

# THE EVOLUTION OF DRUG TRAFFICKING IN THE PACIFIC RIM

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## I. INTRODUCTION

This paper concerns the evolution of drug trafficking in the Pacific Rim and the many changes that have taken place in the drug trafficking scene in this region during the past thirty years. It also covers a personal view on the probable evolution of illicit trafficking in the Pacific Rim.

Broadly speaking, the drugs that are being abused in the region can be divided into four major categories. These are opiates, cannabis, cocaine and psychotropic substances. In each of the following sections, the focus is on the current developments in the illegal trafficking of these substances in the Pacific Rim.

## II. OPIATES

Opiates are considered first, not only because they are the oldest problem among the four categories, but also because they are the most widely abused in many countries. The term, "opiates" includes opium, morphine and heroin.

During the past thirty years, many changes have taken place in the illegal drug trafficking scene. Changes have included the personalities involved, the smuggling methods, the form of the drug being smuggled, the routes used and the locations of transit and storage centres. One thing which has gone virtually unchanged over this long period of time is the direction of the traffic.

Thirty years ago, the direction of the traffic in opiates was from the southeast to northwest, that is, from the source of their production in the Golden Triangle (the mountainous area lying between Thailand, Laos and Burma, now the Republic of Myanmar), to the United States where the drugs were sold at prices up to 20 times as high as the original cost in the producing country. After thirty years, the direction of traffic remains virtually unchanged.

On the production side, some changes have taken place, but these have been related more to the personalities involved than anything to do with the drug itself. Even the surrender of the infamous opiate drug lord Khun Sha in the Golden Triangle to the authorities in 1996 does not seem to have a significant lasting impact on the availability of the drug in the region.

To the pessimists, it can be very disheartening that, despite the resources that have been spent on the prevention and interception of drugs, and on the education and rehabilitation of drug abusers, there has virtually been no change in the supply and demand of the drug over this thirty-year period. Law enforcement officers, however, see the situation quite differently. Compared to thirty years ago, numerous new check points have been set up along the routes and borders between the producing and the consumer countries as a result of the joint efforts of governments, making it much more difficult for drug traffickers to capitalize on any opportunities.

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Also, thirty years ago, opiate drugs were transported from the producing countries in large consignments using sea routes to intermediary countries in the region before they were transported onward to the United States. At that time, many countries in the region were not yet opened up, hence the choice of intermediary countries was quite limited. Hong Kong, being one of the more conveniently located cities between the United States and the Golden Triangle, was quite naturally chosen by traffickers as one of their transit centres. The capital, connection and the expertise required for transporting a large quantity of drugs in single consignments in those days, when international transportation was far less well developed than today, meant that the trafficking syndicates at that time had to be well organized.

In terms of seizures, the sixties and seventies must have been the more rewarding period for drug enforcement officers. They had fewer but bigger targets, and the drugs seized in each significant case could be weighed in hundred-kilogram units. Around that time, indeed up to the early eighties, the Hong Kong police had successfully intercepted many of these large drug consignments, and had brought the syndicates involved to justice.

To rid themselves of their reputation as major opiate transit centres, intermediary countries sought, in addition to enforcement actions, to strengthen legislative controls to make the life of drug traffickers more difficult. Some chose to introduce capital punishment as a deterrent. Hong Kong chose to tighten up the control of the chemical substances required for converting morphine base to heroin, and to introduce legislation to punish drug traffickers who used Hong Kong as their operating base, even though the drugs involved never transited through

Hong Kong.

Both measures appear to have produced positive results. The joint shortage of the required chemicals, and effective enforcement action, have together forced drug traffickers to relocate their refining centre away from Hong Kong, reducing the chance of being caught red handed during the refining process. Morphine base, which is the basic ingredient for manufacturing heroin, and which at one time constituted a significant portion of the opiate drugs seized in the territory, has dropped from the 551kg seized in 1972 to zero in 1983 and after. The amended drug legislation has also given the enforcement agencies a powerful weapon to fight against international drug traffickers by prosecuting them for conspiracy to traffic in drugs outside Hong Kong. Many once infamous traffickers have ended up behind bars for lengthy periods of imprisonment, with sentences of up to 30 years.

The effective law enforcement in intermediary countries has seen many drug traffickers choose alternative routes to avoid losses. Increasingly they use other, less conveniently located, countries as transit centres even though this means greater costs and, in some cases, if caught, a more severe punishment. It is the changing patterns of transnational drug trafficking that have fostered a close working relationship among drug enforcement agencies in the region, something which, in the view of many drug enforcement officers, is the most important element for tackling international drug trafficking.

New air routes and the opening up of countries in the region have speeded up changes in the last decade. The direct supply of high-grade heroin rather than morphine base or opium from the source countries means that drug trafficking

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syndicates are less dependent on pharmaceutical expertise. The prerequisite that a syndicate must have a chemist and refining centre before it could act as an international broker has gone. Anyone with the required connections can now, almost single-handedly, arrange his own supply of heroin, in small consignments, from the source to the consumer countries. The amount of capital required for financing this type of small run is substantially reduced, so is the size of the syndicates. The collapse of the large syndicates has seen an increase in the number of smaller syndicates operating under much less well organized structures.

Syndicates of all sizes have increasingly turned to countries which are less experienced in drug enforcement as their transit and storage centres. This is only natural. In countries with less experience in drug enforcement, the drug traffickers stand a lower chance of being caught. It is for this reason that countries which were rarely mentioned among drug enforcement officers in the sixties and seventies have gradually emerged as preferred intermediary countries by opiate traffickers, and a new chapter of international cooperation in the fight against drug trafficking has begun.

One of the countries exploited by international drug traffickers of late has been China. Its first major joint operation with drug enforcement agencies outside the country can be dated to 1988. In that ground-breaking joint operation 60 kg of heroin were concealed by a drug syndicate in gold fish that were shipped to the United States from Shanghai, China via Hong Kong. The operation was very complicated in view of the protocols and the formalities that the enforcement agencies in the three places had to go through, but was very successful resulting in the arrest of a total of 14 members of the syndicate including

its master-mind. A close working relationship has since developed between the agencies and has been instrumental to the subsequent neutralization of a major drug trafficking syndicate in southern China. This, in 1996, resulted in the seizure of some 600 kg of heroin.

To sum up, the main direction of traffic of opiate drugs has been from the southeast of the region to the northwest, crossing the Pacific Ocean. This is likely remain so in the next few decades, although alternative markets have come to the fore as a result of economic development throughout the region. The syndicates involved in the trade have increased in number but now operate under a less well organized structure. Increasingly, emigration will see more networks of contacts between persons in the source countries and in the consumer market, based upon the common cultural identity of members, marking international drug trafficking no longer a privileged area for sophisticated criminal syndicates. Drug traffickers will continue to explore new routes to minimize their risk, and countries in the region which are currently not attractive to them for lack of transportation or communication facilities will soon find themselves being used as transit centres as and when they improve their facilities. The development of new routes from the Golden Triangle in the west to east and southern Chinese cities, as an example, is now well documented; something which was outside the imagination of even the most creative thinking drug enforcement officers say 30 years ago.

### III. CANNABIS

Compared to the opiates, cannabis has a shorter history of abuse, at least on the eastern side of the Pacific Rim. Thirty years ago, in Hong Kong, cannabis was seen as a symbol of the liberal western society, and

was abused only by a handful of expatriate people. The main growers of cannabis are, according to the Hong Kong seizure record, Cambodia, Colombia, Laos, Mexico, the Philippines and Thailand, while the main markets would appear to be in the United States and Europe.

However, the westernization of Asia's own countries provides an ever growing market for a drug which is popularly thought of as less addictive than most. Take Hong Kong as an example. For the ten-year period between 1978 and 1987, a total of 743 kg of the drug were seized, compared to 20,826 kg in the following ten-year period. Indications were that, of the 20,826 kg seized, only some 7,200 kg had been intended to be on-shipped to overseas markets. The amount which is believed to have been for local consumption has increased by almost twenty times.

The rise in abuse of cannabis may eventually equal that of opiates, as the drug has been widely seen as a relatively harmless one. The belief that cannabis is less harmful is reinforced by the extremely low sentencing tariffs meted out by the courts, and the frequent calls for its legalisation in many countries.

The debate regarding the legalisation or de-criminalisation of cannabis is conducted on many levels, many of them political. Social issues aside, there is little doubt in the minds of many drug enforcement officers that there are cases in which progression towards opiate abuse has been facilitated by initial experimentation with cannabis. In their experience, addicts do not respond to situations with any degree of common sense. The search for a stronger experience has been quoted by many addicts as the reason for abusing opiates.

#### IV. COCAINE

All drugs that are widely abused today have their own legitimate use. Cocaine is no exception. The drug, in the limited amounts that could be ingested from the chewing of the raw leaves, helped indigenous natives in South America to function at high altitudes on a low-level subsistence diet. The upsurge in its abuse would appear to be a direct result of the boom years in North American society. Greater wealth and opulent lifestyles led to experimentation with a drug which was considered safe as it was not associated with needles or the less salubrious side of the drug culture. Like cannabis in the 1960s, it became fashionable to take "coke" in the 1980s and 1990s. In the lower levels of society, the major impact is more definitely attributable to the cheap, smokable form now known as "crack".

The source countries for cocaine continue to be Peru and Bolivia, with processing taking place in Columbia. Successful action against the infamous cartels has led to the development of smaller, lower-profile syndicates, in the same way as the opiate scene has developed in Asia. The popularity of cocaine goes through peaks and troughs, and seizures have shown a notable decline in the Americas over recent years. There have been indications that traffickers would seek to enter East Asian markets where other stimulants are prevalent. However, the high transportation costs and lack of significant Latino communities in East Asia, which could provide trusted middlemen, have hampered efforts in this respect. The current rising market for amphetamines in Asia would tend to indicate that cocaine will form only a small part of overall drug seizures in this section of the region.

## V. PSYCHOTROPIC SUBSTANCES

After the opiates, cannabis and cocaine which are relatively natural products, the world has now seen a gradual shift to synthesized drugs. The use and trafficking of amphetamines and their derivatives are now increasing throughout the Region. Chemical synthesis does not create a reliance on large expanses of land or the weather when manufacturing amphetamines. Harvesting periods are of less importance in the clandestine manufacture of amphetamines although one of the necessary precursor chemicals remains plant-based ephedrine. It has thus been inevitable that where easier, and less visible methods of drug production are invented, the illegal syndicates will turn to them for profit.

The expansion of what is described as the "rave party" or "dance scene" throughout the region and the subsequent abuse of the tablets associated with it, has begun here as it did in Western cultures, and is likely to continue for the foreseeable future. Tablets such as the Ecstasy family are now generally thought of as "safe" drugs by those who abuse them.

The opening up of the two chemical giants-Russia and China-and the agricultural bases they represent have had definite effects on amphetamine abuse worldwide. Factories producing MDMA are allegedly rife in Poland and other counties of the old Soviet Bloc, while China is allegedly the largest supplier of organic ephedrine (the main precursor for methylamphetamine "ICE"). Syndicates based in China would appear to be the principal suppliers of ICE in the Region, for Hong Kong, Japan, the Philippines and the Republic of Korea.

## VI. THE BROADER VIEW

Having examined developments in the illegal trafficking of different categories of drugs, it is useful to examine the broader picture of the Region. The term "Pacific Rim" encompasses the land masses which either border, or lie within, the world's largest ocean-the Pacific. The physical and cultural characteristics of the area's inhabitants are extremely diverse. Due to its enormous size, the Pacific Ocean has acted as a formidable natural barrier to cultural exchanges, not only in early times but also in modern times.

Politically, the region is as diverse as its peoples. Some countries are highly conservative, while others are very liberal. Some countries have governments drawn from the military, some are communist led, while others are more akin to Western style democracies.

Socially, there is an equally wide spectrum. The Pacific Rim includes some of the richest nations as well as some of the poorest. In terms of the legal systems in place, the nations of the Pacific Rim are equally diverse. Different laws and judicial practices exist, together with different standards of proof or admissibility of evidence.

It is against this background of difference that the enforcement agencies in the region have achieved far more successes than in most other areas of co-operation. Most of the countries of the Pacific Rim are signatories to the various international treaties and conventions in respect to drug trafficking. Even in the case of some of the poorer economies where there may be a lack of financial resources or expertise to tackle the trade in illegal drugs, genuine attempts are still being made to join forces to combat the traffickers.

In addition to international co-operation, another powerful weapon that has been adopted by nations against the illegal trade has been the introduction of legislation to empower courts to confiscate the proceeds of drug trafficking. The significance of this move is threefold.

Firstly, confiscation strikes directly at the power base of the drug syndicates, instantly stripping them of their assets once caught and convicted, making it difficult for them to recover.

Secondly, confiscation provides nations with an immediate financial incentive to put more resources into drug enforcement, as it can effectively shift a proportion of the financial burden of fighting drug trafficking from the government to the drug traffickers, who now finance the authorities with their ill gotten gains when caught.

Thirdly, and perhaps more importantly from the viewpoint of law enforcement, this approach opens up a whole new area of investigation which is much more revealing than the traditional methods. By following the money trail rather than the drug trail, investigators now find they have a much better chance of identifying the 'Mr. Big' of their targeted syndicates, and of bringing him to justice.

This new weapon was used in the United States in the 1980's, and has now become a standard item in many of the Pacific Rim nations' anti-drug trafficking policy. In terms of hard figures, Hong Kong has restrained or confiscated assets worth some US\$63.5 million within the eight years since the confiscation law was introduced.

## VII. THE FUTURE

The foregoing has been largely positive. However, despite concerted attempts to reduce illegal drug abuse through

treatment and education, the consumer demand for drugs seems to have increased rather than decreased. This has created ever increasing financial opportunities for the trafficker to exploit.

Of particular concern must be the increasingly addictive nature of the derivatives now available. The modernization of communications and transportation systems throughout the world have not only enabled a growth in the sophistication of trafficking syndicates, but also expanded the markets through increased exposure to drug abuse. Huge financial rewards from such illegal enterprises can now be hidden through numerous legal and illegal financial vehicles and the scale almost defies the imagination. The annual turnover of some of the larger syndicates is estimated to exceed that of some smaller nations. Now more than ever, as the next century approaches, the strengthening of international co-operation will be of paramount importance with globalization of the drug trade.

As to the most widely abused drugs of the future, it is fairly easy to see that there has been a shift towards synthetic drugs. The reasons for this are apparent: large areas of land are no longer required and production is no longer limited to the two harvest seasons each year, each dependent upon the weather. Synthetic drugs, being far more potent, weight for weight, their transportation is much easier, and this increased potency can produce such intense effects that a craving for repetition or addiction can be generated by one or two exposures. This is contrary to the carefully fostered view that such drugs, which require no injection, are far safer. There are already suggestions that Thailand, a source country for heroin, now has an addict population which seems to have shifted almost completely to the abuse of

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ICE because this drug, a stimulant rather than a depressant, is so much more intense and addictive.

### **VIII. CONCLUSION**

For those who have been involved in attempting to reduce the trafficking in drugs of abuse, it is obvious that the region still suffers from a significant drug problem. While there is still a large demand for heroin, cocaine and cannabis, we are now seeing an ever increasing trend towards amphetamine-related and synthetic drugs. The traditional approaches adopted to target drug barons may not have the same effect when synthesis can be used to create a drug supply so simply and easily.

It is not known what new drugs may enter the market in the next few decades, a similar situation to that which precluded the prediction of Cocaine, ICE and Ecstasy, becoming common drugs of abuse. At the same time, technological change are taking place at such a pace that they may rapidly make currently used enforcement tactics outdated and ineffective. The search for answers to new challenges must, therefore, continue.

If any one lesson, learnt from the experience of the past thirty years, was to be singled out as of overriding importance, it would be that the globalisation of crime had to be met by a globalisation of legislative and enforcement efforts to counter it. Today, fewer barriers exist and officers from different nations are more able to share their experience, establish working contacts and explore new ideas. It is in this sharing that new solutions can be found.