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TOPICS: Combating Money Laundering in the Golden Triangle, Regulating the Global Cosmetics Industry

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Combating Money Laundering in the Golden Triangle

Recent developments relating to money laundering have escalated to a level of deep concern from a multitude of UN bodies, financial institutions, and citizens. As of November 2022, The Golden Triangle Special Economic Zone in Laos is a hotspot for drug trafficking, human trafficking, and prostitution. Laos is more susceptible to these crimes of the three nations of the Golden Triangle as Thai and Myanmar authorities are recognizing the issue and strengthening action. This is one of the many regions facing more and more challenges as these crimes continue to rise. Thailand and Myanmar, along with Laos, are experiencing the largest increases in drug trafficking; Smugglers are transporting drugs in larger vehicles in larger quantities. The Golden Triangle is one of the main destinations for these drugs.

Just last week, Lao, Thai and Myanmar law enforcement officials met in northern Lao to discuss anti-narcotics cooperation. Thai officials confirmed the meeting was limited to addressing the drug problem. Companies inside the zone have lured workers from Laos, China, and other countries using a bait-and-switch scam in which they promise well-paying call center jobs. But once the workers arrive in the zone they rack up debt to their employers for their travel expenses and training, and their bosses set impossibly high sales quotas designed to make the workers fail. Thai authorities also offer their cooperation in cases posing any potential threat to their citizens. On the other hand, Lao and Myanmar authorities seem powerless to combat crime in the Golden Triangle. Laos has a more attractive route with varying jungles that are not easily accessible to authorities, only resulting in increasing frequencies of narcotics smuggling. Though

foreign governments recognize the issue and are contributing to the safety of citizens, the problem still persists and is unlikely to de-escalate.¹

¹ *Money Laundering - Financial Action Task Force (FATF)*, <https://www.fatf-gafi.org/faq/moneylaundering/>. “Fighting Drug Trafficking in the Golden Triangle: A UN Resident Coordinator Blog || UN News.” *United Nations*, United Nations, <https://news.un.org/en/story/2020/09/1071192>.

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Regulating the Global Cosmetics Industry

While there is still a lack of regulation in the cosmetics industry, the United Nations alongside a multitude of companies and organizations are continuing to improvise these regulations. The largest efforts come from UNEP, the United Nations Environmental Program, which focuses on sustainable development in response to pollution, climate, biodiversity, etc. There are no current notable changes in regulations by nations or businesses. Like many UN bodies, companies recognize the issue and have previously made efforts that unfortunately do not prevent the issue as a whole. One of the most efficient ways to prevent the negative impact of cosmetics on the environment is plant-based cosmetics. In 2022, many cosmetic companies are beginning to include these which have greatly reduced the toll it takes on the environment.

As the global demand for herbal cosmetics increases, there are ample opportunities for many developing nations to expand their production and global exports along with its unique biodiversity and inherited traditional knowledge. Cosmetic manufacturers in developed countries continue to show their interest in herbal ingredients of tropical origin which provides developing nations with good potential to create numerous new avenues in herbal cosmetics, which can be easily capitalized on the global trends. Furthermore, the Intergovernmental Negotiating Committee has begun to develop an international legally binding instrument on plastic pollution, including in the marine environment set to take place in December of 2022. The UNEP continues to take action as they highlight the importance of the dangerous result of cosmetics on the environment.²

² Young, Olivia. "Palm Oil in Cosmetics: Environmental Impact and Sustainability Concerns." *Treehugger*, 2020

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