

5. Factors affecting the feasibility of trafficking

As China's links with Central Asia have multiplied and intensified the potential for trafficking has grown. In light of the consensus that Afghan opiates have increased their share of the Chinese market – albeit with little data on current proportions – this section discusses trends that impact upon the future feasibility of further expansion of imports.

Previously, some analyses of Afghan opiates in China have argued that their consumption is almost entirely confined to Xinjiang and that many imports from Central Asia are only in transit to Russia and Europe. Figure 2.2 reflects this view and many maps of regional trafficking routes show Afghan opiates looping through Chinese territory, from Tajikistan into Xinjiang and then into Kyrgyzstan or Kazakhstan.

Again, there is a lack of data to support this reading, but it may nevertheless encourage Chinese officials to believe that such transit flows pose little risk. Such a view was common in Central Asian governments in the mid-1990s and is intuitively appealing but the present drug situation in those countries shows how unfounded such a hope is.¹³⁹ The spillover of heroin flows from traffickers into the local population ensures that transit regions fast become consuming regions. For that reason, even if the majority of Afghan opiates in Xinjiang are currently in transit, the feasibility of trafficking in China's west now will directly affect the growth and dynamics of its consumption markets in the near future.

5.1. Regional Trade

China, Pakistan and the Central Asian republics all perceive strong interests in increasing their mutual trading links. For Central Asia, any expansion of trading possibilities is welcome as they seek to overcome the geographic barriers to their economic development and to diversify their trade routes away from a reliance on Russia.

¹³⁹ Similarly, Mexico's politics and economics have been deeply affected by the entrenchment of its role as a transshipment country between Colombia and the US – R. Godson & P. Williams, "Strengthening cooperation against transnational crime: a new security imperative", in Williams & Vlassis, 2001.

For China, the development of Xinjiang is a political priority and it sees the enhancement of trade with Pakistan and Central Asia as a way of accelerating the process.¹⁴⁰ In the Urumchi Economic and Technical Development Zone and the Urumchi High and New Technological Industrial Zone, special policies deregulating the economy go further in some aspects than those in similar zones on the eastern seaboard.¹⁴¹ In a related development, Kazakhstan and China announced in early 2004 that they will establish a special free-trade zone in a section of their border, in which there will be zero tariffs and free movement of people and goods.¹⁴² As a part of this, in October 2004 China confirmed it is preparing to construct an ‘international centre for border cooperation’ with Kazakhstan.¹⁴³

For Pakistan, gaining influence in Central Asia and deepening cooperation with China are strategic goals that increasing trade will further.¹⁴⁴

Figure 5.1 shows the level of trade between China and its western neighbours.¹⁴⁵ In terms of the risk from drug trafficking, it is significant that most of this trade occurs directly with Xinjiang. Figure 4.2 (next page) gives selected examples of the many regional initiatives that aim to intensify trade flows. Although these broad programmes and raw trade figures do not detail flows along specific routes, the general trend is for traffic increases along all routes into China from Central Asia and Pakistan. Most significantly, figures 4.1 and 4.2 only relate to legal flows

¹⁴⁰ N. Becquelin, “Xinjiang in the Nineties”, *The China Journal* 44:July, 2000; M. Spechler, “Crouching dragon, hungry tigers: China and Central Asia”, *Contemporary Economic Policy* 21:2, 2003; N. Becquelin, “Staged development in Xinjiang”, *China Quarterly* 178, 2004; G. Fuller & S.F. Starr, *The Xinjiang Problem*, Central Asia-Caucasus Institute, 2004; R. Menon, “The new great game in Central Asia”, *Survival* 45, 2003; A. Wolfe, “China takes the lead in strategic Central Asia”, *Asia Times Online*, September 17, 2004.

¹⁴¹ China ECDC Network, *Study on the Development and Opening-Up of the New Asian-Europe Continental Bridge Area (China’s Side)*, published at www.ecdc.net.cn, 2004.

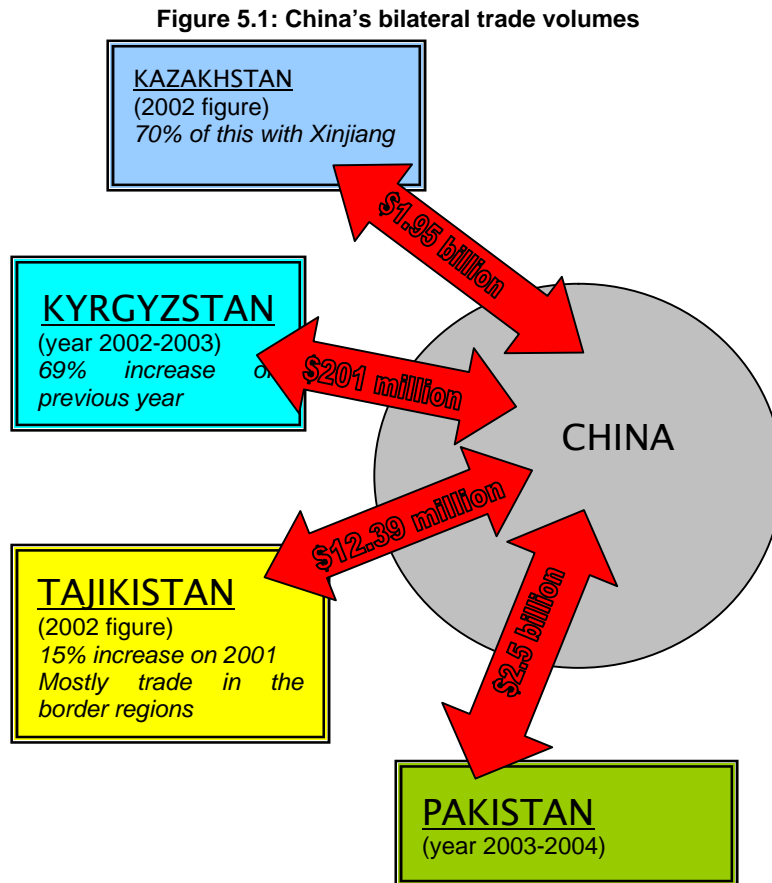
¹⁴² “China & Kazakhstan to build a free border trade zone”, *People’s Daily Online*, February 26, 2004.

¹⁴³ “China to seek further trade, economic cooperation with Central Asian countries”, *Xinhua*, October 18, 2004.

¹⁴⁴ S. Kumar, “Power cycle analysis of India, China, and Pakistan in regional and global politics”, *International Political Science Review* 24:1, 2003; S. Blank, “Missing: A modern-day silk road”, *Asia Times* October 17, 2002; “Editorial: Transit trade with Central Asia”, *Daily Times*, Lahore, September 4, 2003; O. Jones, *Pakistan: Eye of the Storm*, Yale University Press, 2002; R. Cutler, “Economics and security in Central Asia”, *Harvard Asia Quarterly* 5:1, 2001; C. Mackerras, “‘Pivot of Asia’ sees China-Pakistan maneuvers”, *Asia Times Online*, August 13, 2004.

¹⁴⁵ Compiled from various press releases by Chinese government agencies and reports in Chinese state press agencies.

and do not represent the immense number of possibilities for illicit border crossings.



Including black markets, China has probably become the Central Asian republics' most important trading partner. It is certainly so for the residents of many border regions and trade flows have grown rapidly in recent years. In the first eight months of 2003 trade between Xinjiang and Kazakhstan totalled \$1.37 billion, an increase of 79.6% on the same period in 2002.¹⁴⁶ Overall, Xinjiang's foreign trade increased by 73% in the first three quarters of 2003 and was worth some \$3 billion.¹⁴⁷ China's trade with the five Central Asian republics amounted to \$3.56 billion in the first eight months of 2004 – a 53% increase over 2003¹⁴⁸ – and, in another

¹⁴⁶ "Xinjiang bridges China, Central Asia", *People's Daily Online*, October 2, 2003.

¹⁴⁷ "Foreign trade soaring in northwest China's Xinjiang", *China Daily*, October 26, 2003.

¹⁴⁸ Figures from the Ministry of Commerce, quoted in "China to see further trade, economic cooperation with Central Asian countries", *Xinhua*, October 18, 2004.

indication of burgeoning links, at a trade fair held in Urumchi in September 2004, over \$1 billion in deals between Chinese and Central Asian businesses were agreed.¹⁴⁹

Figure 5.2: Selected regional trade enhancement initiatives

- ✍ A **preferential trade agreement** between Pakistan and China was signed in 2003, committing the two countries to removing barriers to trade in many goods. Trade under the agreement is due to begin on January 1, 2005. In the nine months following its completion trade between the two countries increased by 50%.
- ✍ **The Shanghai Cooperation Organization** – composed of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan – has adopted a Long-Term Program of Multilateral Trade and Economic Cooperation, a rather vague set of proposals for increasing economic ties, although the intention is clear. At the SCO summit in June 2004, China offered \$900 million in preferential buyer's credit loans to the other members.
- ✍ In 1997 the Asian Development Bank initiated the **Central Asia Regional Economic Cooperation Program** to encourage economic cooperation between China, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Its focus is on funding infrastructure development and to date loan projects to the value of \$172 million have been approved.
- ✍ The **UNESCAP Asian Highway Network** is a broad and varied programme for developing and encouraging the use of trade roads throughout Eurasia, including between China and its Central Asian neighbours. In November 2003 the Intergovernmental Agreement on the Asian Highway Network was adopted by 32 countries, committing them to improving the sections of their road networks identified as international transport routes. The China-Kazakhstan highway running from Urumchi to Khorgos is one of these.

Geography and underdevelopment of the areas bordering China limit the volume and value of regional trade that can occur but China-Central Asia trade has proceeded from such a low base that rapid growth is still likely in the short term. The corollary of this is that underdevelopment limits the degree to which borders can be monitored, vehicles checked and trade controlled. The permeability of the Tajik-Afghan border shows that the difficulty of preventing smuggling is huge even when governments and international agencies universally acknowledge it as a problem.

Currently, China does not seem to pay much attention to pre-empting the increased potential for trafficking drugs that will accompany the expansion in licit traffic. Its primary concern on its western frontiers is in maintaining stability in Xinjiang (see below).¹⁵⁰ For example, the state

¹⁴⁹ "China to see further trade, economic cooperation with Central Asian countries", *Xinhua*, October 18, 2004.

¹⁵⁰ Becquelin, 2000.

press celebrated signing a border defence cooperation agreement with Kazakhstan in 2002, seeing it as the “foundation for the two countries to fight against the ‘three vices’, terrorism, separatism and extremism”.¹⁵¹ It has completed similar agreements with the same emphasis with Kyrgyzstan, Tajikistan and Uzbekistan (all four have now been ratified).¹⁵²

The SCO may prove effective at coordinating counter-narcotics programmes in the future but at present its security agreements overwhelmingly focus on terrorism, with the drug trade a secondary concern.¹⁵³ Narcotics did not receive a mention in the joint communiqué issued at its summit on September 23, 2004¹⁵⁴ and in an interview with a Kazakh newspaper in October 2004, the group’s secretary-general Zhang Deguang said the following regarding their priorities: “one cannot say that fighting terrorism will be the only task; we are also working on creating conditions for boosting our economies”.¹⁵⁵

Strategic goals aside, the overall aim is that intra-regional trade will develop the countries and regions involved. In the long term therefore, insofar as trade increases prosperity, it should decrease the attraction and feasibility of trafficking. While this is a reasonable goal to work towards, in the shorter-term the effect will be the opposite. Not only does it reduce the ability to monitor cargoes, increasing trade also reduces the more mundane costs and difficulties of trafficking and so multiplies the number of profitable routes.

One example of the unintended consequences of trade enhancement is the way in which development of the KKH has made it easier for militants to move between Pakistan and China. In recent years, many Uighurs have visited Pakistan for the purposes of study, mostly in Islamic institutions. There has been diplomatic friction between China

¹⁵¹ “China, Kazakhstan to further border defense cooperation”, *People’s Daily Online*, January 19, 2004.

¹⁵² “China ratifies anti-terror treaty with Tajikistan”, *Dow Jones International News*, October 28, 2004.

¹⁵³ Ministry of Foreign Affairs of the People’s Republic of China, *Shanghai Cooperation Organization*, www.fmprc.gov.cn/eng/topics/sco/t57970.htm; A. Bohr, “Regionalism in Central Asia: new geopolitics, old regional order”, *International Affairs* 80:3, 2004.

¹⁵⁴ *Joint Communiqué of the Council of the Governmental Heads of Shanghai Cooperation Organization Member States*, available at www.fmprc.cn.

¹⁵⁵ “Top Shanghai group officials set out policy priorities, aspirations”, *Ekspress-K*, translation by BBC Monitoring Asia-Pacific, October 1, 2004.

and Pakistan over these exchanges and Chinese authorities who arrest Uighur militants in Xinjiang often claim that they have been schooled in Pakistan.¹⁵⁶

The movement of arms and wanted militants along the KKH is one reason to doubt the ANF's assertion that the route is well-policed in both countries.¹⁵⁷ Guards at Sust and Tashkurghan occasionally subject locals to strict searches and protocols but foreigners report a surprising ease of movement.¹⁵⁸ It is approximately 160 km between the two customs points and the actual border crossing at the Khunjerab Pass has not traditionally been a facility for inspecting travellers, although cursory checks appear to have become more common in recent years.¹⁵⁹ The ultimate proof of their effectiveness, however, is the passage of restricted goods - evidently, the customs points are prone to penetration or circumvention. In the likelihood that traffic along the KKH continues to increase it will stretch enforcement capacity further.

5.2. Central Asian Trafficking Practices

The shift towards heroin production in Afghanistan prior to export and the resultant shift in the ratio of opium to heroin trafficked discussed in Section I (see figure 3.9 and 3.10) raises the risk to China of Afghan opiate importation. Where multi-ton consignments are possible over the Pakistan-Iran border, trafficking in smaller quantities of heroin is preferable along Central Asian routes. Small loads are more difficult to detect and with cheap couriers - something Central Asia can provide in numbers - they can still be very profitable. In discussing trade volumes in Xinjiang, a Chinese customs official attributed rapid growth to

¹⁵⁶ Fuller & Starr, 2004; The Chinese government lodged a complaint with Pakistan's Interior Ministry after the arrest of sixteen Uighurs in 1999 who said they had been trained in guerrilla tactics in Pakistan - Z. Haider, "Clearing clouds over the Karakoram Pass", *YaleGlobal*, March 29, 2004.

¹⁵⁷ Interview with a senior officer in the ANF's Islamabad office, September 17, 2004.

¹⁵⁸ Interview with a foreign academic who has frequented the route, October 18, 2004. Correspondence with a foreign hiker who has crossed the pass several times; also useful were the various travelogues of tourists using the KKH posted on the internet.

¹⁵⁹ Correspondence with a foreign hiker who has crossed the pass several times; correspondence with a Chinese academic based in Kashgar.

“soaring small border trade”,¹⁶⁰ a particularly high risk category for small-scale trafficking.

The many entry points into Xinjiang and the use of these for all manner of traffic combine with the trend towards more numerous but smaller narcotics loads and increase the feasibility of trafficking Afghan opiates into China. Controlling the Tajik-Afghan border has proved difficult because of length and terrain, but China must also contend with the volume of legitimate traffic.¹⁶¹ Checking each crossing thoroughly is impossible and not in China’s broader economic and political interests.

5.3. The Drug Market in Xinjiang

The development of drug addiction and markets in Xinjiang will affect both the demand for Afghan opiates and the feasibility of trafficking these further east.

To begin with, the number of addicts in the province determines the local demand for opiates.¹⁶² Estimates of the size of the addict population in Xinjiang are few and their accuracy is difficult to determine but there is a general consensus among observers that Xinjiang is a problem province in terms of addiction.¹⁶³ China’s north-west is the area with the fastest growing drug user population¹⁶⁴ and in China as a whole, heroin is the opiate of choice.¹⁶⁵ According to China’s Drug Abuse Surveillance Network, 89.3% of new drug abusers in 2003 used heroin and overall 96.8% of those who had used drugs during the year had consumed heroin.¹⁶⁶ 47% of those using heroin did so intravenously, with 42%

¹⁶⁰ Quoted in “Xinjiang bridges China, Central Asia”, *People’s Daily Online*, October 2, 2003.

¹⁶¹ The Iran-Turkey border provides an example of how large traffic flows make effective detection impossible. There, border guards explain that they cannot give each vehicle even a cursory inspection because of the number of crossings they must facilitate each day – presentation by Vladimir Fenopetov at Uppsala University, September 23, 2004.

¹⁶² Chinese government statistics show around 900,000 drug addicts in the entire country, most of whom are heroin users - UNODC, *Global Illicit Drug Trends 2003*. The real number is certainly higher – see for example UNAIDS & UNDCP, *Drug Use and HIV Vulnerability: Policy research study in Asia*, 2000.

¹⁶³ National Surveillance Center on Drug Abuse, 2004; Radio Free Asia, “Uyghur children fall prey to drug addiction”, July 19, 2004; Mackerras, 2004.

¹⁶⁴ National Surveillance Center on Drug Abuse, 2004.

¹⁶⁵ UNODC, *Amphetamine-type Stimulants in East Asia and the Pacific*, 2004; National Surveillance Center on Drug Abuse, 2004.

¹⁶⁶ National Surveillance Center on Drug Abuse, 2004.

‘chasing the dragon’ (while the latter is less damaging, it is usually only a step towards the former¹⁶⁷), although in the north-west only 20% reported injecting.¹⁶⁸

A reduction in the number of heroin addicts in Xinjiang is unlikely in the short term and their numbers will probably continue to grow. The Chinese government’s sentencing laws and treatment methods are not conducive to rehabilitation:

- first-time offenders can elect to go on a 10-day methadone treatment;
- if caught a second time, users go to a compulsory rehabilitation centre for between six and twelve months;
- for a third offence, the sentence is two to three years at a ‘re-education-through-labour centre’;
- relapse rates for heroin users are around 90 percent¹⁶⁹
- in 2003, 55% of those undergoing detoxification had already completed it more than twice.¹⁷⁰

China’s 746 compulsory rehabilitation centres received 250,000 people in 2000 and in the same year there were 120,000 in ‘re-education-through-labour centres’.¹⁷¹ Although the government offers methadone treatment,¹⁷² these are priced beyond the reach of most¹⁷³ and China’s general policies on addiction are punitive.¹⁷⁴ Xinjiang’s legal and rehabilitative climate, the habits of heroin users in general (discussed in Section III) and the results of Chinese research in particular all suggest that the

¹⁶⁷ Tao L., Liang W. & Liu H., “Study on the change of heroin abuse from snorting or smoking to intravenous injecting”, *Chinese Journal of Drug Dependence* 9:4, 2000; Gossop et.al., 2004; Xiahong L., Mu J. & Jia S., “Epidemiological investigation of 63 HIV positive heroin dependents”, *Journal for China AIDS/STD Prevention and Control* 5:6, 1999.

¹⁶⁸ National Surveillance Center on Drug Abuse, 2004.

¹⁶⁹ M. Razak, *Situation Assessment of Injection Drug Users in Yunnan Province*, The Futures Group Europe, 2002; a report by the US Embassy in Beijing from 1997 also estimated a 90% relapse rate – *AIDS Day 1997: China Responds to AIDS*.

¹⁷⁰ National Surveillance Center on Drug Abuse, 2004.

¹⁷¹ Razak, 2002.

¹⁷² “New measures to curb AIDS in Guangdong”, *People’s Daily Online* May 20, 2004.

¹⁷³ Razak, 2004.

¹⁷⁴ Information Office of the State Council of China, *White Paper on Narcotics Control*, 2000.

demand of a heroin addict in Xinjiang is likely to remain stable throughout their lifetime.¹⁷⁵

Drug addiction and trafficking are linked in a positive feedback loop and therefore any increase in addiction increases the feasibility of trafficking. Addiction represents demand and the profits available in the local market – when these increase, the money and effort available for trafficking increase. Moreover, during local market penetration traffickers foster networks and corruption that are also useful for the purposes of organizing onward shipment. And, to complete the loop, larger volumes of smuggling tend to encourage addiction because they increase the availability and affordability of narcotics. Not least, this occurs because payment to couriers is frequently in the form of drugs, which they then need to sell.¹⁷⁶

5.4. Social and Economic Conditions in Xinjiang

Xinjiang has undergone an economic boom over the last decade that has elevated it to the 12th richest province per capita in China.¹⁷⁷ Given that poverty is often a contributing factor to both heroin addiction and willingness to engage in trafficking, economic growth is generally welcome. It is not all positive, however, and Xinjiang's development path is in some ways raising the risk of drug trafficking.

Firstly, development is tending to favour Han immigrants over native Uighurs. In the science and technology, oil and gas, transport, communications and manufacturing sectors, approximately 80% of jobs are taken by Han Chinese. In the construction industry, the figure is around 90%¹⁷⁸ - overall, the new arrivals are enjoying a disproportionate share of the boom. Aside from Uighur frustration from their slower increase in prosperity, this differential development also creates a wider feeling of powerlessness and a sense of losing ownership of the society.¹⁷⁹

¹⁷⁵ There are also plenty of allegations that guards at clinics deal drugs to their wards - for example, H. Beech, "Chinese Junk", *Time Asia*, May 13, 2002.

¹⁷⁶ S. Calvani, E. Guia & J.L. Lemahieu, "Drug resistance rating: an innovative approach for measuring a country's capacity to resist illegal drugs", *Third World Quarterly* 18:4, 1997.

¹⁷⁷ Fuller & Starr, 2004.

¹⁷⁸ *ibid.* p.18.

¹⁷⁹ G. Bovingdon, "The not-so-silent majority: Uyghur resistance to Han rule in Xinjiang", *Modern China* 28:1, 2002; Fuller & Starr, 2004.

In depressed areas of Russia such feelings seem to have contributed to the rapid growth of drug abuse¹⁸⁰ and while the direct effects are debatable, it is clear that neither of these trends is conducive to curbing drug abuse. Importantly, the west and south-west areas of Xinjiang – those bordering Central Asia – are enjoying the least benefit from the province's economic development; and they are the areas in which Uighurs are still the clear majority.¹⁸¹

Secondly and flowing from this, Uighurs are experiencing social dislocation. Only recently have they become a minority and there are strong currents of resentment at the massive influx of Han Chinese migrants from further east – in 1949 only 6% of Xinjiang's population was Han, but today the official figure is 40%, which is likely an understatement.¹⁸² There are also between 300,000 and 500,000 Uighur citizens of Central Asian republics,¹⁸³ and some in Xinjiang look to these countries as models, seeing them as examples of places where ethnic groups have control of their own destiny.¹⁸⁴ There is a general perception among Uighurs that the central government favours Han immigrants and many believe that Beijing is deliberately seeking to dilute Uighur power and culture.¹⁸⁵ An 'us and them' society is developing that reduces security in the province and hinders cooperation between the security services and the wider population.¹⁸⁶

Thirdly, this has led to the radicalisation of some Uighurs, to the extent that some now perceive an existential threat in Xinjiang. There are over 20,000 officially registered mosques in the province now, compared with around 2,000 in 1978,¹⁸⁷ and radicals increasingly they characterize their resistance in Islamic terms. The schooling of Uighurs at Pakistani

¹⁸⁰ DEA, *Heroin trafficking in Russia's troubled East*, October 2003.

¹⁸¹ Fuller & Starr, 2004; Bovingdon, 2002; many districts fall far below China's national poverty line - Becquelin, 2000.

¹⁸² Fuller & Starr, 2004; D. Lynch, "In Xinjiang province, an uneasy coexistence", *USA Today* September 22, 2004.

¹⁸³ Becquelin, 2000.

¹⁸⁴ Bovingdon, 2002.

¹⁸⁵ Fuller & Starr, 2004; Bovingdon, 2002.

¹⁸⁶ Becquelin, 2000; Bovingdon, 2002; Fuller & Starr, 2004.

¹⁸⁷ Information Office of the State Council of the PRC, *White Paper on National Minorities Policy and its Practice in China*, 1999.

madrassas mentioned above is one indication of this,¹⁸⁸ as is the financial assistance that some Islamic Uighur groups receive from overseas.¹⁸⁹ As Afghanistan and Central Asia can attest, the presence of radical militant groups can greatly increase the risk of drug trafficking.¹⁹⁰

China's response (currently known as 'Strike Hard! Maximum Pressure!') has been strong and escalated after a series of explosions in Beijing and Xinjiang in early 1997, apparently linked to Uighur nationalist demands.¹⁹¹ In 1999 Xinjiang reached the highest rate of executions per capita in China and there are allegations of many unreported and extra-judicial executions.¹⁹² Simultaneously, the government has increased efforts to purge Uighur culture and language, decreeing that most courses at Xinjiang University would be taught only in Chinese and apparently organizing the burning of books written in Uighur.¹⁹³ Mass arrests are common on the suspicion of engaging in separatist activities and inciting ethnic riots¹⁹⁴ and China appears unfazed by Western concern over its methods.

The result is that security in Xinjiang has become militarized and the number of troops in the province has risen substantially in the past decade.¹⁹⁵ In some ways, the heightened security presence makes drug trafficking more difficult, but the experience of Russia's border guards in Tajikistan shows that troops are no panacea for smuggling. Certainly, the size of the military in Xinjiang is much larger than Russia's in Tajikistan, but conversely their primary role is not smuggling prevention. More worryingly, in some countries (Myanmar, Thailand, Colombia) a strong

¹⁸⁸ Haider, 2004.

¹⁸⁹ A. Rashid, "China forced to expand role in Central Asia", *Central Asia-Caucasus Analyst*, July 19, 2000; US Department of State, *Patterns of Global Terrorism 2003*, April 2004; Haider, 2004.

¹⁹⁰ China has occasionally been keen to make the link between Uighur terrorist groups and the expansion of drug abuse in Xinjiang – see for example "China blames separatists for rising Xinjiang drugs trade", *Deutsche Press-Agentur*, January 29, 2002; "China's Xinjiang region plans to deal 'hard blows' to drug-related crimes", *BBC Monitoring International Reports*, February 24, 2002.

¹⁹¹ Gladney, 2003.

¹⁹² Amnesty International, *People's Republic of China: Gross violations of human rights in the Xinjiang Uighur Autonomous Region*, April 21, 1999.

¹⁹³ M. Dillon, "Uighur language and culture under threat in Xinjiang", *Central Asia-Caucasus Analyst*, August 14, 2002.

¹⁹⁴ Amnesty International, 1999; Fuller & Starr, 2004.

¹⁹⁵ Gladney, 2003.

military presence resulted in its involvement in drug trafficking. There have been many allegations that troops on the Tajik-Afghan border engage in the drug trade and some confirmation of this came in April and May 2004 when, in separate incidents, the Tajik Drug Control Agency arrested two members of the Russian border guard service.¹⁹⁶

Xinjiang's history gives a context for both the drug trade and the appeal of ethnic/religious arguments for autonomy. The name itself means 'new frontier' or 'new dominion', although the locals have interacted with the Chinese state for more than a millennium.¹⁹⁷ Nevertheless, their external labelling as 'Uighurs' and their subsequent self-identification as such is far more recent.¹⁹⁸ Although militants occasionally attempt to portray their struggle as part of a long tradition, whether as a Muslim struggle or an ethnic one, both are relatively new phenomena.¹⁹⁹

Moreover, there is no single Uighur resistance group and the unity of the movement only extends to dissatisfaction with the status quo.²⁰⁰ For example, in May 1996 one group of Uighurs attacked the Imam of the Idgah Mosque in Kashgar, apparently over religious differences.²⁰¹ However, the majority of groups are non-violent and nationalist rather than extremist and Islamic.²⁰² For its part, China identifies four organizations as terrorist groups – the East Turkestan Islamic Movement, the East Turkestan Liberation Organization, the World Uighur Youth Congress and the East Turkestan Information Center.²⁰³ Nebulous organization is not a reason to discount the effect of Uighur militancy, however, and if anything its lack of a coherent structure makes it more difficult to deal with effectively. The more dramatic incidents reported internationally seem to be the tip of the iceberg - in 1999 the governor of Xinjiang Abdulahat Abdurixit said publicly that

¹⁹⁶ "V Tajikistane zaderzhan rossiyskiy pogranchnik s 12 kg geroina", *Interfax* May 5, 2004; Radio Free Europe/Radio Liberty, "Central Asia report", *Analytical Report*, May 11, 2004.

¹⁹⁷ Gladney, 2003; Fuller & Starr, 2004.

¹⁹⁸ Gladney, "The ethnogenesis of the Uighur", *Central Asian Studies* 9:1, 1990; Fuller & Starr, 2004.

¹⁹⁹ Gladney, 1990.

²⁰⁰ M. Oresman & D. Steingart, "Radical Islamization in Xinjiang – lessons from Chechnya?", *Central Asia-Caucasus Analyst* July 30, 2004; Fuller & Starr, 2004.

²⁰¹ Gladney, 2003.

²⁰² Oresman and Steingart, 2004.

²⁰³ As per a Chinese Ministry of Public Security list - US Department of State, 2004.

“since the start of the 1990s, if you count explosions, assassinations and other terrorist activities, it comes to a few thousand incidents”.²⁰⁴ Although he might have had some reason to exaggerate, his statement suggests militancy has been much more pervasive than most official portrayals admit.

The drug trade is of much older vintage. The oases of Xinjiang were stops on the Silk Road and the current absence of substantial opium cultivation in north-western China represents something of a break with history.²⁰⁵ Chinese authorities have tended to concentrate on drug problems in the cities of the more populous and prosperous eastern seaboard but opium use was widespread in Xinjiang for much of its history.²⁰⁶

In sum, the underlying situation in Xinjiang is one of social and economic instability.²⁰⁷ Moving more troops into the province does little to address the causes of this and, in terms of creating a situation of confrontation between the government and the people, it actually amplifies it. This breeds further instability.²⁰⁸ Given that trafficking routes all over the world favour areas that have become unstable, whatever the reason,²⁰⁹ this increases the risk to China of an expansion of Afghan opiate imports.

In more concrete terms, instability and drug addiction in Xinjiang play a facilitating role because they bring together East Chinese networks and Afghan opiates. A higher level of demand increases the penetration and power of drug distribution networks by ritualising illicit transactions and corruption, that is, converting what might initially be opportunism for those involved into standard practice. Taking figure 2.2 as a rough guide

²⁰⁴ Quoted in Becquelin, 2000, p.87.

²⁰⁵ D. Bello, “Opium in Xinjiang and Beyond”, in Brook & Wakabayashi (eds.) *Opium Regimes: China, Britain and Japan, 1839-1952*, University of California Press, 2000.

²⁰⁶ Various chapters in Brook & Wakabayashi, 2000 show this preoccupation, as do present-day threat perceptions in China’s counter-narcotics policy formulation and implementation.

²⁰⁷ The more nebulous security threat posed by HIV is also intimately related to the drug trade – C. Beyrer, “Human immunodeficiency virus infection rates and heroin trafficking: fearful symmetries”, *Bulletin on Narcotics* 54:1&2, 2002. UNAIDS estimates that 35-80% of drug users in Xinjiang are HIV-positive – UNAIDS, *Fact Sheet; AIDS epidemic in Asia*, 2004.

²⁰⁸ Oresman and Steingart, 2004; Bovingdon, 2002.

²⁰⁹ GTZ discussion paper for the Drugs and Development Programme, *Drugs and Conflict*, Eschborn 2003.

for current opiate flows in China, for the reasons outlined in Section I there is likely to be pressure for these to reverse and for Afghan opiates to begin to move eastwards in larger volumes. A deeper institutionalisation of trafficking in Xinjiang will facilitate the organisation of more Afghan opiate import shipments for the purposes of supplying networks in Eastern China.

Overall, therefore, there is a high risk to China that developments in Xinjiang are exacerbating and will continue to exacerbate drug addiction and to increase local involvement in the drug trade.

5.5. Competition and Collaboration

Any imports of Afghan opiates into Xinjiang are theoretically in competition with those of networks distributing from eastern China. There is no evidence yet that such competition is fierce, however, whether that is because the current market penetration of Afghan opiates is low or because demand is high enough to absorb them without affecting prices. Although it is not impossible to imagine stronger competition for the local market if Afghan imports grow, financial incentives are more likely to encourage collaboration between Central Asian exporters and East Chinese importers as the latter seek to secure eastward flows. The ethnic and cultural advantages of the Chinese networks with regard to trafficking within China lower the possibility that Central Asian traffickers will organise eastward shipments alone. Indeed, Section II implies that east Chinese networks will be central actors in raising imports.

5.6. The Risk Multiplier

The implications of an increase in Chinese imports of Afghan opiates are many and varied but the analysis above has only attempted to cover those that feed back directly into trafficking feasibility (such as the number of addicts). More broadly, the most important implication of an expansion of trafficking is that it can very quickly entrench the drug trade as a pervasive social, political and economic phenomenon.²¹⁰ Because of this

²¹⁰ *loc. cit.*

feedback loop, the risk of entrenchment multiplies the initial risk to China of the expansion of Afghan imports.

In Central Asia, the drug trade rose from a non-issue to an all-encompassing one within a decade. Now entrenched, it is hugely more difficult to resolve. The consequences to Central Asia of not perceiving and not acting on that risk have only become visible recently.

China needs to avoid all and any of ignorance, indifference and laxity in its response to the drug trade on its western borders. It is unlikely that the drug trade will become as powerful in Xinjiang as it has become in the Central Asian republics but the province does exhibit many of the characteristics of population, economy and society found in other countries of the globe vulnerable to or complicit in drug trafficking. Although China is a stronger state than its western neighbours, Xinjiang's similarities to other areas plagued by narcotics (particularly opiates) raise the possibility that an expansion of trafficking will entrench the drug trade there. Some of these similarities were evident in the discussion above but figure 4.3 (next page) draws comparisons to demonstrate the confluence of factors in Xinjiang that may be conducive to the entrenchment of the drug trade in the future.

While these only serve as rough comparisons, they do suggest that an assessment of trafficking risk must consider its ability to reproduce the conditions for its own success. The current feasibility of trafficking Afghan opiates into China will directly affect the feasibility of the same in the future. This feedback mechanism raises the initial risk from an increase in Afghan opiate imports.

Figure 5.3: Similarities between conditions in Xinjiang and other areas afflicted by the drug trade

Characteristic		Comparative country/region
Proximity to source	Xinjiang is close to Afghanistan and is its first point of contact in the large Chinese market	Tajikistan: over-run by trafficking towards more profitable markets
Terrain	Xinjiang's topography hinders development and law enforcement	Kyrgyzstan: mountain trails from Tajikistan have become excellent smuggling routes
Poverty	Many traditional communities remain in abject poverty and rapid unequal development threatens their means of subsistence ²¹¹	Badakhshan: rural poverty and few opportunities for advancement encourage involvement in the drug trade ²¹²
Radical militancy	Some Uighurs have become radical and seek to destroy the current political and/or economic order	Uzbekistan: The IMU found illegal drug money to be an excellent source of funding ²¹³
Government distance	A substantial segment of the population does not feel connected or loyal to the government and some even perceive it as hostile ²¹⁴	Yunnan: ethnic loyalty is more important than state loyalty; little socialisation of respect for the law
Militarized security	The Chinese military is central to maintaining security in Xinjiang	Thailand: in the past, military autonomy proved corruptible in its relations with the drug trade
Drug/disease stigma	Drug addiction and HIV attract social stigma in Xinjiang; this complicates the formulation and implementation of countering programs	Central Asia: Inattention to addiction allowed its explosion and reproduces local demand and drug trade involvement

²¹¹ Fuller & Starr, 2004.

²¹² Pain, 2004; Goodhand, 2000; interview with a foreign academic specialising in development in the region, October 17, 2004.

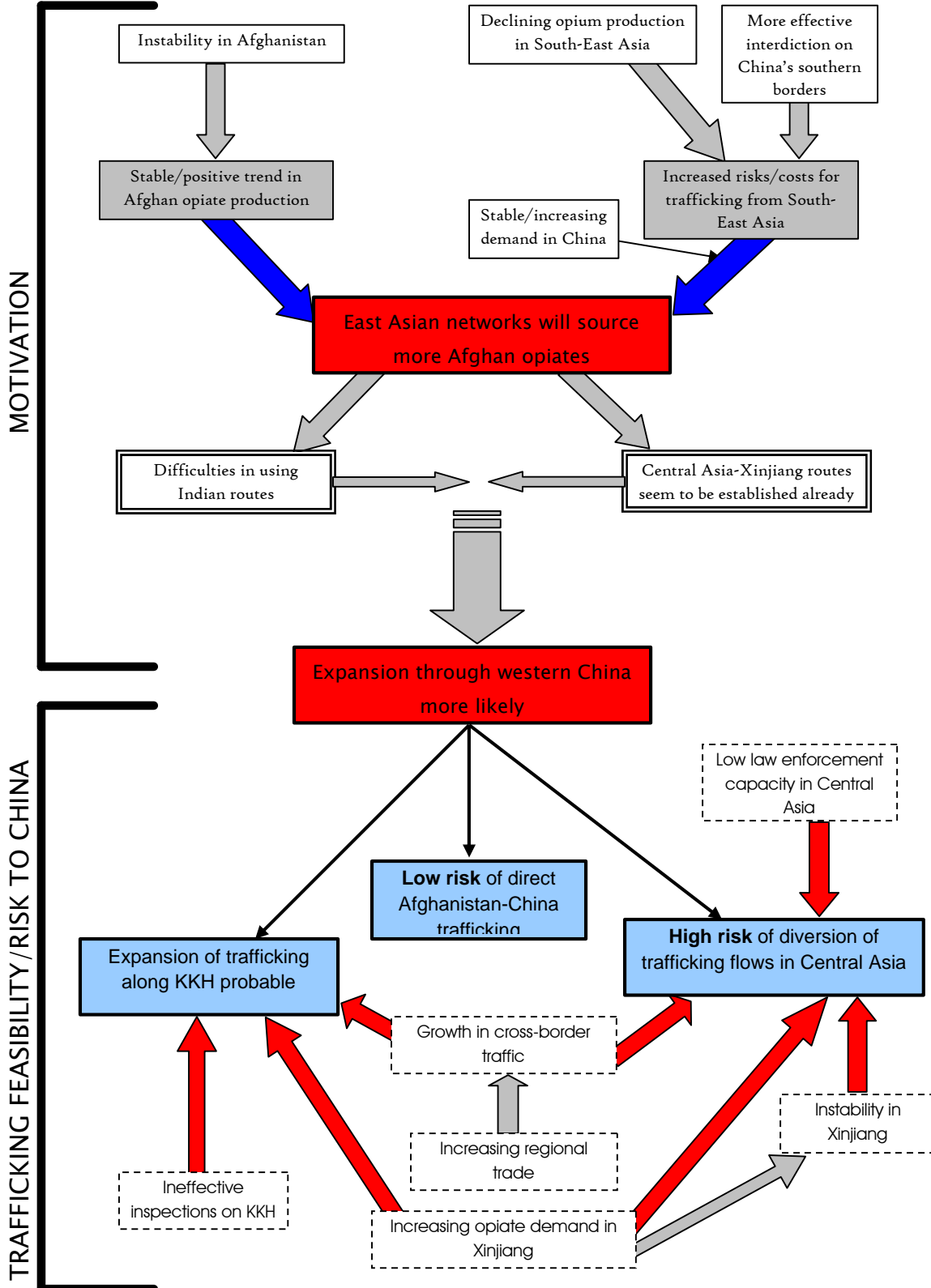
²¹³ T. Makarenko, "Terrorism and religion mask drug trafficking in Central Asia", *Jane's Intelligence Review* 12:11, 2000; S. Cornell, "Central Asia: more than Islamic extremists", *The Washington Quarterly* 25:1, 2002.

²¹⁴ Bovingdon, 2002; Fuller & Starr, 2004; Seytoff, 2000.

6. Conclusions and Recommendations

The diagram below summarises the assessment and its components form two broad groups.

Figure 6: Diagrammatical representation of the risk to China



The first group comprises those factors/trends that affect the motivation traffickers have to move Afghan opiates into China. The second is the group of factors/trends that affect the feasibility of their doing so. An alternative way to conceptualise the interplay of these components is as push and pull factors. The large harvest and production capacity in Afghanistan is a push factor, as is the related phenomenon of large flows of opiates close to China's borders with Central Asia. Pull factors consist of the relative decline of South-East Asia as a source for Chinese consumers and the stable and in all likelihood growing demand for opiates in China, particularly in Xinjiang. These push and pull factors interact in the context of facilitating trends such as growing regional trade.

China faces a high risk of an increase in its importation of Afghan opiates. The relative trends in opiate production in Afghanistan and South-East Asia are likely to pressure distribution networks in China to begin sourcing more of their product from Afghanistan. The rise of ATS production in East Asia does not greatly relieve this pressure due to the character of demand for heroin, which will provide strong incentives to expand Afghan opiate imports into China. Traffickers' potential for accomplishing this is greater via western China than via India.

Of the routes into western China the highest risk is posed by diversions of the very large flows through Central Asia. Indeed, perceiving China and Central Asia as different entities obscures the fact that Xinjiang is itself a part of Central Asia. Acknowledging this allows for a clearer assessment of the risk posed by trafficking flows in Kazakhstan, Kyrgyzstan and Tajikistan. These three countries are all experiencing difficulties in controlling the drug trade and some northern routes from Afghanistan already feed Xinjiang, though it is unclear to what extent.

A variety of trends in the region improve the feasibility of trafficking into China's west, including expanding trade, drug policy and addiction in Xinjiang, the Han/Uighur divide and the reduced size and increased value of smuggling loads. The combination of these factors raises the risk to China that the drug trade will entrench itself more firmly in Xinjiang. It also fosters connections between East Chinese distributors and Central Asian traffickers, suggesting the possible integration of what has until now been perceived as a geographically split opiate market in China.

Due to the current state of its systems for analysing opiate origin, China is in no position to monitor the evolution of this risk. The experience of its Central Asian neighbours in the late 1990s suggests that this inability could have grim consequences. For countries threatened by the drug trade prevention is a great deal better than cure, especially since many who are forced to attempt the latter have found themselves fighting vigorously just for containment. Because of its tendency to pervade an area once entrenched, the drug trade reproduces conditions from which it benefits. The implications for China of such a prospect are hugely negative and measures to address the risk identified in this assessment must be made in this context. A number of recommendations follow from the assessment:

China

- Centralise data on the origin of seized opiates
- China has over 2,000 centres for testing narcotics.²¹⁵ Their operation and output should be systematized to a higher degree in order to begin building basic data on the breakdown of opiate consumption markets by source, which is crucial to assess and respond to the evolution of the threat from trafficking in Afghan opiates.
- Increase demand reduction efforts in Xinjiang
- China needs to consider the wider application of harm-reduction approaches to drug addiction. It has experimented with some of these in southern provinces but has been reluctant to expand them. Current drug-related education programs should be expanded in Xinjiang.
- Increase and improve the customs presence along western borders
- The ease of movement reported by a variety of sources suggests that militarization of security in Xinjiang does not prohibit smuggling. China should raise the profile of trafficking prevention as a priority of its western customs services.
- Include discussions specifically focussed on smuggling in international negotiations on trade enhancement

²¹⁵ Correspondence with UNODC Bangkok.

- China needs to broaden its cooperation with Central Asia away from its obsession with separatist groups. The SCO could be a useful forum for increasing cooperation on drug-related border protection issues and in general China should give these a higher profile in meetings with its western neighbours.
- Engage in programs to assist the Central Asian republics' border services in trafficking prevention on Xinjiang's borders
- China clearly has a much stronger interest than Central Asian governments in protecting Xinjiang's borders. The impetus for increasing this protection will therefore only come from China and it should consider offering assistance to Tajikistan, Kyrgyzstan and Kazakhstan with their policing of borders with Xinjiang
- Apply lessons learnt in the south
- In general terms, China should consider how to adapt the counter-narcotics principles and programmes in Xinjiang that it already accepts and applies in the southern provinces. Many of the internal government methods for counter-narcotics threat perception, policy formulation and program implementation that China uses against the Burmese trade might be useful in Xinjiang. Perhaps the greatest reason to consider applying these promptly in the west is that their successful application now may pre-empt the difficult situation now established in Yunnan and other southern provinces.

International agencies

- Appreciate that Xinjiang does not border Central Asia but is a part of Central Asia

The conceptual division between South-East and South-West Asian heroin consumption markets underpins the separation of Xinjiang and Central Asia for the purposes of counter-narcotics policy. UNODC provides a good example of this – its Bangkok office is responsible for Xinjiang while its Tashkent office is responsible for the Central Asian republics. Trafficking in Afghan opiates threatens both China and Central Asia and counter-narcotics programs in Xinjiang need to be oriented to complement those in Central Asia.
- Encourage the Chinese government to pre-empt the risk of increased Afghan opiate importation

Following from the above, international agencies that have overcome the conceptual division between Xinjiang and Central Asia need to press China to do the same. This could be done by, for example, inviting Chinese law enforcement representatives to relevant training sessions and conferences organized in Tajikistan, Kyrgyzstan and Kazakhstan.

- Consider funding projects that would assist China in organizing its data on opiate origin

In systematizing its opiate testing and standardizing the data collected, China might benefit from international assistance (such as from UNODC). This would likely include an information systems component. The aim of such a system should be to build up a database in such a way that the respective prevalence of Burmese and Afghan opiates in various domestic markets could become clear.

- Consider funding demand reduction projects in Xinjiang

Efforts to control drug addiction in Xinjiang are crucial in retarding the expansion of the province's drug market. Donors should assist demand reduction projects, either through the government or through civil society, depending on the projects Beijing chooses to implement.

- Facilitate linkages between the counter-narcotics efforts of China and those of Kazakhstan, Kyrgyzstan and Tajikistan

UNODC, among others, are in a position to encourage linkages at many levels between counter-narcotics programs in China and Central Asia. Again, broadening the concept of Central Asia to include Xinjiang would make it obvious that Chinese representatives should be invited to regional counter-narcotics forums organized by international agencies. One opportunity to integrate China's efforts would be for it to be included in the annual 'Kanal' counter-narcotics operation that takes place in much of Eurasia.