

The murder of 13 sailors on the Mekong was the deadliest attack on Chinese nationals overseas in modern times. China has responded with military muscle in the opium-growing Golden Triangle

# MURDERS ON THE MEKONG

BY ANDREW R. C. MARSHALL  
ON THE MEKONG RIVER, JAN 27



REUTERS/SUKREE SUKPLANG

**SIGN OF DANGER:** A marker at the Thai village of Sop Ruak on the Mekong river at the point where the borders of Thailand, Laos and Myanmar meet.

**A** thin line divides tourism, trade and terror in the Golden Triangle, where the lawless borders of Thailand, Myanmar and Laos meet.

In Myanmar, where the jungly banks of the Mekong River vanish into the mist, lies an anarchic realm of drug smugglers, militiamen and pirates on speedboats. "I'm scared to go any further," says Kan, a 46-year-old

boatman, cutting his engine as he drifts just inside Myanmar waters from Thailand. "It's too dangerous."

It was here, according to the Thai military, that 13 Chinese sailors on two cargo ships laden with narcotics were murdered in early October. It was the deadliest assault on Chinese nationals overseas in modern times. But a Reuters investigation casts serious doubts on the official account of the attack.

The Thai military says the victims were killed upriver before their ships floated downstream into Thailand. But evidence gleaned from Thai officials and unpublished police and military reports suggests that some, if not all, of the sailors were still alive when their boats crossed into Thailand, and that they were executed and tossed overboard inside Thai territory.

Their assailants remain unknown. Initially,

the prime suspect was a heavily armed Mekong pirate who terrorizes shipping in Myanmar. But then the investigation turned to nine members of an elite anti-narcotics taskforce of the Thai military.

New patrols by Chinese gunboats were supposed to restore peace to the region. But a visit to the Golden Triangle also found that attacks on Mekong shipping continue.

Incongruously, just across the river from where the ill-fated ships were found moored, on the Laos side of the triangle, Reuters also discovered a vast casino complex catering to Chinese tourists. Its Chinese owner regards it as a "second homeland"; others worry it could morph into a strategic Chinese outpost.

### CHINA'S MEKONG AMBITIONS

The events are unfolding at a time when Myanmar is in the international spotlight. The country's decision last year to end a half-century of isolation by freeing political prisoners and reaching out to the West has the potential of to reshape this promising but impoverished nation and the entire region.

The geopolitical murder mystery is set against the backdrop of Southeast Asia's famed Mekong River, which flows from the Himalayas through China, where it is called the Lancang, and into Myanmar, Laos, Thailand, Cambodia and Vietnam.

Around 60 million people depend on the river and its tributaries for food, transport and many other aspects of their daily lives. Beijing has invested heavily in the Mekong as part of a strategy to expand its economic and diplomatic influence in Southeast Asia, dynamiting some sections to allow bigger ships to pass, streamlining import and export procedures, and improving shipping support facilities.

The Mekong is an increasingly lucrative trade route. Cargo volumes between Thailand's Chiang Saen and ports in China's Yunnan province have tripled since 2004, with about 300,000 tonnes of mainly agricultural goods now transported along the Mekong every year, Mekong River Commission statistics show.

All Chinese shipping on the Mekong was suspended after the October massacre, which sparked popular outrage in China, with photos of the sailors' bodies circulating widely on the Internet. Shipping resumed five weeks later, with the departure of 10 cargo boats from the Mekong port of Guanlei -- protected by heavily armed Chinese border guards on speedboats.

The patrols, ostensibly conducted with Myanmar, Laos and Thailand, are a major expansion in Beijing's role in regional security,

The screenshot shows the Interpol website header with the logo and tagline "CONNECTING POLICE FOR A SAFER WORLD". Below the header is a navigation bar with links for HOME, ABOUT INTERPOL, NEWS AND MEDIA, MEMBER COUNTRIES, and INT. A "Back to Search result" button is visible. The main content area features a profile for SAI NAW KHAM, including a photo and a "LEGAL STATUS" section with the following details:

Present family name:	SAI NAW KHAM
Forename:	
Sex:	Male
Date of birth:	08/11/1969 (42 years old)
Place of birth:	MONE YAI, Myanmar
Language spoken:	Burmese, Thai
Nationality:	Myanmar

MEKONG PIRATE: A screenshot from Interpol web site shows Naw Kham.

extending its law enforcement beyond its borders, down a highly strategic waterway and into Southeast Asia. They come as the U.S. re-engages with Asia, where Thailand is one of its oldest military allies.

"This tough new China policy toward any obstacles to their Mekong commerce could in future be met with charges of gunboat diplomacy," said Paul Chambers, an American academic who co-authored "Cashing In Across The Golden Triangle" with Myanmar economist Thein Swe. "In the future, some Mekong states may increasingly turn to the U.S. to offset China's influence."

### METH MADNESS

But as Chinese influence grows, it is encroaching on a region dominated for decades by a much more profitable trade: narcotics. The mountainous Golden Triangle is probably named after the gold once used to barter for opium. Today, Myanmar is the world's second-biggest opium producer after Afghanistan. Methamphetamine production here is soaring as well.

Even a show of strength by China hasn't tamed this wilderness. Three Myanmar soldiers were reportedly killed in December when their joint patrol with Laos clashed with armed bandits about 20 km (12 miles) upriver from the Thai border town of Sop Ruak, near the Mekong pirate Naw Kham's haunt of Sam Puu Island.

It was here that the two Chinese vessels were supposedly attacked.

On the morning of Oct. 5, the two cargo ships, Hua Ping and Yu Xing 8, drifted

down the Mekong into Thailand. The Hua Ping was carrying fuel oil; the Yu Xing 8 had apples and garlic. Sometime after they crossed the border, the ships were boarded by an elite Thai military unit called the Pha Muang Taskforce, named after an ancient Thai warrior king. On the Yu Xing 8's blood-splattered bridge, slumped over an AK-47 assault rifle, was a dead man later identified as its captain, Yang Deyi, the taskforce said. The Hua Ping was deserted.

Aboard the two ships were 920,000 methamphetamine pills with an estimated Thai street value of \$6 million.

The corpses of the 12 other crew members were soon plucked from the Mekong's swirling waters. Their horrific injuries were recorded in a Thai police report. Most victims had been gagged and blindfolded with duct tape and cloth, with their hands bound or handcuffed behind their backs. Some had massive head wounds suggesting execution-style killings; others had evidently been sprayed with bullets.

Li Yan, 28, one of two female cooks among the victims, also had a broken neck.

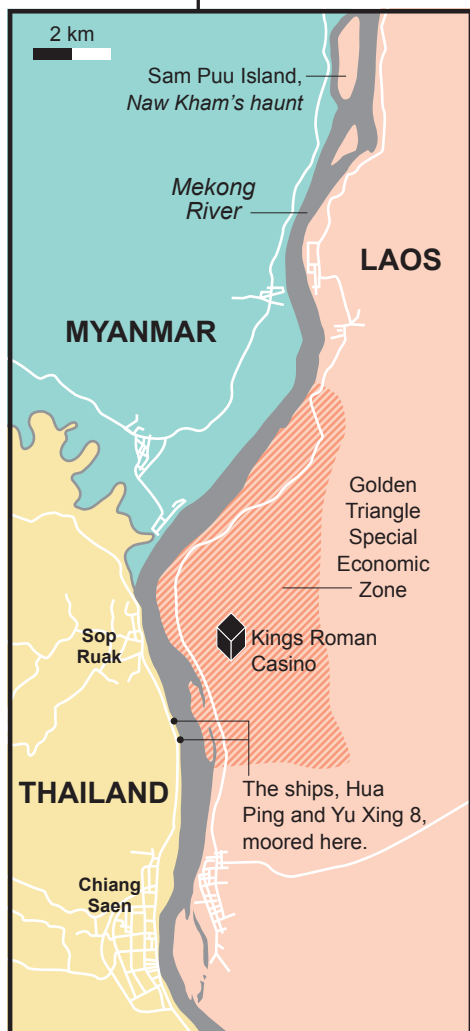
### THAI INVOLVEMENT?

As a furious Beijing dispatched senior officials to Thailand to demand answers, a suspect for the massacre emerged: Naw Kham, the fugitive "freshwater pirate" of the Mekong, a member of Myanmar's ethnic Shan minority whose hill tribe militia is accused of drug trafficking, robbery, kidnapping and murder.

Naw Kham is not the only suspect. On Oct. 28, nine members of the Pha Muang Taskforce

# Lawless Golden Triangle

...Where traders, tourists and pirates roam



appeared before police in the northern city of Chiang Rai to answer allegations of murder and tampering with evidence. During a visit to Bangkok in late October, China's vice minister of public security, Zhang Xinfeng, described this as "important progress" and concluded: "The case has been basically cracked."

In reality, the case is far from solved.

Thai police have interviewed more than 100 witnesses and are still investigating. Despite reports to the contrary in Chinese and Thai media, the nine soldiers -- who include a major and a lieutenant -- have not been charged with any crime and remain on active military duty.

The Pha Muang Taskforce says its members boarded the Chinese ships after they had moored near the Thai port of Chiang Saen. But a prominent Thai parliamentary committee, which is also investigating the massacre, not only undermined this assertion but alleged official complicity.

"Circumstantial evidence suggests that Thai officials were involved in the sailors' deaths," the House Foreign Affairs Standing Committee said on Jan. 12 in an apparent reference to the military task force. "However, their motive, and whether it is connected to the drugs found on the ships, remains inconclusive," it said in preliminary findings seen by Reuters.

Early the next morning after that report, unknown assailants on the Myanmar riverbank lobbed two M-79 grenades at four Chinese cargo ships and a Myanmar patrol boat. Both missed. Ten days after that, yet another Chinese ship was fired upon from the Laos bank. Again, nobody was hurt -- and nobody identified for the attack.

## "OPIUM KING"

Naw Kham has become a near-legendary figure. So many shipping attacks are attributed to this 46-year-old ethnic Shan that it seems as if the Mekong ambitions of the Asian superpower are being foiled by a medieval-style drug lord with a few dozen hill tribe gunmen.

Naw Kham started out as a lowly administrative officer in the now-defunct Mong Tai Army (MTA), said Khuensai Jaiyen, a Shan journalist who also once served in the same Shan rebel group. The MTA's leader was Khun Sa, the so-called "opium king" of the Golden Triangle, who had a \$2 million reward on his head from the U.S. Drug Enforcement Administration until his death in Yangon in 2007.

But while Khun Sa was a flamboyant figure who courted media attention, Naw Kham is

so publicity shy only two photos purporting to be him exist. Both are blurred, and show a faintly smiling man with protruding ears, thick eyebrows and a mop of black hair.

One of the photos is attached to an Interpol red notice seeking the arrest of a fugitive Myanmar national of the same name. The notice lists the man's birthplace as Mongyai, a remote area of Myanmar's war-ravaged Shan State.

A second big difference between Khun Sa and Naw Kham: the drugs that allegedly enriched them.

Opium and heroin are no longer the Golden Triangle's only products. Since the late 1990s, secret factories in Shan State have churned out vast quantities of methamphetamine. This highly addictive drug is known across Asia in pill form by the Thai name yaba ("crazy medicine") and in its purer crystalline form as ice or shabu.

It is now the top drug in Japan, South Korea, the Philippines, Thailand, Cambodia, Laos and Brunei, the United Nations Office of Drugs and Crime reported in 2011. Naw Kham's rise coincided with this explosion of meth use, which transformed the ill-policed Mekong between Myanmar and Laos -- Naw Kham's patch -- into one of Southeast Asia's busiest drug conduits.

Every year hundreds of millions of Myanmar-made methamphetamine pills are spirited across the river into Laos or down into Thailand. The trade is worth hundreds of millions of dollars -- enough to corrupt poorly paid law enforcement officials across the region.

Narcotics are not the Mekong's only contraband.

Other lucrative goods include: endangered wildlife such as tigers and pangolins; weapons, stolen vehicles and illegal timber; and, in the run-up to this month's Tet celebrations, thousands of dogs in filthy cages bound for restaurants in Vietnam.

There is human contraband too. Illegal migrants from Myanmar and Laos are bound for Thailand's booming construction or sex industries, while a constant stream of North Koreans journey across southern China and through Laos to surrender to the Thai authorities, who obligingly deport them to South Korea.

## "MADE-UP CHARACTER"

Naw Kham gets a cut of "anything that makes money and passes through his territory," said Khuensai Jaiyen, who runs the Shan Herald Agency for News, a leading source of news from largely inaccessible Shan State, based in Chiang Mai, Thailand. He believed

the most recent attack on a Chinese ship happened because the crew, thinking the new patrols would protect them, didn't pay the usual protection money to Naw Kham.

Naw Kham proved impossible to reach for comment: Thai boats dared not sail to Sam Puu Island. Kheunsai Jaiyen said he was in hiding.

The freshwater pirate has capitalized on growing resentment towards China's presence along the Mekong. Cheap, high-volume Chinese goods are squeezing Thai and Myanmar farmers and small traders, and threatening to turn Laos into what Paul Chambers called "a mere way-station".

So when the crew of the Hua Ping and Yu Xing 8 were fished from the Mekong, Naw Kham seemed the obvious culprit. Yet both Kheunsai Jaiyen and Thai MP Sunai Chulpongsatorn, who chairs the parliamentary foreign affairs committee, remained unconvinced. Sunai believed that a Naw Kham legend had been created by attributing attacks by other Mekong bandits

to him.

"There are many Naw Khams, not just one," he said. "It's like in a drama. He's a made-up character. He exists, but it seems he has been given a lot of extra importance."

Lost in China's outrage over the massacre was the possibility that the Chinese sailors were themselves involved in the drug trade. One theory holds that Naw Kham suspected that the Chinese vessels contained large shipments of narcotics, and dispatched men to seize the illicit cargo and brutally murder the crew to deter others from running drugs through his territory.

#### WHERE WAS SHIP ATTACKED?

The Pha Muang Taskforce, based in the northern Thai city of Chiang Mai, insists that Naw Kham, and not its nine soldiers, is responsible for murdering the Chinese sailors. The taskforce declined to be interviewed for this story, citing the ongoing investigation.

But Reuters has obtained the taskforce's report of the incident to the foreign affairs

committee in November. It stated that on Oct. 5 the Pha Muang force boarded the two cargo ships in Chiang Saen after learning they had been attacked near Sam Puu Island. They reported finding the dead captain on the Yu Xing 8's bridge and, in its hold, a cardboard box with 400,000 methamphetamine pills. Another 520,000 pills were hidden in three sacks aboard the Hua Ping.

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**"There are many  
Naw Khams,  
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Both ships were peppered with bullet-holes. There were 14 bullets or bullet casings on the Hua Ping's decks, said Thai police, and two blood trails apparently indicating where bodies had been dragged and tossed overboard.

For Pha Muang, it was just another incident in its self-declared 11-year-old mission

**MEKONG MUSCLE:** Chinese policemen prepare for their first patrol mission along the Mekong River.



REUTERS/CHINA DAILY



REUTERS/SUKREE SUKPLANG

**GOLD IN THE TRIANGLE:** Chinese run Kings Roman casino in Laos is no "little Macau."

"to help secure the well-being of civilians residing along the three-nation border." But the taskforce's account has crucial gaps, said MP Sunai, the parliamentary committee chairman investigating the murders.

Pha Muang said the ships had already docked near Chiang Saen when its soldiers boarded them. But if one ship had only a dead captain aboard, and the other no crew at all, how did they drift down the fast-flowing Mekong without running aground, then safely moor near Chiang Saen?

"It's a 200-tonne ship," said Sunai. "With nobody steering, it would have lost control long before it reached the riverbank."

The same point is made by a senior Thai official in Chiang Rai province who is close to the investigation and spoke on condition his name and exact profession were not identified. The boats could not have docked without both a captain and engineer on board, and they would probably need to read Chinese to understand the controls, he insisted.

He was also convinced that some, if not all, of the Chinese sailors were alive when their ships reached Thailand. According to witnesses, he said, four smaller boats had escorted the two ships through Thai waters to the sound of gunfire.

When the ships moored, about seven men jumped from them onto the smaller boats, the Thai official said, which then sped upriver again. The Thai official couldn't say who these men were, but believed that the military, who had sealed off the area, watched them go.

## GAMBLING EMPIRE

On the Laotian bank of the Mekong, clearly visible from where the ill-fated Chinese ships stopped, an enormous crown rises above the tree line. It belongs to a casino, part of a burgeoning gambling empire hacked from the Laotian jungle by a Chinese company called Kings Romans in English and, in Chinese, Jin Mu Mian ("golden kapok"), after the kapok trees that carpet the area with flame-red flowers.

Kings Romans controls a 102-sq-km (39-sq-mile) special economic zone (SEZ) which occupies seven km (four miles) of prime Mekong riverbank overlooking Myanmar and Thailand. The company's chairman is also the SEZ's president: Zhao Wei, a casino tycoon who hails from a poor peasant family in China's northeastern Heilongjiang province.

Zhao was unable to talk to Reuters because he was preparing to welcome Laotian president Choummaly Sayasone to a Chinese New Year festival, said Li Linjun, Kings Romans tourism manager. Li offered a tour of a Special Economic Zone into which he said the company had so far sunk \$800 million.

Fountains and golden statues flank the main road from the pier to the casino. Across the road is a banner in Chinese exhorting people to "join hands to beat drugs."

Two gargantuan lion statues guard the entrance to the casino. Inside, beyond the security gates, a marble staircase lit by a giant chandelier sweeps up to a golden statue of a nameless, bare-chested Roman emperor. The ceilings are decorated with reproductions of Renaissance frescoes.

Under construction nearby is a karaoke and

massage complex, fashioned after a Chinese temple. The resort also offers a shooting range, complete with AK47 and M16 assault rifles, and a petting zoo.

An average of about 1,000 people visit the casino every day, said Li. (Gambling is illegal in both Laos and China.) But Zhao Wei didn't intend to create a "little Macau", mimicking China's casino-stuffed enclave on the Pearl River estuary. Li notes that Kings Romans controls an area "bigger than Macau" — three times bigger, in fact — and plans to build an industrial park and ecotourism facilities.

## NEW AIRPORT

Next month, said Li, construction begins on what will be the second-largest airport in Laos after Wattay International Airport in the capital Vientiane.

Perhaps aware of anti-Chinese resentment, Li hailed Kings Romans as a model of responsible investment. About 40 percent of the complex's 3,000 workers were Chinese, he said, but the rest came from Thailand, Myanmar and Laos. He then showed off a compound with scores of modest concrete houses which he said were given free to local Laotians who had once lived in wooden shacks. "These might be the happiest people in Laos," he said.

Li called Laos "our second homeland." The SEZ certainly felt a lot like China. Most croupiers are Chinese. Most gamblers pay in Chinese yuan or Thai baht. The mobile phone signal is provided by a Chinese company. Street signs are in Chinese and English.

The passports of visitors are processed by Chinese and Laotian immigration officers. The area is protected by the Lao People's Army, said Li, but when Reuters visited, the only car patrolling the streets belonged to the Chinese police.

When asked about the 13 Chinese sailors, Li's eyes brim with tears. "I feel so sorry for my compatriots," he said. Yet he believed their deaths would have no impact on business because "people know that we are not connected to this case."

Yet Kings Romans has brushed against both the drug trade and Naw Kham. Last April, a casino boat was seized by the freshwater pirate's men near Sam Puu Island and 19 crewmen held for a 22-million-baht (\$733,000) ransom, which Zhao Wei paid, the Shan Herald Agency for News reported.

Then, in September, an operation by Laotian and Chinese officials found 20 sacks of yaba pills worth \$1.6 million in the casino grounds, according to Thai media reports.

Li denied all knowledge of the yaba bust or that the kidnapping had even taken place,

stressing that Zhao Wei came to the Golden Triangle to build an economic alternative to the narcotics trade. He said he had never heard of Naw Kham. "Maybe it's gossip. That's why they call this place the mysterious Golden Triangle."

#### DISTANT OUTPOST OF CHINA

Equally mysterious was the special economic zone's future ambitions. The area it occupied was so large and strategically located that it might one day be used as a Chinese military base, the Thai official in Chiang Rai said.

That might be far-fetched. But the Golden Triangle SEZ and similar schemes elsewhere in Laos and Myanmar "signify that China is

prepared to remain entrenched in the Greater Mekong Subregion," said Chambers. "They provide an exit for southwestern China to entrepôts in Myanmar and Thailand, and then to markets abroad. Such schemes in fact need security to protect them."

If the Golden Triangle SEZ is a distant outpost of China, a "second homeland," then it is poignant that 13 Chinese men and women -- blindfolded, gagged, terrified -- could have sailed past it in the final moments of their lives.

The Hua Ping and Yu Xing 8 are still moored at Chiang Saen, across the river from the casino, their rusting flanks cordoned off with police crime-scene tape. Nearby, workers

are loading dried goods and soft drinks onto another Chinese ship, the Hong Li, bound for the Myanmar port of Sop Lui.

"Of course we're worried about security, but we're encouraged by the presence of Chinese patrols," said a crew member, who only identified himself by the family name Deng. Asked about his 13 dead compatriots, he echoed what is now a common misperception in China: nine Thai soldiers have admitted their guilt and will be held responsible for the killings.

"We want the truth. That's the most important thing," said Deng, before the Hong Li sailed up the Mekong and into the void.

(Edited by Bill Tarrant)



REUTERS/SUKREE SUKPLANG

**DOWNSTREAM AMBITION:** A model shows Chinese development plans for the Golden Triangle Special Economic Zone, where the borders of Thailand, Myanmar and Laos meet.

#### FOR MORE INFORMATION

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