CIA ALCE OPENIA

by Frank Browning and Banning Garrett

(Editor's note: The following article has been made available to subscribers of College Press Service prior to its release nationally because of CPS's involvement in the story's inception.

Sandwiched between the president's State of the World message, in which he announced an all-out campaign to halt the world's opium traffic, the Laotian invasion, and this spring's growing anti-war protests, the story is an explosive one. Sen. George McGovern and Rep. Ronald Dellums are both pressing for hearings in Congress on the U.S. government's complicity with world opium trade, and details on these and other subsequent developments will follow in other stories.)

"Mr. President, the specter of heroin addiction is haunting nearly every community. in this nation." With these urgent words, Senator Vance Hartke spoke up on March 2 in support of a resolution on drug control being considered in the U.S. Senate. Estimating that there are 500,000 heroin addicts in the U.S., he pointed out that nearly 20 per cent of them are teenagers. The concern of Hartke and others is not misplaced. Heroin has become the major killer of young people between 18 and 35, outpacing death from accidents, suicides or cancer. It has also become a major cause of crime: to sustain their habits, addicts in the U.S. spend more than \$15 million a day, half of it coming from. the 55 per cent of crime in the cities which they commit and the annual \$2.5 billion worth of goods they steal.

Once safely isolated as part of the destructive funkiness of the black ghetto, heroin has suddenly spread out into Middle America, becoming as much a part of suburbia as Approved Tob Release 2001/08/30: CM-RDP73B00296R000300060023-8

gained it the attention it otherwise never would have had. President Nixon himself says it is spreading with "pandemic virulence." People are becoming aware that tecnagers are shooting up at lunchtime in schools and returning to classrooms to nod the day away. But what they don't know--and what no one is telling them--is that neither the volcanic erruption of addiction in this country nor the crimes it causes would be possible without the age-old international trade in opium (from which heroin is derived), or that heroin addiction-like inflation, unemployment, and most of the other chaotic forces in American society today-is directly related to the U.S. war in Indochina.

The connection between war and opium in Asia is as old as empire itself. But the relationship has never been so symbiotic, so intricate in its networks and so vast in its implications. Never before has the trail of tragedy been so clearly marked as in the present phase of U.S. involvement in Southeast Asia. For the international traffic in opium has expanded in lockstep with the expanding U.S. military presence there, just as heroin has stalked the same young people in U.S. high schools who will also be called on to fight that war. The ironies that have accompanied the war in Vietnam since its onset are more poignant than before. At the very moment that public officials are wringing their hands over the heroin problem, Washington's own Cold War crusade, replete with clandestine activities that would seem far-fetched even in a spy novel, continues to play a major role in a process that has already rerouted the opium traffic from the Middle East to Southeast Asia and is every day opening new channels for its shipment to the

continued

There would have been a bloodthirsty logic behind the expansion of the war into Laos if the thrust had been to seize supply centers of opium the communists were hoarding up to spread like a deadly virus into the free world. But the communists did not control the opium there: processing and distribution were already in the hands of the free world. Who are the principals of this new opium war? The ubiquitous CIA, whose role in getting the U.S. into Vietnam is well known but whose pivotal position in the opium trade is not; and a rogue's gallery of organizations people-from an opium army subsidized by the Nationalist Chinese to such familiar names as Madame Nhu and Vice President Nguyen Cao Ky-who are the creations of U.S. policy in that part of the world.

The story of opium in Southeast Asia is a strange one at every turn. But the conclusion is known in advance: this war has come home again-in a silky grey powder that goes from a syringe into America's mainline.

The CIA Poppies

Most of the opium in Southeast Asia is grown in a region known as the "Fertile Triangle," an area covering northwestern Burma, northern Thailand, and Laos. It is a mountainous jungle inhabited by tigers, elephants, and some of the most poisonous sn akes in the world. The source of the opium that shares the area with these exotic animals is the poppy, and the main growers are the Meo hill tribespeople who inhabit the region. The Meo men chop back the forests in the wet season so that the crop can be planted in August and September. Poppies produce red, white or purple blossoms between January and March, and when the blossom withers, an egg-sized pod is left. The women harvest the crop and make a small incision in the pod with a three-blad Approved For Release 2001/08/30: CIA-RDP73B00296R000300060023-8...

white latex-like substance which is left to

accumulate and thicken for a day or two. Then it is carefully gathered, boiled to remove gross impurities, and the sticky substance is solled into balls weighing several pounds. A fraction of the opium remains to be smoked by the villagers, but most is sold in nearby rendezvous with the local smugglers. It is the Meos' only cash crop. The hill tribe growers can collect as much as \$50 per kilo, paid in gold, silver, various commodities, or local currency. The same kilo will bring \$200 in Saigon and \$2000 in San Francisco.

hundreds of routes, and There are certainly as many methods of transport by which the smugglers ship opium--some of it already refined into heroin-through and out of Southeast Asia. But there are three major networks. Some of the opium from Burma and northern Thailand moves into Bangkok, then to Singapore and Hong Kong, then via military aircraft, either directly or through Taiwan, to the United States. The second, and probably major, route is from Burma or Laos to Saigon or to ocean drops in the Gulf of Siam; then it goes either through the Middle East and Marseille to the U.S. or through Hong Kong and Singapore to the West Coast. A final route runs directly from outposts held by Nationalist Chinese troops in Thailand to Taiwan and then to the U.S. by a variety of means.

One of the most successful of the opium entrepreneurs who travel these routes, a Time reporter wrote in 1967, is Chan Chi-foo, a half-Chinese, half-Shan (Burmese) modern-day warlord who might have stepped out of a Joseph Conrad adventure yarn. Chan is a soft-spoken, mild-mannered man in his late thirties who, it is said, is totally ruthless. He has tremendous knowledge of the geography and people of northwestern

Burma and is said to move easily among them, conversing in several dialects. Yet he is also able to deal comfortably with bankers and other businessmen who finance his operations from such centers as Bangkok and Bientiana. Under Chan Chi-foo's command are from 1000-2000 well-armed men, with the feudal hierarhy spreading down to encompass another 3000 hill tribesmen, porters, hunters and opium growers who pay him fealty and whom he regards about the same as the more

Continued

Approved For Release 2001/08/30: CIA-RDP73B00296R000300060023-8

Moving the opium from Burma to Thailand or Laos is a big and dangerous operation. Cne of Chan's caravans, says one awe-struck observer, may stretch in single file for well over a mile and may include 200 mules, 200 porters, 200 cooks and camp attendants, and about 400 armed guards. Such a caravan can easily carry 15 to 20 tons of opium worth nearly a million dollars when delivered to the syndicate men in Laos or Thailand.

To get his caravans to market, however, Chan must pay a price, for the crucial part of his route is heavily patrolled not by Thais or Laotians but by nomadic Nationalist Chinese troops. (KMT) Kuomingtang supported by the ruling KMT or Taiwan, Kai-shek's Chiange Generalissimo Division controls a major part of the opium flowing out of Burma and Thailand. Roving bands of mercenary bandits, they fled to northern Burma in 1949 as Chiang's armies were being routed on the Chinese mainland, and have maintained themselves since by buying opium from the nearby Meo tribesmen which they then resell, or by exacting tribute payments from entrepreneurs like Chan Chi-foo. As travellers to the area attest, these troops also supplement their income by running Intelligence operations into China and Burma for the U.S.

regularly Government Burmese The complained about all this activity to the United Nations, the Taiwan government and the United States, charging the Americans and Taiwanese with actively supplying and supporting the KMT, which in turn has organized anti-government guerrillas. In 1959 Burmese ground troops seized three opium processing plants set up by the KMT guerrillas at Wonton; the troops also took an airstrip the Chinese had used to fly in reinforcements. By February 1961 the Burmese had pushed the KMT troops southeast into Thai-Burmese and Thai-Laotian border areas, where they now hold at least eight village bases. Just last year a reporter who was at Chieng Mai Thailand, saw Thai troops and American advisors as well as military supplies provided by the Taiwan government. The Taiwan government, he noted, maintains an information office there and regularly accompanies the KMT troops on their forays

of Yunnan province. These sorties are coordinated by the CIA (which is feverishly active if not wholly successful in this area), and the United States even provides its own backwater R&R for the weary KMT, flying its helicopters from hilltop to hilltop to pick up the Chinese (and the Establishment reporter who supplied this information) for organized basketball tournaments.

Although the KMT troops are often referred to as "remnants," they are not debris left behind by history. They are in fact an important link in American and Taiwan policy toward Communist China. Not only does Chian Kai-shek maintain direct contact with his old 93rd, but fresh recruits are frequently sent to maintain a troop level of from 5000 to 7000 men, according to a top-ranking foreign aid official in the U.S. government. And, as the New York Times has Kai-shek's son, Chiang noted, Chin-Kuo, is widely believed to be in charge of the KMT operations from his position as chief of the Taiwan secret police.

into China to proadbrizgeurous Refease 2001/08/30 : CIA-RDP73B00296R000300060023-8