



BLOOD JADE:

BURMESE GEMSTONES & THE BEIJING GAMES



Notice - Stop the Global Trade in Burmese Blood Jade

The authors of this report call on individuals – global consumers, visitors to China, Olympic spectators, and Olympic athletes – to boycott the sale of Burma's blood jade. The Beijing Organizing Committee of the Games of the XXIX Olympiad (BOCOG) and the government of the People's Republic of China should take immediate action to curb the global trade in blood jade, beginning by ending their promotion of jade products from Burma.

About the All Kachin Students and Youth Union (AKSYU)

The AKSYU was founded in 1996 and is an active organization of Kachin youth and students who want to work for democracy and human rights in Kachin State, Burma. AKSYU actively works with Burmese pro-democracy alliances in exile. AKSYU's objectives also include working effectively in promoting community building, sustainable development as well as preserving environments in Kachin State together with other activists inside and outside the country. *The AKSYU conducted the field research and interviews for this report.

About 8-8-08 for Burma

8-8-08 for Burma calls on China to use its unique leverage to help save lives and build freedom in Burma, and thereby honor the spirit and principles of the Olympics. For more information, please visit www.8808forburma.org.

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Executive Summary

For the first time in history, Olympic medals will be made with a material other than gold, silver, and bronze – jade. While they are a constituent part of a grand effort to infuse Chinese culture into the Olympic movement’s legacy, the medals of the Beijing Games also symbolize China’s deep and complex relationship to neighboring Burma – and the brutal military regime that rules it.

Burmese jadeite is a global business predicated on human suffering and the absence of the rule of law, and is controlled with an iron grip by Burma’s military regime. The regime led by Senior General Than Shwe grew in notoriety in September 2007 when it violently suppressed peaceful protests led by Buddhist clergy in Burma. The regime’s status as an international pariah was further cemented when it obstructed humanitarian aid to 2.4 million people affected by Nargis, a class four cyclone that hit the Irrawaddy delta region on May 3, 2008, killing 150,000.

Burma’s regime has effectively consolidated military control over the entire gems industry, including jadeite, by eliminating small and independent companies from mining and forcing all sales to go through national auctions held by official government ministries in Rangoon. Gems are now Burma’s third largest export and provide the regime with an important source of foreign currency¹.

Much of this cash comes from China, which has recently seen a dramatic rise in demand for Burmese jadeite due to its overall economic growth. On March 27, 2007, the Beijing Organizing Committee of the Games of the XXIX Olympiad (BOCOG) announced that the design for the medals of the Beijing Games included jade from China’s Qinghai province². BOCOG has publicly stated that their officially licensed products are being made with Qinghai jade (or nephrite), *not* jadeite from Burma. However, many if not most of the jade products on the general market are from the abuse-ridden jadeite industry in Burma and profit Burma’s brutal military regime. The showcasing of jade on the world stage will further escalate the growth in demand³.

Jadeite production comes at significant costs to the human rights and environmental security of the people living in Kachin state. Land confiscation and forced relocation are commonplace and improper mining practices lead to frequent landslides, floods, and other environmental damage. Conditions in the mines are deplorable, with frequent accidents and base wages less than US\$1 per day. An environment of impunity and violence has been created by the military regime and its corporate partners, who inflict beatings on and even kill locals who are caught collecting stones cast off as trash by the mining companies. Mining company bosses and local authorities are complicit in a thriving local trade in drugs, which – when coupled with a substantial sex industry – has led to a generalized HIV/AIDS epidemic that has spilled over the border into China.

While Burmese jadeite is only one part of China’s vast economic relationship to Burma’s military rulers, it is an industry on which individuals can have a direct and substantial impact, if they make conscientious decisions not to buy what can justifiably be called “blood” jade.

The authors of this report call on individuals – global consumers, visitors to China, Olympic spectators, and Olympic athletes – to boycott the sale of Burma’s blood jade. The Beijing Organizing Committee of the Games of the XXIX Olympiad (BOCOG) and the government of the People’s Republic of China should take immediate action to curb the global trade in blood jade, beginning by ending their promotion of jade products from Burma.



It is critically important that the International Olympic Committee (IOC) and the rest of the Olympic movement find clear and creative means to distance itself from the trade in Burmese blood jade to protect the integrity of the most important symbols of the Olympics and the fundamental values enshrined in the Olympic Charter. They should take swift action to safeguard the trust of the world's citizens who are at risk of becoming unwitting parties to a global blood jade industry mired in a system of abuse and lawlessness.

Blood Jade: Hard Cash for Burma's Junta

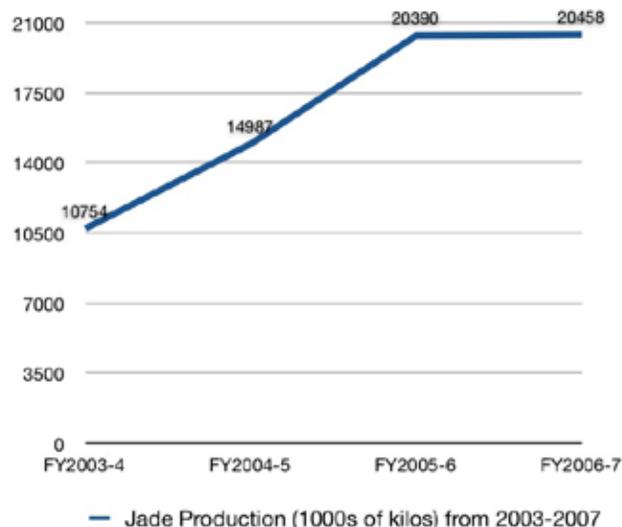
Since 1995, Burma's military regime has effectively consolidated military control over jadeite production and associated sources of revenue, making jadeite one of Burma's largest exports.

Jadeite was reportedly first discovered in what is now Kachin State, Burma, in 1788⁴. At first mined by the local Kachin people, jadeite was later mined by largely Kachin, Burmese, and ethnic Chinese-owned companies in cooperation with the Kachin Independence Organization (KIO), an armed resistance organization that actively fought the central military government until 1994.

Following a ceasefire agreement with the KIO in 1994, Burma's military regime passed State Law and Order Restoration Council (SLORC) Law No. 8/95, also known as the 'Myanmar Gemstone Law,' the stated intent of which was to curb the illegal smuggling of gemstones – rubies, sapphires, emeralds, jadeite, diamonds, pearls, and other precious gems – and “[free] private companies and cooperatives to produce and market gems freely”⁵.

While it has had a significant impact on smuggling, the real result of this legislation has been to push private mining companies out of the industry by making it necessary to obtain costly permits and to meet several difficult criteria in order to obtain permits in the first place⁶. Preliminary research indicates that companies are now required to pay up front and meet a quota on heavy machinery to bid for a mining permit. Thereby, small, independently owned companies without ties to the regime and their close associates are effectively barred from obtaining mining permits⁷.

The approximately 300 small independent companies involved in jadeite mining prior to the 1995 Myanmar Gemstone Law have been replaced by joint ventures with the military regime. The expansion of mining areas and increased mechanization have led overall gem production in Burma between 2001 and 2006 to more than double⁸. By 2006, there were 10 companies involved in joint ventures in jadeite mining, and production was up to 20,390 tons, in contrast with the 120-130 tons of jadeite being produced in 1988⁹. Today, there are approximately 30 joint venture companies involved in jadeite mining and the nature of the industry has changed so significantly that one villager interviewed by AKSYU pointed out that “one mining hole which we used to mine for 10 years around 1960-70 is now finished within one month,” estimating that jade production had increased nearly 1,000-fold (LTJ).



Today's thirty joint venture companies operate in partnership with the Myanmar Gems Enterprises (MGE) under the regime's Ministry of Mines, or with United Myanmar Economic Holdings Limited (UMEHL), an enterprise under the Department of Defense owned by active and retired military personnel. The majority of ventures are either directly or indirectly (through subcontracts) held by large Burmese companies with direct relations to the junta's military generals. For example, the Htoo Company, directed by Tay Za, a business tycoon with close ties to Senior General Than Shwe and against whom the United States government imposed targeted sanctions this year, operates several mining operations in the Hpakant region of Kachin State¹⁰. As sub-contractors or otherwise, formerly independent miners have shouldered a heavy loss in their autonomy and capacity to benefit fairly from jadeite mining. One miner explained, "we can no longer do jade mining on our own, we have simply turned into their workers with very low payment" (MYT).

Effort has also been put into diversifying the jadeite industry in Burma to capture the market for value-added jadeite – jadeite that has been carved, polished, and set into products such as jewelry¹¹. Burma reportedly exported one ton of value-added jadeite products to Germany in October of 2006 and planned to export value-added jadeite products to Spain in 2007¹².

While the regime has consolidated its control over jadeite production in Burma by regulating who can be involved in jadeite mining, it has also streamlined the sale and trade of rough, uncut jadeite to maximize its revenue. In 2005, the junta declared jadeite a "national treasure" and mandated that all jadeite was required to go through national gem auctions in the former capitol of Rangoon, rather than being sold directly to merchants.

While the MGE has held annual gem auctions since 1964, it added a second, mid-year auction in 1992 and a special annual jadeite auction in 2004¹³. Since then, UMEHL has also begun to hold its own auctions¹⁴. There were six state-held gem auctions in Burma in 2007.

It is difficult to measure exactly how much Burma's military regime profits from the jadeite industry each year because of the general unreliability of official statistics, which often reflect volume of jadeite sales at auctions but not value. Additionally, individuals involved in the jadeite industry though not members of the military regime also profit from the gem auctions. However, revenue from mining permits, 20 percent royalties on all gemstones, and 10 percent taxes on sales in foreign currency collected by the military regime and military-controlled enterprises¹⁵, as well as the fact that the junta often maintains a majority stake in joint-ventures should also be taken into consideration when assessing the value of Burma's jadeite industry to the junta.

A November 2007 Businessweek article estimated that the total value of jadeite exports to China per year was US\$ 433.2 million¹⁶. Human Rights Watch has cited, but treated with skepticism, a reported figure of US\$647 million for the value of overall gem exports from Burma in fiscal year 2007-8, a significant increase over reported gem exports worth US\$297 million in fiscal year 2006-7¹⁷.

Jadeite mining with heavy machinery



“One World, One Dream”?

China's booming economy, its rise as a global cultural center, and the 2008 Summer Olympics as a constituent part of both of these, have led to an exponential rise in demand for jadeite, fueling the abuse-ridden industry and the overall oppression by the military regime in Burma.

While nephrite – a type of jade mined in the Hotan, Kunlun, and Hetian regions of China – holds more historical and cultural significance in China and is the source of materials for the over 3,000 Olympic medals being used in the Beijing Games, overall demand in the general market for nephrite has recently been eclipsed by that for jadeite from Burma. Burmese jadeite accordingly dominates the open market for jade.

Indeed, while BOCOG has publicly stated officially licensed products such as Olympic souvenirs are being made with Chinese jade, it is encouraging foreign visitors to China for the Olympics to buy non-officially licensed jade products on the open market, as well. BOCOG's online shopping guide for Olympic tourists is very clear that “the jade sold in Hong Kong is mostly jadeite from Burma” and actively encourages tourists to patronize jade markets.¹⁸

Jade merchants as well as their suppliers in Burma have been anticipating a potential increase in sales during and directly around the time of the Olympics. In July 2006, MGE's deputy director in charge of jade was quoted in an article in an independent weekly in Burma as saying “the Chinese are making jade sculptures and statues for the Beijing Olympics... They will sell to foreigners who go to the Games. They have a plan to make a lot of jade sculptures to sell during the Olympics”¹⁹.

Interviews conducted by the All Kachin Students and Youth Union (AKSYU) with individuals involved in jade mining in the Hpakant region in Kachin State, Burma also reflected this perceived trend:

Their target is the jade market during the Olympics. The [merchants] buy jade whether it's good quality or not. They just buy it here at a low price and bring it to China and store it there.... When jade is gone in Kachin State, Burma, China may be the only jade market in the world. I don't think it will be long before all the jade in Hpakant is gone.

- ZR, villager

Some have bought jade to carve and polish for rings, bracelets and lockets. They buy much more with the intention to sell in show rooms during the Olympic Games. They will sell to international buyers who visit China during the Olympics.

- ZH, jade mining company employee

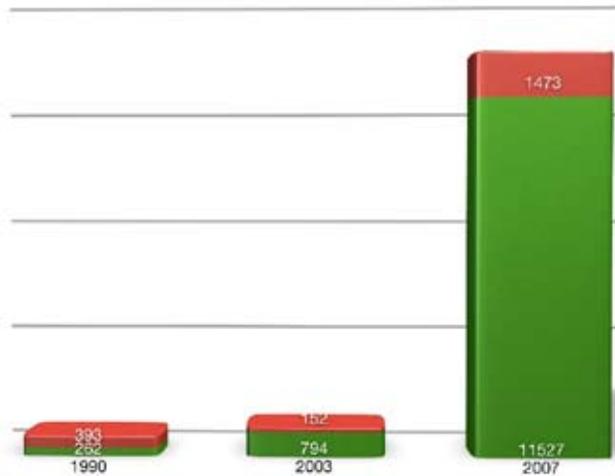
An informal survey of jade shops and galleries in Beijing conducted by 8-8-08 for Burma in June 2008 concluded that the majority of jade for sale is from Burma. In the absence of a system that certifies the origin of jade stones and jewelry, store clerks and merchants often claimed that their merchandise was from southern China. Only when pressed did they clarify that they bought jadeite from private suppliers in southern Chinese jade centers like Guangzhou, but that it was originally from Burma.

Gem-quality jade, particularly ‘Imperial Green’ jadeite, holds an exceptional value and can only be found in Burma. Of the ten most expensive jewels sold by Christie's auction house worldwide in 1999, five were jadeite, including three of the top four²⁰. One of the most famous jadeite pieces ever on auction was “Doubly Fortunate,” a necklace of twenty-seven uniform beads of 15mm, which sold for US\$9.3 million in 1997²¹.

China's rapidly expanding economy has created a new market for gem-quality jadeite – as the value of such jadeite is perceived to rise, many in China's growing elite have pursued purchases as financial investments²². In 2006 alone, sales of rough jadeite from Burma to China reportedly increased up to 70 percent²³.

This increase in Chinese demand for jadeite supports reports that it now dominates gem auctions in Burma, with decreasing selection of other precious gems available²⁴.

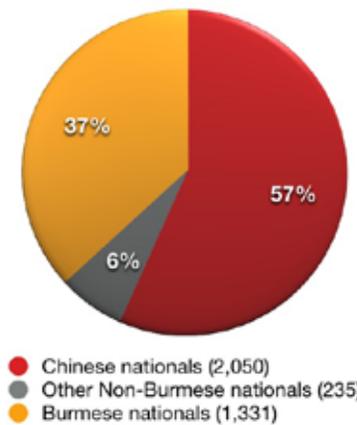
Jade lots vs Other gems sold at National Gem Auctions



(Burma Press Summary (from Working People's Daily - 13 February 1990), Vol IV, No 2, February 1990)
 "Myanmar fetches 23 mln dlr from gem sale", Xinhua, 24 March 2003
 "Mid-Year Gems Emporium fetches over 15.2m euro", New Light of Myanmar, 23 October 2003
 Pala International, "Special Report: Burma Gem Sales and Statistics", 16 July 2008, Pala International website (http://www.palagems.com/gem_news_burma_stats.htm), viewed on 23 July 2008
 "Almost 70 percent of gems sell at Myanmar auction: report", Agence France Presse, 17 October 2005
 "Myanmar wraps up million dollar gem sale", Agence France Presse, 21 March 2007
 "MGE says jade sale biggest ever", Myanmar Times, Vol 19, No 376, 23 - 29 July 2007
 "Mid-year Empo sells 3618 gem, jade, pearl lots", New Light of Myanmar, 27 November 2007)

Chinese merchants made up 90 percent of the foreign merchants and 55 percent of overall attendance at the MGE auction in November 2007, in line with a consistent trend over the past several years in attendance at the auctions in Rangoon²⁵.

Attendance at Gem Auction, November 2



"Myanmar wraps up gem auction amid boycott calls: report", Agence France Presse, 27 November 2007
 "Mid-year Empo sells 3618 gem, jade, pearl lots", New Light of Myanmar, 27 November 2007

Since 2001, but especially following last year's crackdown on monk-led protests in Burma, international civil society groups – including prominent jewelers and jewelry associations – have promoted boycotts and sanctions on Burmese gemstones. The Tom Lantos Block Burmese JADE Act was signed into law in the United States on July 30, 2008, closing a loophole on preexisting sanctions on Burmese gemstones to include value-added Burmese gemstones imported to the United States via third countries like Thailand. Canada imposed a ban on all imports of products of Burmese origin in December 2007 and the EU specifically bans Burmese gemstones²⁶. Thus, westerners seeking to acquire Burmese jadeite will likely have to travel to China and other jade-trading nations like Thailand. However, without a global call for consumers in China – including foreign independent travelers, tour groups, and even visitors staying in 'Olympic Homestays' organized by the Beijing Municipal Tourism Administration²⁷ – to boycott jadeite, many are bound to become unwitting supporters of Burma's military regime and the widespread and systematic abuses upon which Burma's jadeite industry relies.

Voices from Jade Land: The Human & Environmental Costs of Jadeite Mining In Burma

By consolidating control over the jade industry, Burma's military regime has reaped significant profits at immense cost to the human rights and environmental security of the people living in Kachin State. The following section draws on several years experience of ASKYU working in jade mining areas as well as thirty interviews conducted by AKSYU between September 2007 and May 2008 with jade miners, jade traders, mining company employees, community leaders, drug users, and sex workers in Kachin State. To protect the security of the interviewees, they are identified only by their initials. All original interviews remain on file with AKSYU.

Since 2006, tens of villages and thousands of people have lost their homes and lands due to expanded jade mining. Companies working with the Burmese government are confiscating lands and forcing people to relocate. Ownership documents and agreements have proven useless in protecting against the onslaught and compensation, if given at all, is drastically beneath the market price. Complaints and formal lawsuits alike have found no redress.

Entire villages have been ordered to move out to make way for mining operations, often without any indication of where they should go. The encroaching mining operations have also made some areas so uninhabitable that people have no choice but to flee. Strip mining and improper disposal of soil are causing landslides, erosion and unnatural flooding. These factors are also forcing people to relocate and causing environmental damage.

Miners work in life-threatening conditions without protection; accidents and fatalities occur without record or compensation. Miners that used to have a stake in smaller operations are now daily wage earners for companies making less than US\$1 per day. Those that cannot get a job with a company resort to being *Yemase* or stone collectors who sift through dumped soil and tailings. They are hunted, beaten and killed by company security, sometimes hired Burmese Army soldiers, if found on "company property."

Drug abuse (including injection drug use) is notorious in jade mining areas; heroin, raw opium, methamphetamines and various mixtures of drugs are widely available. Companies give out drugs to miners to encourage them to work longer while state authorities extort bribes and taxes from drug dealers, allowing the business to thrive. The government sells licenses to drug dealers and only takes action against those sellers who have not paid their dues. Local leaders trying to find the solution cannot close down drug centers because drug sellers merely pay bribes to the government to stay open.

The transient nature of mining communities coupled with limited job opportunities and low wages for women cultivates a sex industry in jade mining areas. "Sex centers", or a room of 10-30 women working in small sections cordoned off by curtains, are easy to find. Young women forced into such work by economic desperation find it difficult to escape the situation. The sex industry together with injection drug use has been a recipe for an HIV/AIDS epidemic in Kachin State that has spilled over the border into China. HIV seroprevalence rates in injecting drug users of 60-80 percent were recorded in the town of Ruili just opposite the Burmese border in the 1990s. Today four prefectures in Yunnan Province are regarded as having "generalized HIV epidemics."²⁸

Land confiscation & forced relocation

“The company came and simply took the land.” – LTJ

“I have followed ten law suits over land confiscation cases. All of the plaintiffs have official titles of ownership but the government-affiliated companies zoned their land for mining. The owners asked for compensation, but the companies did not pay...and they can't say anything against it.” – LTJ

“In 2007, Sharaw Hka, Moziza and Kate villages had to relocate. Gwi Hka village has been moving since last year and everyone has to be gone within this year. The entire village of Maw Mau Layang was also ordered to relocate. The government said they would show the people where to go, but still no notice has been given. The company is only giving about 2-300,000 for a house that is worth 10 million.” - MYH and TL

“In June 2007, my village of 800 households was forced to move. No one received any compensation. A resettlement place was prepared but it was just on top of a heap of dumped soil and tailings from mining. We even had to pay 30,000 kyat for that terrible land.” - MYH

“They confiscate farmland and forcibly relocate villages. Every year, we have to move from place to place and build a new house – and we have to move more and more often. The explosions in the mines affect our houses, and sometimes the explosions hit people's homes and people are killed.” - SDY, jade merchant

“The Kachin Baptist Church was taken. Under Burmese Law, churches and temples can not be confiscated. But they did it anyway - no matter what kind of place, it can be zoned for mining.” - LTJ

“Our homes and gardens are being designated as mining zones and confiscated without compensation by the government and its companies. Many parts of Hpakant now look like a garbage heap. The company mines all around the homes until the area is destroyed. The authorities don't even come and see the situation.” - LA

Displaced village, forcibly relocated to the middle of a mine



Environmental destruction

“No one cares about the environment. Hpakant used to be a green place with trees and bamboo. But these are all gone now and Hpakant is like a garbage dump. The Uru River is dirty all the time. Hpakant town which was once located on the mountain now floods every rainy season. Leftover soil from the mines flows through the whole town.” – LA

“One of the biggest problems in Hpakant is where to throw the sediment from the mining. They destroy a 10,000-foot high mountain and in dig 500 feet into the ground, and the question is where to throw the soil? They throw it into the Uru River which raises the floor of the river making the river bank narrow and causing floods. In the rainy season sediment heaps which are higher than the village collapse and flow into the village, destroying houses. Half of the homes in Aye-Thar-Yar block of Hpakant City are flooded with mud during the raining season. In Seng Tawng, about 300 households are facing similar problems.” - ZK, Yemase collector

“They dump soil into the Uru River and the river bed has been rising and rising. The government has a law that no one should block a good river, but I’ve never seen anyone take action to protect the river. Now in Hpakant and Seng Tawng we have very severe flood problems that are pushing people to relocate.” - PSNL

Flooding of the U Ru River



Hazardous working conditions

“Many people die while working in the mines. Some died from land collapses, others from sudden releases of water or accidents with the machines. Many simply die without record and the reason is never known. These cases are finished quickly by the owner of mining company negotiating with local authorities or the Northern Commander.” - LTJ

“I saw [someone die in the mine] with my own eyes in November 2007. One boy was looking for leftover jade in the runoff from the mine. A stone fell from above and hit him in the head. He died instantly. I’ve heard of many people dying when mines collapse or because of accidents with dynamite. People disappear without a trace.” - MM

“... About 100 workers died when a 100-foot deep collapsed on them. No one knew about it. But then the Uru River disappeared for two days. The water from the river went into the hole left at the mine and when the water came out again smelling like dead bodies, the people knew that miners had died inside.” - ZR

“When we search we have to be very careful. Sometimes stones collide and fragments hit a searcher; other times a big stone falls from above and people can die on the spot. Three months ago in Moziza, three people got sucked into a sinkhole as the sediment mound collapsed. The backhoe dug up for them immediately but one was already dead. The other two were seriously injured; one had his waist crushed by the backhoe.” - BS

“If something happens, there is nobody to rescue you.” NW

“Ordinary workers (day laborers working for a company) get about 40,000 kyat (US\$33) per month. In addition, they get a small bonus like 100 kyat for finding small stones, or 1-10,000 kyat for big ones. They pay it to convince the workers [not to take the stones]. Since this is such a small amount, the companies no longer hire local people – the locals ask more money as they know the jade quality and real value. Workers from lower Burma that know nothing about jade are brought in to work for the companies now.” - LYA

“200- 300 miners work in one mine day and night with heavy machinery operating around them.” - LA

“Daily workers are forced to work overtime with no additional money. They are beaten when they make a mistake, sometimes jailed.” – ZR

Yemase collectors - the life of a jade seeker

As jade mining has become more consolidated, squeezing out small operations and importing workers from different regions, local miners have turned into *Yemase* collectors who spend their days and nights sifting through garbage heaps left by the larger mining operations. They inhabit the bottom rung of the social ladder in the mining areas, suffering undocumented and untreated injuries, drug addiction, and violence at the hands of company and soldiers hired to serve as company security. Today approximately one-third of the people in Hpakant earn their living as *Yemase* collectors.

“Sometimes they found a precious stone from the garbage but the company simply grabbed it. Stone collectors are sometimes beaten. In a few cases collectors who found jade were chased down and killed by the backhoe.” Some companies do not even allow local people to search for stones in their garbage.” – LY

“We only search in the sediment coming out of the company’s mine. If we searched in the restricted areas we would be punished. We search from 11 pm to dawn and sleep in the day time. The youth prefer to search at night; they use amphetamines to stay awake. I also use drugs - I would say 80 out of 100 people are using. We buy as much heroin as we can afford.” – UNW, yemase collector and drug user

*“Sometimes a seeker can find a precious jade stone. But if he finds such a stone in an area banned by the company and gets caught, he can be tortured and killed. In May this year fifty Yemase collectors trying to find stones in one company’s area were caught and had a huge fight with the company’s workers. Nobody died but about 20 wound up with serious injuries and were taken to the hospital. **In the mining areas, the companies make their own laws.**”* - TL and MYH

“Yemase collectors are not allowed in company areas. In October 2007, one young Yemase collector was gunned down while he was digging around in Seven Star’s area. No one took action against the gun man because he was ordered by the company.” - PSQL

“Children as young as 12 are working as Yemase collectors. If they don’t find a stone, they steal, and the companies shoot or beat and kill them.” - MM

Militarization of mining areas

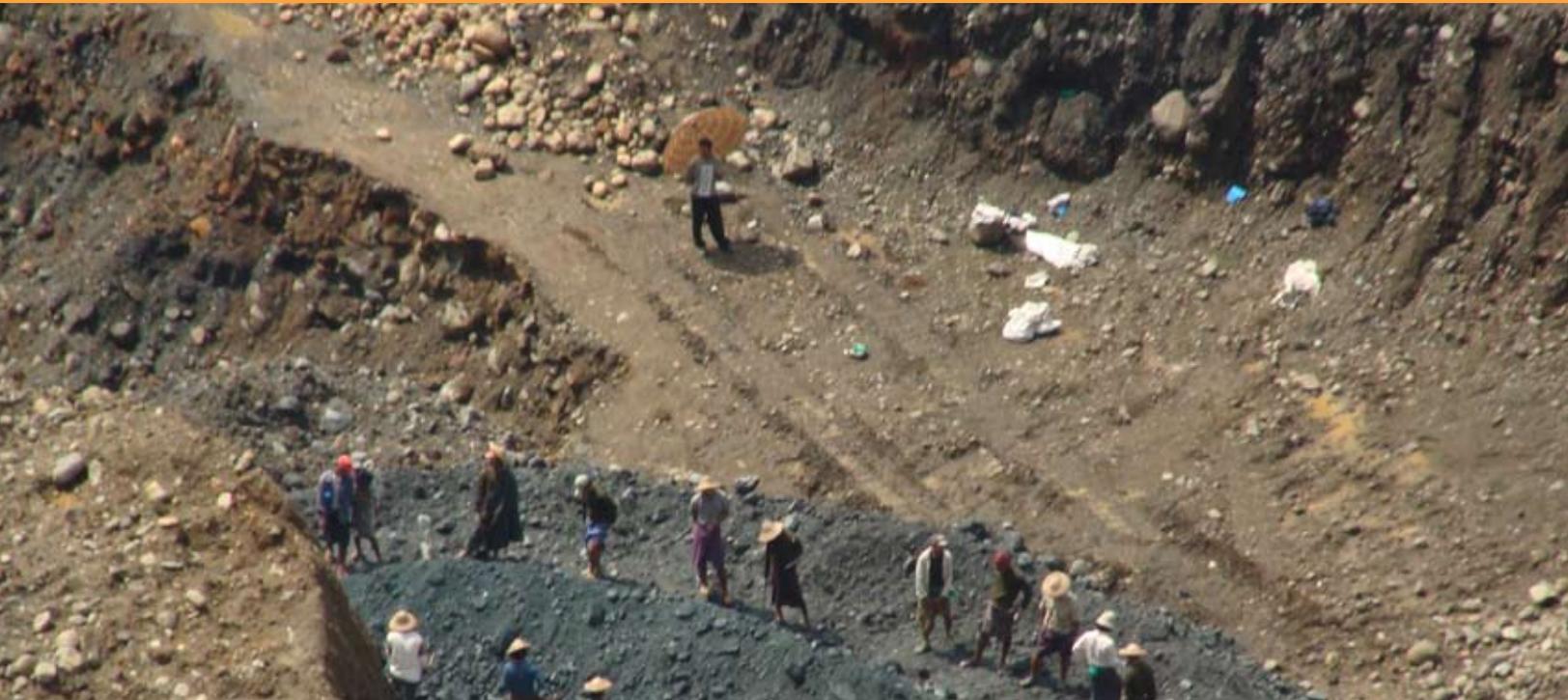
Now that jade mining is done more commonly by joint venture, the presence of Burma's military has increased in mining areas. Officers and soldiers are involved screening and watching over workers and providing "security" for companies. Military authorities allow company violence to occur with impunity and have arrested youth, some of them under 18 years old, and put them in the Army.

*"Soldiers are always watching at the mine. There is an Army Major from Yangon that lives in the mine office and two others are always in the jade department office. **Since the joint ventures started, it is like working for soldiers.** The workers have to give their license, biography, and several photos in order to get a job. They have to report to the jade department office every day how much jade was mined. Everything is controlled to prevent stealing. No one is allowed to mine in a 20-mile radius around the operation. [If we don't work there] we don't even have a chance to get close to the mine." – LA*

"In 2006 some Yemase collectors went to search for stones in the sediment from a jade mine but the company forbade it and fought with the searchers. The Northern Commander came to investigate the situation but he said that he was not responsible for anything that happened in the company compound, even if Yemase collectors are killed." - WL

"Over the past three years, the government has been forcibly recruiting young people at night for the Army. They arrest people saying they are "living under the dark." Some have been sent to the Myitkyina military recruit center and some to Naypyidaw." - MM, jade miner

A man watches over workers in a mine



Big profits fueling drug crisis

"... Go and look at the headstones in the cemetery in Myitkyina and Jaw Bum. You'll see that the average lifespan for Kachin people is 29. How short-lived they are. Young people come to Hpakant with hope of earning money, but face hardship and return home. All they get in Hpakant is a drug habit and crime... Now the situation is a crisis for Kachin youth. They are living without a future." - LTJ

"The bosses are using drugs like fish food to get jade from the workers." – DBS, village leader

"Those selling drugs with a license or who have paid tax are not arrested. Nowadays we are under attack by drugs; it is a war. When drugs are sold so freely here, local Kachin youth are easily becoming targets of drugs." - LTJ and LA

*"We can not force the drug centers to close. Even if we close one time the sellers give a bribe to the government officers. The government and the drug sellers get big profits from drugs and the police are taking security **for** the drug sellers and users." - DBS, village leader*

"I can not imagine how many police come in a day to collect bribe money. If you watch you will see at least three policemen in one hour. The sellers have to give thousands of kyat each time. They divide up into their own areas. The big sellers can make 7-8 million kyat per day." - SWL

Drug user in Hpakant



Exploitative sex work and injection drug use: a deadly combination

One in 50 adults in Burma is estimated to be infected with HIV with rates among sex workers and drug users among the highest in Asia.²⁹ Injecting drug use accounts for approximately 26-30 percent of new HIV infections. The HIV infection rate among injecting drug users is one of the highest in the world, with around 50% of all users in the country having contracted the disease.³⁰

"More and more girls are becoming prostitutes without choice due to economic hardship." - LA

"I estimate that 50% of the youth in Hpakant have HIV. There are 140 sex centers and I think there are over 2,800 sex workers in Hpakant." – JI, NGO worker

"I have to do this work even though I don't want to because the head of the brothel paid my mom's hospital bills and I have to pay him back." – LLLA, sex worker

"I started this job when I was 14 years old and now I'm 18. Most of the customers are quite old people. I spend 20 minutes on each customer and can get 6,000 kyat (about US\$5). But I have to give 3,000 to the leader [of the brothel] and 2,000 for food, water and light per day [leaving less than US\$1]. I want to get out from this job but the leader said if I want to leave I have to find one person to replace me. I want go to medical school if I can get out of here." - LLLA, sex worker

"I've been using heroin since 1998 [12-years-old], and injecting for the past two years. I started because my friends gave it to me for free at first... I have to inject three times a day now. Each injection costs 1500-3000 kyat (\$1.50-3). If I had money, I'd use more. I feel very sick if I can't get high." – NT, Yemase collector and drug user

Sex workers in Hpakant night club



Conclusion

While blood jade is only one part of China's vast economic relationship to Burma's military rulers, it is an industry on which individuals can have a direct and substantial impact, if they make conscientious decisions not to buy blood jade products.

The Beijing Games will highlight jade to the world market, potentially increasing the global trade in Burmese jadeite. It is therefore important that the Olympic movement find clear and creative means to distance itself from the trade in blood jade to protect the integrity of the most important symbols of the Olympics and the fundamental values enshrined in the Olympic Charter, as well as to safeguard the trust of the world's citizens who are at risk of becoming unwitting parties to a global industry mired in a system of abuse and lawlessness.

Although this report concentrates on jadeite, 8-8-08 for Burma and the All Kachin Students and Youth Union also recognize China's deep and complex relationship with the military ruling Burma. China has sold up to US\$3 billion in weapons and military equipment to the regime, is among Burma's largest trading partners and foreign investors, and has staunchly defended the military regime from condemnation and sanction in forums such as the United Nations Security Council³¹. The several hundred million dollars that Burma's military rulers make from jadeite in one year is comparable to just one of the US\$200 million interest-free loans that China has made to the regime, and a fraction of the US\$1 billion that they will make from Chinese construction of pipelines to transport natural gas and oil through Burma and into China³².

Calls to Action

8-8-08 for Burma and the All Kachin Students and Youth Union issue the following calls to action to mitigate the impact of the trade in blood jade from Burma.

Individuals

Individuals – global consumers, visitors to China, Olympic spectators, and Olympic athletes – should boycott the sale of Burmese blood jade. The origins of jade available on China's open market can be difficult to discern and consumers should not buy any jade products unless they have the utmost confidence that it is not jade from Burma.

The Beijing Organizing Committee of the XXIX Olympiad (BOCOG)

BOCOG promotes the sale of jade souvenirs that are not officially licensed BOCOG products at substantial risk to the ideals and legacy of the Beijing Games and the Olympic movement. BOCOG should cease to promote such unofficial jade souvenirs through their website, publications, Olympic homestays, and tours.

The Government of the People's Republic of China and other major jade-trading nations

The governments of Burma's neighbors and major jade-trading nations – including China, Singapore and Thailand – should prohibit the import of jadeite as well as the export of finished jadeite products, knowing that much of the world's jadeite, and all gem-quality jadeite, originates from Burma.

Endnotes

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