region. Volunteers had been promised regular allotments of food and money, but Vang Pao pocketed these salaries, and most volunteers went unpaid for months at a time. When one Meo lieutenant demanded that the irregulars be given their back pay, Vang Pao shot him in the leg. That settled the matter for the moment, but several months later the rising chorus of complaints finally came to the attention of the provincial army commander, Colonel Kham Hou Boussarath. In early 1959 Colonel Kham Hou called Vang Pao to his headquarters in Xieng Khouang, confronted him with the accusations, and ordered him to pay up. Several days later Colonel Kham Hou was driving back from an inspection tour of the frontier areas and was approaching the village of Lat Houang, when a burst of machine-gun fire shattered his

Right, General Vang Pao, commander of the CIA's mercenary Meo army in Military Region 11 in Laos, a pivotal ligure in the heroin traffic



windshield. More than 30 of Vang Pao's soldiers hidden in the brush alongside the road were shooting frantically at the automobile. But it was twilight, and most of the shots went wild. Kham Hou floored the accelerator and emerged from the gauntlet unscathed.

As soon as he reached his headquarters, Colonel Kham Hou radioed a full report to Vientiane. The next morning Army Chief of Staff Ouan Rathikun arrived in Xieng Khouang and summoned Vang Pao. Weeping profusely, Vang Pao prostrated himself before Ouan and begged for forgiveness. Perhaps touched by this display of emotion or influenced by the wishes of U.S. Green Beret officers working with the Meo, Ouan decided not to punish Vang Pao.

[General Ouan Rathikun deserves passing memorialisation in this account. A former commanding officer of the Royal Laotian Army - the only army in the world apart from the U.S.'s that is

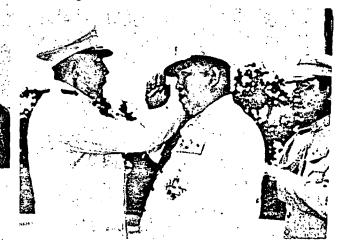
wholly financed by the American taxpayer - he so brilliantly acquitted himself in that post to earn his country's highest decoration, the Grand Cross of the Million Elephants and the White Parasol. A round and genial man, the general has also controlled, since 1962, an elephant's share of that part of the opium traffic through Laos that originates in Thailand and the Shan states of northern Burma. Tithing this traffic has been immensely profitable to the various right wing governments that Ouan has served so faithfully over the years, yielding revenues of almost \$100,000 a month even as early as 1962. And, like his subordinate Vang Pao, General Ouan also readily perceived the splendid opportunities available to entrepreneurs of opium refining. By 1970 he allegedly controlled the largest laboratory in Southeast Asia, refining some of the purest heroin in the world.]

Courier aircraft. Offering guns, rice, and money in exchange for recruits, these advance men leapfrogged from village to village around the western and northern perimeter of the plain. Under their supervision, dozens of crude landing strips for Air America aircraft were hacked out of the mountain forests, and scattered villages were linked with CIA headquarters at Padong.

3

By 1964 Vang Pao had extended his authority northward into Sam Neua Province, openly attacking Pathet Lao strongholds with the continued assistance of the CIA. (His offensives took place after the United States had signed the Geneva agreements whereby it promised not to interfere in Laotian military affairs.) As soon as a village was captured and Pathet Lao cadres eliminated, the inhabitants were put to work building a crude landing strip,

Below, General Ouan Rathikun being decorated by King Savang Vatthana on his retirement as C-in-C, Royal Laotian Army in June 1971. Ouan controls a large part of the opium traffic through Laos from Thailand and northern Burma



VANG Pao, however, was to be rescued from obscurity by unforeseen circumstances that made his services invaluable to the Laotian right wing and the CIA. In the weeks that followed, Laos blundered into one of its chronic civil wars. Vang Pao volunteered his Meo irregulars to the cause of the tottering regime, and, as a reward, he was pardoned and promoted.

Barthelemy Guerini, one of the Corsican family who controlled the Marseilles drug traffic for years. He was sentenced to 20 years for murder in 1970

In January 1961 the CIA began sending Green Berets, CIA-financed Thai police commandos, and a handful of its own agents to Vang Pao's headquarters at Padong, a 4000-foot mountain due south of the Plain of Jars. The object was to build up an effective secret army that would keep the Pathet Lao bottled up on the Plain of Jars by recruiting all of the eligible young Meo in the surrounding mountains as commandos. Using Padong as a base of operations, Vang Pao's officers and CIA operatives flew to scattered Meo APPROVED FOR RELEASE DATE: 18-Jan-2010

usually 500 to 800 feet long, to receive the airplanes that followed in the conqueror's wake, carrying "refugee" supplies of rice and guns. These goods were given away in an attempt to buy the hearts and minds of the Meo and eliminate any remaining loyalty to the Pathet Lao. Within a matter of months a 50-mile strip of territory - stretching from the northeastern rim of the Plain of Jars to Phou Pha Thi mountain, only 15 miles from the North Vietnamese border - had been added to Vang Pao's domain. More than 20 new landing strips dotted the conquered corridor, linking Meo villages with the new CIA headquarters at Long Cheng. Most of these Meo villages were perched on steep mountain ridges overlooking valleys and towns controlled by the Pathet Lao. The Air America landing strip at Hong Non, for example, was only 12 miles from the limestone caverns near Sam Neua City where the Pathet Lao later housed their national villages in helicopters and light Helio headquarters, a munitions factory, and

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a training school for political cadres.] America and Continental Air Services. | Laos was already heavy, and Meo AS might be expected, the fighting on the Plain of Jars and the opening of these landing strips produced changes in northeastern Laos's opium traffic. For over 60 years the Plain of Jars had been the hub of the opium trade there. After every winter's opium harvest, Chinese merchants would leave their stores on the plain and ride into the surrounding hills to barter for Meo opium. During the colonial era, Chinese traders sold opium to the French opium monopoly or to smugglers headed for northern Vietnam. When the French military became involved in the opium traffic in the early 1950s, the Chinese sold opium to French commandos for shipment to Saigon on military transports. After the French departure in 1954. Chinese merchants dealt with Corsican charter airlines, which made regular flights to Vietnam and the Gulf of Siam.

No longer able to land on the Plain of Jars, the Corsican airlines began using Air America's mountain landing strips to pick up raw opium. As Vang Pao circled around the plain and advanced into Sam Neua Province, the Corsicans were right behind in their Beechcrafts and Cessnas, paying Meo farmers and Chinese traders a top price. Rather than deliver their opium to trading centres on the plain, most traders brought it to Air America anding strips serviced by the Corsican charter lines.

But when the Laotian government forced the Corsicans out of business in 1965, a serious economic crisis loomed in the Meo highlands. The war had in no way reduced Meo dependence on opium as a cash crop and may have actually increased production. Assured of food supplies from the CIA, the Meo had given up growing rice so that they could allot more land to the growing of opium.

While Meo villages on the southernn and western edges of the plain were little affected by the transport problem. the end of the Corsican flights made it impossible for villages on the northern perimeter and in Sam Neua Province to market their opium. Air America was the only form of air transport available. and, according to General Ouan Rathikun and General Thal Ma, then commander of the Laotian Air Force, it began flying Meo opium to markets in Long Cheng and Vientiane.

Air logistics for the opium trade were further improved in 1967 when the CIA and USAID (United States Agency) for International Development) gave Vang Pao financial assistance in forming his own private airline. Xieng Khouang Air Transport. The company's president, Lo Kham Thy, says the airline was formed in late 1967 when two C47s were acquired from Air

The company's schedule is limited to shuttle flights between Long Cheng and Vientiane that carry relief supplies and an occasional handful of passengers. Financial control is shared by Vang Pao, his brother, his cousin, and his father-in-law. According to one former AID employee, AID supported the project because officials hoped it would make Long Cheng the commercial centre of the northeast and, thereby, reinforce Vang Pao's political position.

EVERYBODY continued to profit from the various arrangements until early 1968, when the Pathet Lao began the first of the dry-season offensives that eventually, by late 1971, forced Vang-Pao's army into a narrow stretch of hill country within a relatively few miles of Vientiane. But the only people who lost by the military retreat were the Meo hill

villages rather than face the daily horror of life under the bombs. By early 1970 an estimated 50,000 hill tribesmen were living in Sam Thong and Long Cheng while 100.000 more were crowded into a crescent-shaped piece of territory lying between these two cities and the Plain of Jars.

tribesmen were willing to leave their

During their 1970 offensive. North Vietnamese and Pathet Lao troops jumped off from the Plain of Jars, drove across the Meo "refugee" areas, and by March were on the heights overlooking Sam Thong. As the attacks gained momentum, Meo living west of the plain fled south, and eventually more than 100,000 were relocated in a 40-mile-wide strip of territory between Long Cheng and the Vientiane Plain. When the Pathet Lao and the North Vietnamese attacked Long Cheng



Meo farmers and villagers of Long Pot village preparing the fields for poppy planting in the autumn of 1971

tribesmen. According to reliable Laotian sources, despite the drop in Meo opium production after 1968. Vang Pao was able to continue his rule in Laos's narcotics trade by opening a heroin laboratory at Long Cheng, the CIA headquarters town.

The loss of Sam Neua Province in 1968 signalled the first of the massive Meo migrations that transformed much. of northeastern Laos into a depopulated free-fire zone and drastically reduced hill-tribe opium production. Before the CIA initiated Meo guerilla operations in 1960, northeastern Laos had had a hill-tribe population of about 250,000 people, most of whom were Meo opium farmers scattered evenly across the rugged highlands.

When Vang Pao began to lose control of Sam Neua in early 1968, the CIA decided to deny the population to the Pathet Lao by evacuating all the Meo tribesmen under his control. By 1967 U.S. bombing in northeastern

Below, when the oplum is ready to be hervested the petals fall from the build



during the 1971 dry season. the CIA was forced to evacuate some 50.000 mercenary dependents from Long Cheng valley into this overcrowded resettlement area. By mid-1971, USAID estimated that almost 150.000 hill-tribe refugees, of whom 60 percent were Meo, had been resettled in the Ban Son area south of Long Cheng.

After three years of constant retreat. Vang Pao's Meo followers were at the end of the line. Once a prosperous people living in small villages surrounded by miles of fertile, uninhabited mountains, 90,000 Meo. almost a third of all the Meo in Laos. were now packed into a 40-mile-long dead end perched above the sweltering Vientiane Plain. Traditionally the Meo have built their villages on mountain ridges more than 3000 feet in elevation where the temperate climate is conducive to poppy cultivation, the air is free of malarial mosquitoes, and the water is pure. Since most refugee

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villages in the Ban Son resettlement area are less than 2500 feet in elevation, many Meo, lacking normal immunities, have been stricken with malaria and have become seriously ill. The lower elevation, and crowded conditions make opium cultivation almost impossible, and the Meo are totally dependent on Air America's rice drops. If the North Vietnamese and Pathet" Lao capture Long Cheng and advance on Vientiane, the Meo will probably be forced down onto the Vientiane Plain where their extreme vulnerability to tropical disease might result in a major medical disaster.

The Ban Son resettlement area is the guardian at the gate, blocking any enemy advance on Vientiane. If the Pathet Lao and North Vietnamese choose to attack the Laotian administrative capital after they have taken Long Cheng, they will have to Meo have no choice but to stand and fight.

THE chronicle of American complicity in the Laotian drug trade ends with one final irony. When President Nixon issued his declaration of war on the international heroin traffic in mid-1971, the U.S. embassy in Vientiane was finally forced to take action. Instead of trying to break up drug syndicates and purge the government leaders involved, however, the embassy introduced legal reforms and urged a police crackdown on opium addicts. A new opium law submitted to government ministries for consideration on June 8 last year went into effect on November 15. As a result of the new law, U.S. narcotics agents were allowed to open an office in early November - two full years after GIs started using Laotian heroin in Vietnam and six months after the first large seizures were made in the United



An opium caravan leaves for northern Thailand. Two hundred armed rebels escorted 10 mules carrying 650 kilos of raw opium. Profits bought arms for Laos

Opium worth \$6%-million was seized in Hong Kong In 1969. It is believed to have come from Thelland, Burma and Laos

fight their way through the resettlement area. Meo leaders are well aware of the danger and have pleaded with USAID to either begin resettling the Meo on the Vientiane Plain on a gradual, controlled basis or shift the resettlement area to the east or west, out of the probable line of an enemy advance. Knowing that the Meo fight better when their families are threatened, USAID had refused to accept either alternative and seems intent on keeping them in the present area for a final, bloody stand against the North Vietnamese and Pathet Lao. Most of the Meo have no desire to continue fighting for Vang Pao. They bitterly resent his more flamboyant excesses – his habit of personally executing his own soldiers, his willingness to take excessive casualties, and his massive grafting from the military payroll - and regard him as a corrupt warlord who has grown rich from their suffering. But since USAID decides where the rice is dropped, the

States. Only a few days after their arrival, U.S. agents received a tip that a Filipino diplomat and a Chinese businessman were going to smuggle heroin directly into the United States. U.S. agents boarded the plane with them in Vientiane, flew halfway around the world, and arrested them with 15.5 kilos of high-grade heroin in New York City. Even though these men were carrying a large quantity of heroin, they were still only messenger boys for the powerful Laotian drug merchants. But, so far, political expediency has been the order of the day, and the U.S. embassy has made absolutely no effort to go after the men at the top.

In the long run, the American effort seems to be aimed at closing Vientiane's hundreds of wide-open opium dens and making life difficult for the average Laotian drug user (most of whom are opium smokers). The Americans are pressuring the Laotian police into launching a massive crackdown on

opium smoking, and there is evidence that the campaign is getting under way. Since almost no money is being made available for detoxification centres or outpatient clinics, most of Vientiane's opium smokers will be forced to become heroin users. (Opium's cumbersome smoking paraphernalia and strong smell make its addicts much more vulnerable to arrest.) Vientiane's brand of low-grade heroin seems to be particularly high in acid content and has produced some horribly debilitated zombie addicts. No less an authority than General Ouan believes that Vientiane's brand of low-grade heroin can kill a healthy man in less than a year. It would indeed be ironic if America's anti-drug campaign drove Laos's opium smokers to a heroin death while it left the manufacturers and international traffickers untouched.

AFTER pouring billions of dollars into Southeast Asia for over 20 years, the United States has acquired enormous power in the region. And it has used this power to create new nations where none existed, to handpick prime ministers, to topple governments, and to crush revolutions.

But United States officials in Southeast Asia have always considered the opium traffic a quaint local custom and have generally turned a blind eye to official involvement. A Laotian or Vietnamese general who whispers the word "neutralism" is likely to find himself on the next plane out of the country, but one who tells the international press about his role in the opium trade does not even merit a raised eyebrow. However, American involvement has gone far beyond coincidental complicity; embassies have consciously covered up involvement by client governments. CIA contract airlines have reportedly carried opium, and individual CIA men have abetted the opium traffic.

As a result of direct and indirect American involvement opium production has steadily increased, high-grade heroin production is flourishing, and the Golden Triangle's poppy fields have become linked to markets in Europe and the United States. Southeast Asia's Golden Triangle already grows 70 percent of the world's illicit opium and is capable of supplying the U.S. with unlimited quantities of heroin for generations to come. Unless something is done to change America's policies and priorities in Southeast Asia, the drug crisis will deepen and the heroin plague will continue to spread.

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