthen community resilience to criminal influence and pressure[4][3].

Institutional reform and anti-corruption measures are essential for addressing the governance challenges that enable drug trafficking to flourish. The UNODC has highlighted how the ability of major organized

crime groups to control territory and operate with autonomy has allowed them to "massively increase and diversify supply for the purposes of market expansion and domination"[3].

Building integrity in law enforcement, judicial systems, and border agencies through improved oversight, adequate compensation, professional standards, and protection can reduce the vulnerability of institutions to criminal influence and help restore state authority in areas where it has been compromised.

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