

Prince Sithiporn's MEMORANDUM ON OPIUM IN SIAM

His Serene Highness Prince Sithiporn Kridakara (11 April 1883–22 June 1971) was elected by acclamation Honorary Member of the Siam Society in March 1970. His classic book, *Some Aspects of Rice Farming in Siam* (Suksit Siam, Bangkok, 1970) was based on a talk the Prince delivered at the Society on 23 April 1969 entitled 'The Past and Present Status of Siamese Rice Farmers'. The meeting was attended by one of the Deputy Prime Ministers and two other Ministers including the then Minister of Agriculture. The unairconditioned hall was packed in honour of the legendary 'father of modern agriculture' and historic personality.

Prince Sithiporn was Director-General of the Ministry of Finance's Opium Department when he wrote this Memorandum, dated Bangkok, 14 February, 1921. It was found in a file marked '(Confidential) Documents on Opium for the Use of the Siamese Delegation to the Bangkok International Opium Conference, 1931'. This file in turn was discovered by Tej Bunnag, Honorary Member of the Society and Advisor to the Editorial Board of the JSS, among the papers of his late parents, Tula and Chancham Bunnag. Dr Tej subsequently gave the file to the archives of the Ministry of Foreign Affairs.

It is regrettable that the Annexes and documents referred to by the Prince were not attached to the paper.

An obituary of His Serene Highness can be found in JSS Volume 60, part I, 1972, pp. 470–473.

MEMORANDUM ON OPIUM IN SIAM

Prince Sithiporn Kridakara

History and General Outlines

1. The use of opium in Siam has no doubt been introduced into the country by the Chinese from time immemorial. The evils of the drug have been perceived by the ancient Kings of Siam as may be seen by an old law forbidding members of the Royal Houses and officials of the Siamese Government from smoking opium under the penalty of a treasonable offence. This law has been included in the Code of Law enacted by King Rama I in 1805. Though it has not been included in the present Penal Code of 1907 for the reason that it was a class law and the offence is too severe, yet it still continues to be observed as a custom in the disciplinary rules of the Government. A great effort to suppress the use of the opium in the Kingdom has, at least on one occasion, been made in 1850 during the reign of King Rama III, when a large amount was collected and publicly burnt before the Royal Palace in Bangkok. And with the growth of intercourse between Siam and China more and more opium came to be smuggled into this country. The machinery of Government being then still somewhat primitive, the efforts at the prohibition of the drug met with no success, and its sale had, therefore, perforce to be allowed, but as a Government monopoly.

2. This monopoly was found to yield a handsome revenue to the State, and for a long period was exploited solely for that purpose. The method employed was the so-called 'farming' system. That is to say, the privilege of preparing and retailing the drug was granted to the person, or syndicate of persons, styled the 'Opium Farmer', who offered the highest sum to the Government. The 'Opium Farm' was put up to auction at regular intervals, and the amount received from the successful bidder formed the revenue under the head 'Opium'.

3. The control of the Government over the quantity sold was effected by making it a condition that the Farmer had to purchase his raw opium from the Government, which imported Indian opium for the purpose. The price at which the prepared drug should be sold to the consumer was also fixed by the Government.

4. The control exercised by the State was, however not a close one, and the Farmer had a free hand to appoint his inspectors and retailers wherever he thought best for his interests, without any restriction. Moreover, since the Government sold the raw opium to the Farmer at a fairly high price, he was often tempted to purchase Yunnan opium from Chengtung, and the Shan States to the north of Siam, as this was usually cheaper than the Government opium.

5. The Farmer generally divided his farm up into districts, to each of which was appointed a sub-Farmer styled Sa-Kongsi, and the sub-Farmer, in his turn, appointed retailers who sold the drug to the consumer in smoking dens.

The profit which the Farmer allowed to the sub-Farmer was usually one tical per *tamlung*, or *tael* (37.5 grams, vide Section 3 of Opium Law, B.E. 2464). The retailer, as a rule, was allowed only a small profit on the price of the opium sold by him, the major part of his profits being obtained from the sale of the 'dross', or ashes, left in the opium pipes by the consumers. (Vide also paras 53–55).

6. The methods described above were in use for a very long period and the profits obtained by the Opium Farmers were large, despite the considerable revenue paid to the Government. Vide Annexe VIII.

7. At the beginning of this century a strong movement was started for the suppression of opium smoking, notably by certain interests in the United States of America, which country was faced with the problem in the Philippines. The views of the Anti-Opium League were also represented in the British House of Commons. As a result of this movement the Government of the Philippine Islands, in 1903, appointed a Commission under Bishop Brent to investigate the conditions of the opium traffic in different countries in the East. (They did not visit Siam). In 1904 this Commission presented its report, which recommended, inter alia, that prohibition should be made effective, in the Insular territories, within three years.

8. The Government of the Philippines accepted the findings and recommendations of this Commission to a large extent, and a strict prohibitory law came into force on March 1st 1908. They realised, however, that a prohibitory law would be largely nugatory if smuggling from other countries could not be effectively prevented, and that, for this purpose, the co-operation of the exporting countries was necessary. There appears to be no doubt that this conviction led to the United States of America being the prime mover in calling an International Commission to meet at Shanghai in February 1909.

9. While these events were taking place, the Siamese Government had also realised the trend of modern opinion, and had decided to adopt a policy of gradual suppression. The first step was obviously to obtain a better control of the traffic in opium, and an excellent opportunity for doing so presented itself in the year 1907.

10. Owing to the handsome profits made by the Opium Farmer, and the increasing prosperity of the country, competition was very active at the periodical sales of the Farm and ever larger amounts were offered for the rights conferred by the monopoly. In 1906 this resulted in an enormous sum being bid for the privilege of selling opium, but it soon became evident that the Farmer would be unable to fulfil his contract. Accordingly, at the beginning of 1907, the Government took over the Farm, together with the Opium Factory where the drug was prepared for consumption.

11. At this stage the Government merely replaced the Farmer, and carried on the sale through sub-Farmers (Sa-Kongsi), as before. From a financial point of view the results were excellent, since the profits of the sub-Farmers, or middlemen, were limited to one tical per *tamlung*. Vide also para 20.

12. By this time the question of opium had become an international one, and a public declaration of the opium policy of Siam was made by His late Majesty, in His annual speech from the Throne, on September 21st 1908. (Annexe I). This was followed, soon after, by the first opium Commission held at Shanghai in February 1909, at which Siam was represented, and a statement of the policy of the country was presented to the Commission by the Siamese Delegation. (Annexe II).

13. Since, in any farming system, however modified, the Farmer will always try to sell as much as he is able, it was speedily apparent that the system then in force was incompatible with a policy of ultimate suppression. The Government realised that the sale of opium should be entrusted, as far as possible, to officials on fixed salaries, but adequate control over these officials was, unfortunately, almost impossible, unless the opium were packed for retail in such a manner that it could not be tampered with by the salesmen. It was, therefore, decided to erect a new and modern Factory, for the preparation and packing of opium tubes, following the system adopted in the Netherlands Indies. Tenders were called for and the machinery ordered in the year 1910.

14. In December 1911 and January 1912, the first International Opium Conference was held at The Hague. Siam was represented and was one of the countries signatory to the Convention concluded at the Conference. (See Annexe III for Statement of Delegation).

15. In 1912, the new Opium Factory was commenced and the machinery erected, and in April 1913 (Commencement of Buddhist year 2456) opium was retailed in tubes in the city of Bangkok. There was considerable prejudice, to begin with, against the new method of packing; for this reason the sale of opium in this form was confined to Bangkok for the first year, but in B.E. 2457 (1914–15), opium in tubes was supplied to all the inner provinces and in B.E. 2458 (1915–1916) throughout the Kingdom.

16. During this transitory period, opium was still sold through sub-Farmers, the person undertaking to dispose of the largest quantity in any district being appointed sub-Farmer. As, however, this method was inconsistent with the policy of reducing consumption, the system was adopted, from B.E. 2458 (1915–16), of fixing the quantity of opium to be sold in each district, and of appointing, as sub-Farmer, the person bidding the highest sum for the sale of the assessed quantity. It was intended to decrease the assessment year by year, but the quantities fixed were necessarily not always correct and in conformity with the real consumption, and towards the end of B.E. 2460 (1917–18) this method was altogether upset by outside causes, as explained below.

17. At the second Conference at The Hague, Siam deposited her ratification of the Convention of 1912.

18. In the meantime, negotiations between Great Britain and China had resulted in the former agreeing to lessen the production of raw opium in British India in consonance with the measures taken by China to reduce the cultivation of the opium poppy. A given number of chests of opium were, accordingly 'certified' for import into China, and it was declared that the number of certified chests would be decreased by 10 per cent annually, so that at the end of ten years, the import of raw opium into China from India would cease. China, on her part, took vigorous measures to suppress the cultivation of the opium poppy within her borders, and in 1912 she declared that it had been entirely stopped. Consequent upon a report from the British Opium Commissioner, confirming this declaration, the Government of India, in 1913, ceased to put up for auction any further number of 'certified' chests, and raw Indian opium could thenceforth only enter China as illicit opium.

19. The stocks of Indian opium in China naturally began to get exhausted, and an increasing demand, at high prices, arose for opium from other countries. The drug, as prepared by this Government for sale, is of a high quality, and the sub-Farmers could not resist the temptation of increasing their profits by surreptitiously disposing of some of their assessed quantities (see para 16) for export to China. The natural consequence was that the balance available for sale in this country was insufficient, and as it would have caused great hardship to persons addicted to the drug to be deprived of their usual dose, the Government was compelled to increase the fixed quantities. The opium exported to China was, of course, smuggled out, and it is hardly necessary to say that the detection of outward smuggling is as difficult as that of opium being smuggled in. The Government fully realised its obligations under the Hague Convention and did its best to stop the practice. The old Opium Laws, however, made no provision for the prohibition of export of Government opium, and convictions in the Courts could not be obtained. Nevertheless, many cases of export were detected and stopped by the Customs authorities. (See Table II, Annexe IV).

20. In the meantime, although the European War had necessarily caused opium to cease to figure as an international question, the Government had not been idle in pursuing its policy of gradual suppression, and had taken the next step indicated, viz., that of discontinuing the farming system of sale entirely. The new arrangement came into operation in B.E. 2461 (1918–19), when the sub-Farmers ceased to exist—their places being taken by the Revenue Officials in every Amphur district, under the supervision of the Nai Amphur (District Officer), and increases in staff being made where necessary. This additional staff, covering the whole Kingdom, involved a considerable expenditure, but it was easily covered by the profit of one tical per *tamlung*, which formerly accrued to the sub-Farmer. Vide also para 11.

21. At the same time various other changes were made in the method of sale, with the object of gaining greater control over retailers and smokers. For instance, all retailers of opium were required to obtain their stocks from the Nai Amphur and they were allowed to retail the drug for consumption on their premises only. Persons addicted to opium could, therefore, ordinarily smoke only in licensed premises; exceptions were made in the case of individuals of standing who desired to smoke at home, but they had to register themselves and take out licences to do so. The licence was in the form of a pass book in which the purchases of the licensee were entered, and the Nai Amphur was required to fix, in each case, the quantity which could be so purchased. Smokers were thus divided into two categories, those who had to smoke in licenced premises, and those licensed to smoke at home. The object of these provisions was to give greater facilities for inspection and control, and to do away with the promiscuous smoking in out-of-the-way places, which was then prevalent. This promiscuous smoking was one of the most fruitful causes of young men taking to the habit of smoking opium.

22. The number of shops retailing opium, which at the beginning of B.E. 2460 (1917–18), stood at over 3,100 for the whole Kingdom, was reduced to 2,433 by the end of that year, and the following successive reductions have since been effected:-

	Year	No. of shops
Latter half of	B.E. 2461 (1918–19)	1,639
Do.	B.E. 2462 (1919–20)	1,233
Do.	B.E. 2463 (1920–21)	1,028

From the above figures it will be seen that since the complete abolition of the farming system in B.E. 2461 (1918–19), the number of opium shops has been reduced by two-thirds.

23. Another object aimed at by these changes was the prevention of smuggling of opium out of the country. As already explained in para. 19, the sub-Farmers apparently found it paid them to export opium, since the profit they made on such operations was probably greater than that allowed by the Government on legitimate sales in the country, and they had facilities and connections which rendered it easy for them to so dispose of the opium. With the sub-Farmers abolished, it was hoped that retailers, who naturally dealt in smaller quantities, and who had to obtain their supplies direct from the Nai Amphurs, would not be able to engage in outward smuggling to any considerable extent, especially as the profit which they obtained from the dross left in the pipes by their customers was a good one. Moreover, a supplementary law was enacted limiting to one *tamlung* the amount of Government opium which any person might have in his possession without a license. The object of this enactment, which was brought out pending the issue of a comprehensive new opium law, was to facilitate seizures above one *tamlung* whenever found, since it

is not easy to prove intention to export. The limit of one *tamlung* was fixed for the convenience of travellers who might be *bona fide* opium smokers.

24. The results of these measures were not perhaps as great as anticipated. The increased difficulties in the way of export made people willing to pay the opium retailers still higher prices to evade the rules under which they were permitted to sell for consumption on the premises only. In spite, therefore, of seizures by the Customs, as shown in Table II, Annexe IV, the export continued to some extent. It is clear, however, that the measures adopted did have some effect, since the final result, as shown by the total quantity of opium sold in B.E. 2461 (1918–19) was a decrease of over 9 per cent as compared with the previous twelve months. Vide Annexe V.

25. The year B.E. 2462 (1919–20) was abnormal one. The very high price obtained for rice put plenty of money into the pockets of all persons connected with the trade, including middlemen and coolies. The Chinaman's usual method of enjoying himself, when in funds, is to meet his friend and smoke opium, even though he may not be addicted to the drug—much in the same way as Europeans meet and partake of alcohol. The result of this state of affairs was a considerable increase in opium smoking, both in licensed premises and illicitly. The illicit consumers were well-to-do young Chinese who disliked entering opium dens, and they paid greatly enhanced prices to the retailers for the drug to be sold outside the opium shops. The proof required for conviction under the old laws was difficult to obtain, and the penalties light. Moreover, persons under foreign jurisdiction sometimes posed as the owners of the places where the illicit sale and smoking of opium were carried on, and this added to the difficulties of raiding such places. Nevertheless, the illicit export of opium fell off for various reasons, such as:-

- (1) The increased activity of the Customs, which made export more difficult;
- (2) The ready sale of opium in the country, at enhanced prices; and
- (3) The lessened demand from China, where opium was again being produced, notably in Szechuen Province.

The result of these various influences, as shown by the amount of opium sold during the year B.E. 2462 (1919–20) was an increase of 2 per cent over the previous twelve months, vide Annexe V. The quantity was however, still 7 per cent less than during the last year of the sub-farming system, viz., B.E. 2460 (1917–18).

26. In the present year, B.E. 2463 (1920–21), the conditions have been the opposite of those of the preceding one, as the rice crop of the previous season was a failure and the export of rice has been totally prohibited during the greater part of the year. The consequent stagnation of trade was at once reflected in the drop in the sale of opium, and it is expected that the reduction in sales, as compared with the previous twelve-monthly period, will be in the neighbourhood of 15 per cent. This diminution has afforded an excellent opportunity for judging the amount of

opium ordinarily consumed by persons not really addicted to the drug, and in certain provinces the quantities allowed to retailers, for sale, have been restricted.

27. For the year B.E. 2464 (1921–22), every retailer will have his supplies thus restricted, and this renewal of the assessment system will, it is hoped, have much better results than when last attempted (see para. 16 and 19), as the assessments will be made within narrower limits, i.e., for retailers instead of for sub-Farmers, who naturally handled much larger quantities. The new Opium Law, which is to come into operation at the same time, will also give greatly increased facilities for the detection of the illicit use of the drug, and will provide suitable penalties on conviction.

28. With the end of European War, opium again became an international question—one of the obligations of the signatories to the Peace Treaty being, within a year of its ratification, to put into force the Hague Convention of 1912. As Siam ratified the Treaty of Peace on January 10th 1920, the Convention had to be made effective by January 1921. The first step to be taken was to revise the old Opium Laws completely. This matter had already been taken up, and a rough draft of a comprehensive new law was completed by 1919. But as the enactment had to apply to a large territory with a widely scattered population living under varying conditions, it was essential that all the provincial authorities should be fully consulted on the subject. This necessarily occupied a considerable time, but the law was finally promulgated on January 6th 1921. In Annexe VI will be found a translation of this Law and of the Ministerial Regulations issued thereunder. It will, however, not come into force until April 1st 1921, the date on which the year B.E. 2464 commences.

29. The provisions of the law are designed to operate in three distinct and successive periods. The provisions which become immediately operative are those which enforce the existing legal requirements, modified and brought up to date, and with additional restrictions as to the possession of opium. Under the new law, no person may have in his possession opium of any sort of description whatsoever without a licence, and the only persons to be licensed to possess opium will be retailers, smokers licensed to smoke at home, and medical practitioners and dispensaries. (Vide Opium Law, Titles II and III).

It may be mentioned here that great care is taken by the authorities in issuing licences for home smoking, and as the holders are mainly limited to well-to-do persons, the number of home smokers is comparatively small. (Vide Annexe VIII, Table II). Further, since retailers are only allowed to supply opium to their customers, for consumption on their premises, the legal possession of opium is necessarily confined to certain limited classes of the population.

Convictions for illicit possession will also be easier to obtain in the future because the supplementary law of B.E. 2461 (1918–19), which allowed the

possession of one *tamlung* of opium, was a constant stumbling block. The penalties have also been increased, by providing a minimum fine or a minimum period of imprisonment for even the smallest quantity of opium found. (See Sections 36 and 37 of the law).

30. Certain further provisions, which come into force from B.E. 2465 (1922–23), make it illegal for any person, except home smokers, retailers and dealers to possess opium pipes. Convictions for offences against this portion of the law should be comparatively easy to obtain, as small quantities of opium are more readily concealed than are opium pipes. A period of one year has been allowed before these provisions come into operation, in order to permit present possessors of opium pipes to take suitable steps to dispose of them in conformity with the requirements of the law. (Vide Opium Law, Title IV).

31. Finally, there is a third set of provisions, which are to come into force from a date to be subsequently notified in the *Government Gazette*, before which all smokers must be registered. Thereafter no further applications for registration will be received (except, under well-defined limits, from new immigrants), and no unregistered person will be allowed to purchase or smoke opium. (Vide Opium Law Title V).

32. The various steps taken by the Government for the gradual enforcement of greater stringency in the administration of the Opium Régie have now been outlined, from the time of the commencement of the monopoly up to the present day. In the remaining portion of this Memorandum it is proposed, in order to obtain a clearer understanding of the policy of the future, designed to accomplish the final suppression of opium smoking, to enter, in some detail, into the subjects of Registration of smokers, Estimated number of smokers, Disposal of dross, Financial aspects of the question, Raw Opium, Smuggling, &c.

Theory of registration of smokers, with a view to the ultimate suppression of smoking

33. Briefly, the theory is that the prohibition of smoking for those already addicted to the drug is impracticable, and that the only possible way is to devise means whereby other persons shall be prevented from taking to the habit. The only effective method by which this object can be attained appears to be to register all smokers within a certain date, and to limit the quantity of opium which such registered smokers are allowed to consume daily. As these registered smokers gradually die out, the next generation should be free from the habit. The theory sounds simple, but the methods by which it can be put into practice effectively are necessarily difficult and complicated, chiefly in connection with the retailing of the drug to consumers.

34. So far as the information at the disposal of this Government goes, it would appear that under the systems followed in Formosa, Burma, Java, British Malaya (Straits Settlements and Federated Malay States) and French Indo-China, the purchaser of opium, whether registered or not, may smoke it in any place he pleases. In Siam this is held to be highly undesirable, as control over individual smokers in scattered places is difficult, and such systems as those believed to be in force in the countries mentioned appear to afford opportunities for smoking for those not yet addicted to the habit.

35. As explained in para. 21 the method of sale in this country is through retailers, for consumption on the premises only—that is, an opium shop is at the same time also a smoking place. Exceptions are made in the case of well-to-do persons, of standing in the community, who do not care to enter public opium shops. In order, as far as possible, to deter persons from applying for this privilege, the price of opium for home smokers is $33\frac{1}{3}$ per cent higher than that charged in retail shops. That is to say, opium, which in the greater part of the country is sold at 15 ticals per *tamlung* in the retailer's shops, is sold to home smokers at 20 ticals per *tamlung*.

A small class of home smokers are those who live or carry on their livelihood so far from an opium shop that they cannot conveniently come to it to smoke. Such persons, also, are permitted to have home licences, but the quantity allowed to them is never more than one *tamlung* per month. Vide Ministerial Regulations, Clause 6.

The actual position now is that all home smokers are registered and licenced, and that these are very few in number. (Vide Annexe VII, Table II).

36. When the third set of provisions of the new law comes into force (see para. 31), all smokers will be registered and their doses limited. The position will then be that (apart from home smokers, who will continue to be very few in number) all registered smokers must obtain their daily allowance from, and smoke it in, a public licenced shop, from which they are not permitted to take away any opium. As, under the Law, persons who do not hold ordinary smoking licences will not be allowed in opium shops (see Opium Law, Section 32 (d)), and are liable to punishment if found, the danger of re-sale is practically done away with. The opium shops are nearly all situated in comparatively well-populated places, and are thus subject to frequent inspection by officials. In nearly every Amphur district there are now two Revenue officials, one acting as accountant and the other as inspector, and amongst the latter's duties is the inspection of opium shops. Eventually every Amphur district will have these two officials.

It is obvious that the duty of inspecting a few shops is a very much easier one than the inspecting of the private residences of numerous registered smokers, if the latter were all allowed to smoke at home. Under the system to be put in force

in this country the control of smokers, and the prevention of new smokers taking to the habit, are well provided for.

37. The question of control over retailers remains to be dealt with. The system, as devised for this country, is as follows:-

Each retailer will be supplied with rolls of tickets, numbered consecutively like those used on tramways, &c.

The tickets will be of four different colours, corresponding to the four sizes of the opium tubes supplied to smokers in opium shops.

Under the new law the consumer is required to present his pass book on making his purchase, vide Ministerial Regulations, Clause 6, and para. 21 above. The retailer will enter in the pass book the quantity taken, the date and the number of his shop. In practice this will be done by using a hand stamp to indicate the size of tube taken, and another hand-stamp for the date and number of the shop. At the same time he will write, on a ticket of the colour corresponding to the size of the tube, the customer's registered number, and will also stamp it with the date and number of his shop.

38. In this way every tube of opium supplied to consumers will be automatically accounted for. When the retailer comes to the Nai Amphur for further supplies of opium, he will tear off from the roll the tickets already stamped, and hand them over to the Nai Amphur as his returns of opium sold. The tickets may then be checked, as regards number and name of licence holder, with the register of opium smokers compiled in the Nai Amphur's office, and the particulars entered either in account books, duplicate pass books or index cards. This work may be done by clerks, on comparatively low salaries.

The cost of tickets for a maximum number of 60,000,000 tubes will be approximately 30,000 ticals, and the increase in clerical staff will cost in the neighbourhood of 240,000 ticals per annum, making a total of 300,000 ticals per annum, but this sum will be well spent if the control which it is proposed to exercise is as effective as it apparently ought to be. The consecutive number printed on the tickets (para. 37) will prevent fraud by the retailer, and will also greatly facilitate the work of inspecting the sales and checking the stocks of opium in the retail shops.

39. It may be thought that the retailer might make illegal sales and enter fictitious registration numbers on the tickets, thus confusing the official inspectors. This has been foreseen, and the Law (Section 32 (b)) accordingly provides that retailers may only supply persons registered in the Amphur district in which the shop is situated. As the Nai Amphur has a register of licensed smokers in his district, any fictitious number will at once be detected and the retailer punished.

40. A smoker registered in one Amphur district, and coming temporarily into another, must purchase his daily allowance direct from the official of the new district, and, as he is not allowed to possess a pipe, he must smoke his opium in an opium shop in that district on the same day (Section 30 of the Law).

41. By the enforcement of the above provisions, it is hoped that new smokers will be prevented from taking to the habit, and that smuggling out of the country will be effectively prevented.

Before, however, putting the final provisions into force, viz., those relating to the registration of smokers (Title V of Opium Law), it will be necessary to take the following matters into consideration, namely the financial aspect of the subject, and the danger of smuggling of opium into the country.

Financial Aspects

42. Before going into the financial aspects of the question, as effected by the proposed eventual registration of all smokers, it may be of interest to review the monetary results of the monopoly up to the present. The mistake is often made of assuming an increase or decrease in opium consumption by a mere consideration of the monetary results attained. In no case, however, should any conclusions on the point be drawn, in the absence of information as to the amount of opium sold or consumed.

43. Annexe VIII shows, year by year, the total revenue of the State from all sources, the revenue derived from opium, the quantity of opium sold, and the price charged to the consumers, per *tamlung*. It will be seen from this that the quantity sold has not varied very greatly since the Government took over the 'Farm', running between approximately 2,000,000 and 1,800,000 *tamlungs* annually. The revenue accruing to the Government has, however, increased steadily, owing, in nearly all cases, to the gradually enhanced sale price of the drug. The immediate effect of an increased price is, as the Table shows, generally a slight drop in the quantity sold during that year, but the amount usually rises in subsequent years to the normal consumption. In nearly all cases the economic condition of the country, as affected by the state of the rice crop and the consequent trade position, is reflected in the sales of the year.

44. A study of the Table will show that commencing from B.E. 2453 (1910–11) the sale price has been gradually raised until, by B.E. 2460 (1917–18), it was nearly double the figure of B.E. 2452 (1909–10); the profits were also proportionately increased, but the quantity sold remained practically unchanged. It is clear, therefore, that, despite the great advance in the revenue from the opium monopoly, during the last ten or eleven years, there has been no increase in the consumption of the drug, but rather to their improved circumstances may be attributed the much enhanced profits accruing to the Government.

45. There are, however, dangers attending a too great increase in price, one of which is to induce the poorer class of smokers to eat dross, which is more harmful than smoking, while, again, it may drive them to theft to obtain money to satisfy their cravings. In the latter case these petty criminals become a burden on the rest

of the community. The present price of Tcs. 15 per *tamlung* is about the maximum which can be charged at present, since the smallest size of tube (1/60 of a *tamlung*) retails for 25 satangs, which represents 25 per cent to 30 per cent of an average labouring man's daily earnings. This price has been current since B.E. 2460 (1917–18); the increase of profit shown in B.E. 2461 (1918–19) was due to the elimination of the sub-Farmer, mentioned in para. 20.

46. In the year B.E. 2462 (1919–20) there was a further increase of revenue due to the raising of the license fees on retail shops, as it was realised that the large profit which the retailers made on the dross left in the pipes was out of proportion to the capital invested by them in the business.

47. The total opium revenue at present obtained by the Government is over 20 million ticals per annum, and as this forms a large percentage of the aggregate revenue of the country, it is important to consider how the registration of smokers will affect it.

48. From the gradually increasing control now exercised over retailers, and the general knowledge of the opium trade thereby rendered possible, it is known that a large part of the present sales is made to persons not really addicted to the drug, and it is believed that these will neither enter opium shops to smoke, nor apply for registration as home smokers. As soon as registration is put into force, the sale of opium to this class will probably stop, causing an immediate drop to the extent of 25 per cent to 30 per cent of the total sales. This will mean a reduction of 25 per cent of the revenue from opium, representing a sum of at least five million ticals.

49. The Government does not regard with any apprehension the gradual reduction of revenue due to the death, &c., of registered smokers, looking, as it does, to increase from other sources of revenue to replace that lost under opium. But a sudden drop of five million ticals in one year is quite another matter, and it would be a continued one which could only be met by extra taxation. The country, has, however, suffered a severe setback financially from the disastrous crop failure of 1919, which has severely strained the resources of the State, and from which it will take several years to recover. This fact precludes the possibility of any increases in ordinary taxation at present, since a very large majority of the population is of the agricultural class, who already contribute a considerable percentage of the revenue from taxation. In B.E. 2461 (1918–19), the actual revenue from Land (almost entirely agricultural), Capitation tax, and Export duties, all falling largely on the agricultural class, realised a total of about ticals 20 millions.

50. It would thus be seen that any fresh taxation to be raised should bear on the whole population and, if possible, more heavily on the non-agriculturists, who are at present lightly taxed. If this view be accepted, an increase of Customs duties on imported goods would appear to meet the case, since its incidence would fall on all purchasers of imported goods, and largely, on the non-agricultural class of

the population. The average value of general imports in normal years may be taken at about 80 million ticals, on which there is a 3 per cent duty *ad valorem*, bringing in 2,400,000 ticals. If the duty were raised to 10 per cent the increased revenue from this source would make up for the deficit from opium, but under the Treaties with Foreign Powers Siam cannot make any changes in the customs tariff without their consent. The want of power to re-adjust her revenues, as required, is one of the reasons which may deter this country from putting into force the measures having for their object the registration of smokers.

Estimated number of opium smokers

51. In the absence of registration of smokers, it is of course impossible to arrive at an exact calculation of the number of smokers, but a maximum figure can easily be worked out on the following basis:-

The amount of opium sold per annum is now not more than 2,000,000 *tamlungs*. The average consumption of a smoker is about one *tamlung* per month, or not less than 10 *tamlungs* per year. At this rate the number of smokers would be 200,000 which is only $2\frac{1}{2}$ per cent of the population of 8 millions. Out of this number the Chinese form quite an appreciable proportion, estimated at from 20 to 25 per cent. It is certainly the fact that when one enters an opium shop, in a well populated town, about half the smokers will be seen to be Chinese, and in Bangkok City, especially, a large number of shops are patronised almost exclusively by Chinese.

52. Table I, Annexe VII, throws an interesting light on this matter. It shows, by Provinces, the total male population, the number and percentage of male Chinese, together with the total amount of opium sold and the consumption per capita for B.E. 2462 (1919–20). Very few women smoke opium in this country. It will as a rule be found that the consumption per capita is highest where the Chinese population is largest.

The total male Chinese (and Shan) population is 206,697, and of this number probably 20 per cent to 25 per cent consume opium, which would put the number of these foreign consumers at 40,000 to 50,000—a figure equivalent to 20 per cent to 25 per cent of the total number of consumers. The measures to be taken by this Government, for the suppression of smoking will, therefore, be for the benefit not only of the indigenous population but of the foreign elements as well.

Dross

53. It is unfortunate that the system of retail depends to a large extent on the dross, which now forms the only profit of the retailer. Dross is the ash left in

opium pipes after prepared opium has been smoked. The percentage of morphine is nearly as high in dross as in prepared opium (7 per cent to 8 per cent), and this residue may be resmoked or eaten by those addicted to the habit. The eating of dross is, of course, more harmful than smoking, since morphine (the harmful alkaloid of opium) is taken into the system by that means.

54. The amount of ash obtained is roughly 50 per cent of the opium smoked, and it has a market value of about two-thirds of the price of opium. So that, for every *tamlung* of opium smoked, at 15 ticals per *tamlung*, the value of the ash remaining is about five ticals. This ash is sold by retailers and constitutes their profit, as they are not allowed a profit on the sale of opium itself. The custom of allowing retailers to make a profit from this source has been in existence for a very long period, and a certain class of opium habitués has arisen, as least equal in number to smokers, who are addicted to the habit of swallowing dross. Owing to the harmful effects of this practice, at least two other countries have made an attempt to try and prevent it, viz., British Malaya (Straits Settlements and Federated Malay States) and Java, but up to the present this Government has taken no steps in the matter. For one thing, deprivation of dross would probably drive the poorer class of opium habitués, who are the dross eaters, to crime in order to obtain money to buy the higher priced opium which would be their only alternative. Further, it must be remembered that the consumption of dross will decline in direct proportion to the decrease in opium smoking, as without the latter no dross can be produced.

55. With the advent of registration, no person, not already addicted to either opium or dross, will take to the habit, since it is the confirmed opium smoker of reduced circumstances, who is finally driven to dross. Young men, in the absence of strict control, may take to smoking deliberately, or may be induced to do so at first for amusement or pleasure, but no one will take to swallowing dross without already being an opium smoker, since the taste is unpleasant in the extreme, with no novel sensations attending its consumption. It follows that, if registration successfully prevents new persons taking to the habit of smoking, it will also effectively prevent any increase in the use of dross.

Raw Opium

56. Under the Hague Convention, the signatories are to control the production of raw opium. This country produces a certain amount, and under the new law the poppy plant can only be cultivated under licence. (Opium Law, Section 4).

57. The raw opium used for the preparation of Regis opium is now obtained from the Government of India at a fixed price, under the terms of an agreement providing for a maximum supply of 1,700 chests per year. From this amount, 1,850,000 *tamlungs* of Regis Opium are prepared.

Opium Factory

58. This factory, erected at a total cost of 1,300,000 ticals, has worked satisfactorily since 1913. The Machine Boiling Plant has a capacity for boiling and preparing 1,800 chests of raw opium per annum, at a much lower cost than the old method of hand boiling. The Packing Plant has a capacity of 60,000,000 tubes per annum, the amount of opium packed depending on the sizes of the tubes issued.

The plant is designed to produce five different sizes of tubes, as follows:-

Tube No.	No. of tubes to one <i>tamlung</i>	Weight of opium packed in <i>hoons</i> ¹	Equivalent in grams
1	10	10	3.75
2	20	5	1.87
3	30	3 $\frac{1}{3}$	1.25
4	40	2 $\frac{1}{2}$	0.94
6 ²	60	1 $\frac{2}{3}$	0.625

Annexe V shows the amount of opium sold in the different sized tubes during the year B.E. 2460 (1917–18) to B.E. 2462 (1919–20).

Smuggling

59. Smuggling is, of course, the greatest difficulty which a country, attempting suppression, has to deal with. If it were not for this question, any country would be free to take steps, however drastic, to deal with the internal traffic in opium. It usually follows, however, that measures taken for restrictive internal control are at once followed by the smuggling of opium from other countries. Opium is of such high value, in proportion to its bulk, that even with constant detection of cases of smuggling, the traffic will continue unless rigorous measures to the prevent illicit exportation are taken by producing countries. This has, of course, been early realised by all the Governments concerned, and is one of the principal reasons for the assembly of international Commissions and conventions on the opium question.

60. At the present time smuggling into this country is not very prevalent, mainly for the reason that the Regie opium is of a highly quality, being pure Indian without any mixture, and is sold at a fairly reasonable price.

¹ one *tamlung* = 100 *hoons*

² There is no tube No. 5.

61. Smuggling out of this country has practically ceased, owing to there being no demand at present from China, as already mentioned in para. 25. It is now definitely known that China has resumed the production of raw opium.

62. With regard to the future, when registration is put into force in this country, if the measures are as effective as it is hoped they will be, smuggling out should practically cease whatever conditions exist in other countries. On the other hand, smuggling in is very likely to take place, for the use of persons who do not present themselves for registration, being those who, at the present time, are unwilling to enter opium shops, and who indulge, as far as possible, in illicit smoking. For an improvement in this state of affairs, Siam can only look to the earnest co-operation of neighbouring countries and to their taking measures similar to those adopted here. The question is complicated by the proximity of the British Shan States, where the cultivation of the poppy is still allowed, and from which some smuggling takes place into Northern Siam. The matter is under correspondence with the Government of Burma, which has undertaken to co-operate in any measures adopted by the Siamese Government to prevent the import of opium into Siam from those States.

63. Annexe IV shows the quantities of opium seized by the Customs at the port of Bangkok, both inwards and outwards. While it cannot, of course, be claimed that all contraband opium is detected, the returns of detection always serve as a fair indication of the relative amounts going out or coming in, year by year.

The Opium Law B.E. 2464

64. An English translation of the Law and of the Ministerial Regulations issued thereunder is appended hereto (Annexe VI).

65. The meaning and intention of many of the sections have already been gone into, especially in explanation of the system of retail which will be enforced when all smokers have been registered. Vide paras. 35–41. A few further comments may be made on other points dealt with in the law:-

Section 12. At first sight, on reading this section, it may appear somewhat unreasonable that a homesmoker should be compelled to consume the whole of his daily dose. It might be thought perhaps that by smoking less, he is trying to lessen his daily consumption. It is, however, necessary to be strict in this matter, because, although great care is taken to allow special smoking licences (i.e. licences for home smoking) mainly to persons of good standing, it has sometimes occurred that such licenses have been granted to persons who have re-sold the opium to others.

If a home smoker is found with a greater amount than his license and pass book should show, it is clear, either that he has bought illicit opium for his

own consumption, or that he does not smoke the whole of his allowance, and in both cases the assumption is that he is keeping the surplus for illicit sale.

On the other hand, if he is found with less than his proper amount, it would appear that he has either sold the deficit or has smoked more than his daily allowance. Whatever the reason may be, he is liable, in respect of the excess or shortage, to the penalty prescribed in Section 43.

If a home smoker finds that he can do with less than his allowance, he can follow the course prescribed in the Ministerial Regulations, Clause 7, which provides him with an opportunity for having his licence amended by the reduction of his daily allowance. Officials are specially enjoined to 'give every opportunity to holders of smoking licenses to make such applications'.

Section 32 (c). This provides for the cessation of registration of new smokers after a certain date, with the exception of immigrants already addicted to the habit. To refuse to register such persons might interfere with the development of the country, as immigrant Chinese coolies from a large proportion of the labouring class. If, for instance, immigrant Chinese who are opium smokers were not allowed to indulge in the drug in the Province of Puket, the tin mining industry might be completely dislocated, as practically 50 per cent of the tin mining coolies smoke opium.

Section 35. This section provides that, in the event of the continued illicit cultivation of the opium poppy in any village, the whole population may be punished. It will be observed, however, that this will only be done after due official notice. Collective punishment appears to be the only means of dealing with the matter.

Conclusion

66. Reference has already been made (para. 25) to the subject of the extraterritorial rights of persons under foreign jurisdiction, and the difficulties of this throws in the way of detection of the illicit sale of opium, if it is carried out in places in the occupation of persons not amenable to Siamese jurisdiction. Such places cannot be raided or searched without a Consular warrant, and the trouble and time involved in obtaining the requisite document is too well known to require further comment. It is sufficient to say that the delay in many cases enables the illicit dealer to remove all traces of his misdemeanour. The stricter the control becomes, the more will persons, desirous of committing offences against the Opium Law, endeavour to shelter themselves behind the protection afforded by foreign Consular jurisdiction.

67. The three reasons, therefore, which at present deter this Government from putting into force at once the only measure by which the eventual suppression

of opium smoking can be attained, viz., the registration of smokers, are all due to causes beyond their control. These are:-

(a) Financial, the inability to raise the requisite revenue to cover the deficit which will result from the initiation of the system of registration of smokers;

(b) External, the smuggling of opium from other countries;

(c) Internal, the want of control over the illicit sale of opium by certain foreign subjects, due to extraterritorial jurisdiction.

BANGKOK.

February 14th 1921

