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Biggest 'Pusher'

To the Editors: Failure of the present administration (and previous ones) to deal with the heart of the international drug problem is turning into one of the most dangerous situations of our times. Crash programs have been launched to curb the illegal drug traffic from countries such as France, Turkey and Iran, but nothing is being done to attack the flow of heroin from the world's biggest producer — you guessed it, Red China.

The CIA has been carefully studying a book dealing with Nasser's talks with Premier Chou En-lai in Cairo, in June, 1965. A highly respected Egyptian publisher and confident of the late Pres. Nasser, Mohammed Heikal, reveals in his book

that Chou En-lai discussed the demoralization of American troops in Vietnam by the use of drugs. Chou reportedly said: "We are planting the best kind of opium especially for American soldiers in Vietnam. The effect the demoralization is going to have in the United States will be far greater than anyone realizes."

Despite U.S. intelligence reports from Vietnam, showing heroin being taken by our troops, there has been a deliberate effort by the administration to discount the fact of where the stuff is coming from. Reports indicate further that the heroin is so pure in Vietnam, it had to come from mainland China.

Perhaps the President had better forget that "peaceful" trip to Peking. In spite of his obvious sincerity, the feeling just does not appear mutual. Ah, those inscrutable orientals. EILEEN TOEDTLI

1014 Ellis, Dallas, Oregon

DETROIT, MICH. MICHIGAN CHRONICLE DEC 1 1 1971 WEEKLY - 50,047

Nixon Is Compared To Hitler

OBERLIN, Onio, -Speaking at Oberlin college recently, Kathleen Cleaver compared President Nixon to Adolph Hitler and accused the federal government of being "fascist."

In an afternoon speech in the college's Finney chapel before 700 students, faculty . members and townspeople, the wife of self-exiled Black Panther Eldridge Cleaver said that both Hitler and Nixon were elected on a law and order campaign.

As Hitler used concentration camps to kill the Jews, Nixon is using drugs, she charged.

The rise of drug usage, she says, "parallels the Nixon administration,"

Mrs. Cleaver, who attended Oberlin in 1963, said "The Ito methadone - a government CIA_the Mafia, and the FBI are waging a chemical war against Black people in America by the spread and sale of hard drugs in the Black community."

She added that the government's methadone drug program for heroin users is not for rehabilitation but instead is another step to control the life and destiny of American blacks.

"Where Black people were once addicted to heroin," she said, "they are now addicted controlled drug," she declared.

In commenting on the Attica (N.Y.) and other prison revolts, Mrs. Cleaver said, "The prisons - the universities of the ghetto - are where the true leaders and organizers are found. They, are simply carrying on the sturggle raised by the people outside the prisons." 1

Approved For Release 2001/08/07 : CIA-RDP80-01601R001 10 Dec 1971 French intelligence drug link may be revealed b

By PETER HARVEY

Detailed evidence of complicity by individual French intelligence officials in world-wide drug trafficking - a business costing the United States economy probably \$1,000 millions a year — has been compiled by the American security services.

their intelligence service of the men alleged to be involved in the trafficking.

The syndicates, working with The syndicates, working with their protectors, are responsible for about 80 per cent of all the opiates smuggled into North America each year. During 1970-71, it is estimated, about 10,000 kilograms—worth retail over £4,000 millions—was on the US market Informational the US market. International narcotics agencies and police departments believe that as much as half that figure probably finds its way back to criminal hands,

The syndicates controlling much of the traffic to North America are very powerful and react savagely whenever any action is taken against them.

During the course of an ivestigation across Western Investigation across Western Europe on behalf of the Guardian. I was twice threatened with beatings and repeatedly warned to beave repeatedly warned to leave areas where the syndicates operate. While being taken to a meeting with members of one of the smuggling rings, I had to lie on the floor of a car and agree to be blindfolded.

List of names

The information now believed to be in the hands of the Americans includes not only the names of some of the criminal bosses and their principal lieutenants but also the names of some members of the Service de Documentation Extrieure et Contre-Espionnage (SDECE), who have "been involved, it is alleged, in the trafficking over the past six to eight years, if not longer.

Some of this evidence may be made public unless the French authorities act swiftly to crack down on the criminal syndicates operating in France and purge

customs officers to civil servants and politicians—implicated in the racket, particularly by shielding traffickers.

SDECE has also carried out an investigation of its own into American officials' involvement in the drug trade within North America, South-east Asia, and parts of Europe. It claims to have proof that some members of the CIA have been working for the Mafia by arranging the transportation of gold to pay for drugs procured in Europe and the Middle East and that a number of CIA agents are involved in the supply of parcotics to North America from Asia.

But it must be stressed that neither SDECE nor the CIA in any way suspects that either "officially" involved in any aspect of trafficking. There is been top-level working good а relationship between the two intelligence departments, and both are equally concerned at reports of criminal activity within their ranks, and both are determined to stamp it out.

Upheaval

SDECE is currently passing through a period of internal upheaval-a political housecleaning. Under General de Gaulle, the service reportedly devoted most of its considerable human and financial resources to Investigating US affairs and CIA operations in Europe. Shortly after M Pom-pidou came to power, he replaced SDECE's director, General Eugene Guibaud, with Conto Alexandra de Marcnebes Conte Alexandra de Marenches, It also includes the names of who is a civil servant and old some French Government friend of President Pompidou's.

Marenches was ordered to cleanse the service of the hardline Gaullists, and replace them with men who would divert SDECE's attention to work against communism, cooperaagainst communism, coopera-tion with Western Intelligence, and - most importantly --who supported Pompidou's brand of Gaullism.

The public charges against members of SDECE and other French officials of covering up top-level complicity in drug running were first made by Mr John Cusack, director of the Bureau of Narcotics and Dangerous Drugs' operations in Europe.

" rour or five of the top men in international drugs trafficking are in France. And they are protected by the police," he protected by the police," he said, a few weeks before his term of duty in Paris was scheduled to end. (Cusack returns to Washington this week and will shortly become director of the US Customs' Narcotics Division.) He went on to say that "people in very to say that "people in very high places indeed" were shielding the smugglers.

shielding the smugglers. The scandal broke publicly when Roger Delouette, an SDECE agent, was arrested in New Jersey last April while attempting to smuggle 90 kilo-grams of heroin-worth about \$36 millions retail-into the United States. Ho was the fourth SDECE employee

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arrested on drugs charges in the past 18 months.

Interpol and the Western narcotics agencies believe that Cusack's "five top men" are in Marseilles today, based although two also have apartments in Paris. All operate under the cover of legitimate business, one of them as a freight agency, two as real estate and house agents, while the others own hotels and clubs.

French police admit candidly that they believe they know the names of the leaders of the syndicates and are aware of their work. But obtaining evidence that could lead to arrest and conviction is almost an impossible task-as has been shown, apart from anything else, by the murders of police and narcotics agents who were attempting to infiltrate the syndicates.

The US Narcotics Bureau like the other international enforcement agencies, also acknowledges the overwhelming difficulties placed in the path of any reasonably accurate attempt to gauge the amount of money spent or carned by criminals involved in trafficking.

But the BNDD suspects that at least \$200 millions is sent out of the United States each year specifically for the purchase of drugs.

officials-from policeApproved For Release 2001/08/07 ; CIA-RDP80-01601R001000070001-6

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French U.S. Spy Case May Hamper Pompidou

By Jonathan C. Randal, Washington Post Foreign Service

V

scandals have so regularly French besmirched the counterespionage organization that the latest cause celebre was greeted by a cartoon suggesting that a washing machine was needed to handle the growing volume of official dirty linen.

smuggling 96 pounds of heroin into the United States last spring, the scandal has been connected by the press with a whole series of uusa; vory real estate frauds involving the ruling Gaullists. The question of whether the scandals involve a CIA maneuver to embarrass its French counterpart or rivalries within the French organization is-and promises to remain - as murky as the plot of a cheap spy thriller.

But what is immediately at stake is the reputation and political future of President Georges Pompidou and the Gaullist party, grown inereasingly nervous with every new scandal and the approach of the 1973 legislative elections.

What is also at stake-as it has been for years in France - is the role of any counterespionage and intelligence operation in a West- quainted with the distinern deinocracy.

Tieing odd ends of seemingly unconnected cases into enc irrefutable plot has always been an honored intellectual pastime in the land of Descartes whose citizens have a natural penchant for the conspiracy theory of history.

But the current spectacle of official and unofficial spics calling cach other names, complete with charges of high treason an-Swered by \$200,000 slander

wayward Gallic James Bonds is the knowledge that tailed charges and count-PARIS-Over the years the French spy organization ercharges made public in the has defeated all attempts at past two weeks, SDECE itserious reform ever since self has never seen fit to its Free French beginnings publish the results of the in World War II London.

Gaullist rule have contrib. Ben Barka affair. uted to an attrition of vigilance, especially since Gaull- per reported that of the ists have always had a weak- swimming pool's 1,500 oper-Involving a sometime ness for clandestine opera- atives 596 were than purged French spy charged with tions and questionable oper- with 473 of them returning atives.

The Service du Documen- they had come. Exterieure et de tation Contre-Espionnage - pron- sembly report on SDECE ounced sdeck-has suffered complained that low pay through an American period, followed by the traumas of the Algerian war, hostility help to explain why so many to the United States and the end of once close links with into serious trouble. Israel, only to be told to Symptomatic of such ap-mend its American fences parent financial problems during the past year or so.

mark in the service's history occured in 1965 when agents of the "swimming pool"-as in the fall for drug traffick-SDECE headquarters in Paris is called after a nearby sports center --- were kidnaping and death of Mehdi Ben Barka, a leftist

than 13 separate police and organizations intelligence were identified, and the French people became ac-I guishing characteristics of "barbouzes" --- or the bearded ones, as spies are called in argot.

It was not entirely surprising to learn that among Ben Barka's abductors were common law criminals who during the wartime occupation had worked for both the Germans and the Resistance.

Earlier, during the closing days of the Algerian war, the Gaullists recruited barbouzes from like back-grounds in their fight grounds

mined to keep Algeria French.

Despite the barrage of dereform carried out at Gen. More than 13 years of de Gaulle's orders after the

> However, a Paris newspato the armed forces-whence

'An official National Asdiscouraging recultwas ment,a failing which may "barbouzes" seem to get

Symptomatic of such apwere the cases of Roger The previous low-water DeLouette, the center of the present scandal, and Andre Labay, arrested here earlier ing. Both had worked for SDECE.

Quite apart from the "war implicated in the mysterious of the clans" within SDECE, which is real enough, the organization's real weakness is Morocan politician in exile. in cutting the umbilical cord At that time no fewer with its agents once they have ceased being useful.

There have been some cases to suggest that unemployed "barbouzes" exercise sufficient leverage on their former employers to afford a certain license in finding other means of support which are not always above board.

The three gangsters involved in the Ben Barka case for example, had run houses of prostitution for a long time and were allowed to disappear abread with an ease the government found embarrassing.

The question has been raised of how SDECE is financed beyond its rather stingy budget appropria-

china war, a French air force plane regularly landed

behind Vietminh lines to collect the opium harvest. Theoretically, the operation was to deprive the enemy of an important source of financing but it remains unclear: even today what the French authorities did with the (Similarly, the opium. French press has accused the CIA of doing much the V same with Laotian and Cambodian opium.)

Inevitably, the name of Jacques Foccart has been mentioned again in this case as it was in the Ben Barka affair. Foccart is nominally secretary general of the French-African Community -an organization which has had no legal existence for these 11 years - but his real business is ensuring all goes relatively that. smoothly in former French black African possessions.

His organization reputedly employs many "barhouzes.'

More open to question are such purely Gaullist unofficial organizations as the Committees of Republic Defense and the Civil Action Service which anti-Gaullists have charged involve former -"barbouzes" in all kinds of including skullduggery, drug trafficking.

Theoretically, they are a kind of Gauilist internal police to provide protection for Gaullist politicans and workers during election campaigns. There is apparently wellfounded speculation that much of the French exploi-

tation of the scandals is linked to the legislative elections now on the horizon. 🔄

Many Frenchmen agreed with Gen. Pierre Billotte, a former defense minister and Gen. de Gaulle's wartime chief of staff, who claimed that SDECE was "no longer in the republican order" and called for its "dissolution."

But his statement was undercut by the knowledge that Billotte had hoped to take over as the boss of SDECE and had been turned down.

Nonetheless, his words struck a deeper cord than those of Defenses Minister Michel Debre, who is technically responsible for SDECE.

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NEW YORK TIMES Approved For Release 2901/08/07 19 GIA-RDP80 01600 RPM 000

FlyingDrug-RunnersReapBigProfits

By ROBERT LINDSEY They fly low and slow, by the light of the moon, and make \$50,000 a night.

They use some private planes and old military transports and land on deserted air strips or sagebrush-covered desert. Their cargo is marijuana, cocaine and heroin.

Along the sparsely settled 40,000 pounds of cargo. frontier that divides the United States and Mexico, airborne drug-runners are doing a booming business, and Federal agents say that they smugglers and arrest them do not know how to stop when they land. Increasing them.

On most nights, the agents r, estimate, at least 10 planes cross the border with marijuana and other drugs. On rare occasions, the smugglers are caught by United States agents flying their own planes. But usually they land unnoticed in Arizona, California, Texas, Florida or elsewhere and net at least \$50,000 each trip.

Anybody who knows how to fly can get into the busito fly can get into the busi- ---they learn about it quickly ness and make a lot of mon- and just take another route." cy in a hurry if he gels laway with it," said Donald A. Quick, a Bureau of Customs into this country by air for agent based at the border at least five years. Initially, town of Nogales, Ariz,

diers of fortune, crop dust- to buy a small amount of

can't get jobs.

these days, and they're will- the Arizona State Departing to do anything to fly, ment of Public Safety, who for bringing in 'heroin," an 'including snuggling." heads the narcotics detail in agent said, "because it doesn't "They're developing their the southern part of the state, take much to make a small fortune." Ten ounces of own air force, and it's get said: fortune." Ten ounces of ting bigger and higger," said ly 10 different organized op-an official of the Justice De-erations in Tucson alone, Los Angeles for \$140,000. The solution of the second partment's Bureau of Nar- cach involving six to eight Another recent trend that cotics and Dangerous Drugs, people, that are flying in worries the authorities is the which is jointly responsible loads weekly."

engine private planes, often Officials attribute the in- tors, television sets and to-equipped with special devices creased aerial smuggling to bacco into Mexico and Censo they can take off and land

transports, turbo-prop executive planes, and we have our eye on one group that has a Constellation," the Justice Department official said. The Constellation can carry

The United States agents' air force consists of 30 unmarked helicopters and small planes. Occasionally, the agents are able to pursue use of the planes over last year has clearly had an

and seize 14 planes that were used in smuggling, according to the Bureau of Customs. This is twice the rate of a

year ago. "But we know we're only getting a tiny fraction of them," a Customs agent said. "They are very clever peo-ple, and if we put the heat on in one area---like we did in Brownsville, Tex., recently they been about it quickly

Started 5 Years Ago

Drugs have been smuggled the smugglers tended to be "You get bush pilots, sol- a plane and flew into Mexico

which is jointly responsible loads weekly." recent diversification of a void the Customs Bureau for Customs agents recently group of "one-way" smug-policing the smuggling. Most of the drug-runners \$,000, and accused him of Operating from small air-use light single and twin-lie is under indictment for distas fly United States mer-possession of marijuana. Approved For Release 2001/08/07 : CIA-RDP80-0160TR001000070001-6

so they can take off and land the growing market for drugs tral and South America on short, improvised desert in the United States, the without paying import duties, trips. "But a lot of them are showed surveillance at some starting to use bigger planes ground border crossing is concerned the dight are starting to use bigger planes ground border crossing As far as the United States --DC-3's, surplus military points and the relative ease is concerned, the flights are

> operators than by any other the contrabandistas usually means of transportation," bribe local officials and earn said Neal Sonnett, an Assist- a solid profit by selling their ant United States Attorney duty-free merchandise. in Miami, where he said Within recent months

The drugs come into Florida from France via islands in the Caribbean and the Yucatan Peninsula in Mexico.

Economics Explained

A Justice Department ex-

probably will have to pay cral Aviation Administration closer to \$30. It doesn't take radar antennas. a very big plane to fly 500 seats and strip it down.

about \$130 a brick, maybe useless below 18,000 feet. as much as \$200, depending All pilots who cross the on the market. We've heard they're getting as much as \$750 in Boston. But; say he buys it for \$30 and sells it in the states for \$130; that's a profit on 500 bricks of \$50,000 for a night's work." diers of fortune, crop dust- to buy a sman amount of ers, guys who flew with Air marijuana and then sold it America in Vietnam Ian air- for a comfortable profit. Jine said to be affiliated with the Central Intelligence can be made have lured Agency], and a lot of 'em more and more older pilots and other people into the is partly due to tichtened and other people into the is partly due to tightened business. can't get jobs. "Pilots are a dime a dozen business. Lieut. Dennis Dierking of ments on the East Coast. "A small plane is perfect "A small plane is perfect

of flying in contraband. legal as long as readily avail-"Smuggling of narcotics by able export permits are ob-small planes is less risky for tained. South of the border,

Within recent months, lured smuggling of heroin by air is by the promise of even growing rapidly. fic, an increasing number of contrabandistas have been flying to this country with drugs instead of returning home with their planes empty.

Although some illegal Since July 1, they have pert explained the economics flights cross the border in been used to make 57 arrests of the industry this way: daylight, most cross at night of the industry this way: "In the interior of Mexico, The planes usually fly a few you can buy weed [mari- The planes usually fly a few juana] for as low as \$2 a hundred feet above the brick [a kilogram, or 2.2 ground to dodge what they pounds], but if you don't believe to be searching sig-know your way around, you hals from Air Force or Fed-

For the most part, such precautions are unnecessary. bricks if you take out the What radar there is on the ats and strip it down. border, officials said, is large-"If he takes the stuff to ly ineffective below 9,000 Tucson, he can sell it for feet and at some points it is

as much as \$200, depending international frontier are required to file an official flight plan with the F.A.A. or the Mexican Government, depending where the trip originates. Many pilots ignore this rule. But some follow the procedure up to a point; they take off and land on the route indicated in their plan, but they take a detour over the border, drop the drugs to confederates on the ground or land briefly on the desert to get rid of the contraband before landing at an airport where they might be subject to a search.

Asked how the smuggling could be halted, Mr. Quick, the Customs agent here, said:

"People hear terms like radar, jet and computer, and think you can solve any problem. But this is a very complicated problem. That's a long border, and it's easy to get lost in it, and when

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DRUGS:

The French Connection

Over the past fifteen years few espionage organizations have suffered so many damaging scandals as France's Service de Documentation Extérieure et de Contre Espionage-the French equivalent of the CIA. Up until last year, the SDECE recruited ex-convicts and members of the underworld as agents, and brawn was valued over brains. This, inevitably, led to all kinds of mishaps:

New Jersey named Herbert I. Stern. On Dec. 15, 1970, Delouette told Stern, Colonel Fournier asked him to smuggle the heroin into the U.S. for \$60,000. As a former SDECE officer, Delouette was well acquainted with Fournier, whose real name is Paul Ferrerand who directs the worldwide operation of all SDECE agents. Several years ago however, Delouette was fired by Ferrer for "unreliability." And as Delouette told the story, when Ferrer got back in touch with him last year, it was not to offer him his old job-but a totally different kind. of assignment.

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Allegedly, Ferrer put Delouette in contact with other heroin smugglers. And acting, so he said, on Ferrer's instructions, Delouette flew to New York, where he was to pick up the heroin and deliver it to a contact thought to be some-



SDECE agents were implicated in the sloppy public erasure of a prominent Moroccan, Mehdi Ben Barka, in 1965, and another SDECE agent recently got fifteen years for slipping French secrets to the Yugoslavs. Last week, the SDECE's tarnished reputation suffered yet another blow. A U.S. Federal grand jury in Newark, N.J., indicted an SDECE official, who uses the nom de guerre "Col. Paul Fournier," as the leader of an international heroin-smuggling organiza-tion. The indictment set off a round of bitter transatlantic accusations and shook the French spy network to its foundations.

The first scent on the trail leading to Fournier was picked up last April when the freighter Atlantic Cognac docked at Port Elizabeth, N.J., and customs agent Lynn Pelletier, 22, played a hunch and checked out a 1971 Volkswagen camper. She found 96 pounds of raw heroin (street value \$12 million) stashed inside. When Roger Delouette, 48, a French cilizen, showed up to claim the VW, he was arrested and soon afterward began recounting a startling story to a

one in the French Consulate. After Delouette was indicted in May, Stern gave him two lie-detector tests (he passed both). Later, Stern contacted the French Ministry of Justice and then flew off to Paris to confer with some French officials. Said Stern: "I was told 'Fournier' was innocent, that he was a high-ranking official and there was no reason for me to meet with him."

Last week, Fournier-Ferrer came out of hiding to give five hours of secret testimony before a French magistrate. As he emerged from the Palace of Justice in Paris, a photographer snapped his picture-but Ferrer persuaded the police to confiscate the film on the ground that his identity was "a secret affecting na-tional defense." Meanwhile, the French Government brushed aside all charges against Ferrer and refused to extradite him for trial in the U.S. Safe in Paris, Forrer challenged: "If I'm guilty, Mr. Stern, prove it and justice will follow its course." From Newark, Stern replied: "If you're innocent, Mr. Fournier, come to this country and stand trial.

trial of sorts was already under way, for at the end of the week, one Col. Roger Barberot went on Radio Luxembourg and charged that narcotics smuggling had indeed been organized by French intelligence agents. Barberot's motives, however, were open to question. A fanatic Gaullist and anti-American, Barberot had hired Delouette immediately after Ferrer fired him from the SDECE. Further, Barberot is head of the Bureau for Ag-ricultural Production Development, a cover for intelligence operations overseas, and his accusations may simply refleet infighting between two French intelligence groups. In fact, there was speculation that Barberot was incensed over President Georges Pompidou's approval of a purge against old-line Gauli-ists within the SDECE and was trying to discredit the entire organization.

Nor did the speculation end there. Characteristically, some sources ad-vanced the hypothesis that the smuggling case had been masterminded by the CIA. As they saw it, the CIA had a simple mo-tive for blackening Ferrer's reputation. This past summer, the U.S. ambassador to Malagasy was kicked out of that country after charges against him had been trumped up by the French (News-WEEK, July 5). What's more, since Ferrer is also responsible for the French spy network in the U.S., it was conceivable that his agents had often stepped on the toes of their American counterparts. In the U.S., there was speculation that, if Ferrer was in fact involved in the heroin racket, the motive was either to line his own pockets or to finance French intelligence operations in the U.S.

It was, of course, impossible to verify any of these theories. But those with inside information on the French drug scene were convinced that if Stern's charges against Paul Ferrer are in fact true, then the scene may well be set for a scandal that could rock the French Government. For if it can be demonstrated that a top official of the Service de Documentation Extérieure et de Contre Espionage was, for any reason, involved in the narcotics trade, even the total dismantling of the organization may not be enough to put France's allies at rest.

Fournis, Paul



Delouette

young, crime-busApproved For Release 2001/08/07rs GlakRDP80-01601R001000070001-6

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By MARGOT LYON

PARIS — "It's like a Shakespeare play," said a leading Frenchman this week. "It's an infernal cauldron where ambitions, grudges, big money and blackmail are all simmering — an explosive mixture that will probably spare nobody when it boils over, as it must."

He was talking of the latest revelations in the scandal that links French counter-espionage services with the \$12 million sale of heroin in the United States.

The story began last April when French agriculturist and one-time spy Roger Delouette was arrested in New Jersey as he went to claim a Volkswagen minibus in which 96 pounds of heroin were hidden. He told American authorities that the man behind the smuggling attempt was a Colonel Fournier later said to be Paul Ferrer — a highranking officer of the Service de Documentation Exterieure et Contre-Espionage or SDECE, roughly the French equivalent of the CIA.

Action Urged

New Jersey attorney Herbert Stern has been demanding that Fournier-Ferrer come and defend himself against the charges, but since last April nothing has moved, except for a visit to Paris from Mr. Stern himself earlier this month, when he saw the director of the cabinet of the Interior Minister, Raymond Marcellin, in the presence of U.S. Ambassador Watson and other officials. The ambassador seemingly tried to smooth the rough edges of a somewhat stormy meeting, but as one of the participants said later, "Dr. Watson did not manage to soothe Sherlock Holmes."

Last February Minister Marcellin signed a cooperation pact on dope-hunting with Attorney General John Mitch-

ell and it looks as if Washington does not wish to sacrifice the restored cooperation between the two for the skin of a crook. But Attorney Stern is seen to be in a hurry to build his own political career, and is impatient with the slow and exceedingly formalistic style of French justice.

In turn the French criticize him for keeping their official from contact with Delouette. Mr. Stern says that Delouette's lawyer will only allow him to meet with them after Delouette himself has been granted immunity — a long long way from French traditions of judicial procedure.

With little understanding of each other's methods, legally what is going on is a dialogue of the deaf.

BUT THE FRENCH public sat up and paid attention last weekend when Colonel Roger Barberot, a gaullist former ambassador, a well known businessman, and very probably an ex-spy himself, revealed in a radio interview that the entire affair had probably less to do with international drug traffic than with East-West spying.

Before De Gaulle returned to power, he said, the French intelligence service had virtually become a subsidiary of the CIA. But after 1958 De Gaulle restored its independence. Later in his term of office he oriented it toward counter-espionage against the United States.

Two years ago when President Pompidou took over, he ordered the service changed back to its former task of spying on Communist activities. By that time it contained so many anti-American agents that according to Colonel Barberot, when new broom Alexandre de Marenches began his clean-up, he found he had to fire all the top brass.

Since then SDECE (pronounced Zdek) agents have used their inside knowledge to settle scores with new-

comers, old-timers and any other faction they disliked. The former head of the Research Service of the Zdek, said Barberot, was himself fired on suspicion of working closely with Communist agents.

EARLY THIS WEEK the man in question, a Colonel Beaumont alias Bertrand, while admitting the whole service was infested with factional rivalries, sued Barberot for one million francs for slander. Said Barberot: "I didn't make my statement lightly." However, both colonels take the line that no serious link exists between the Zdek and drugs, but that rivals clumsily placed the heroin in the minibus knowing that Delouette would implicate anybody to get himself off the hook.

However, the staunchest defenders of France have been pushing the line that a link indeed exists between spying and drugs—only it concerns the CIA and not French intelligence.

Everybody knows, say these hardliners, that the <u>CIA</u> manipulates the selling of Laotian opium because it is more than a source of profit, it is a tactical necessity. So the CIA has used the existing networks to wipe out political adversaries — which in that part of the world were French, France having retained a good deal of her influence since Laos and the rest formed part of ; the French Empire.

A Hidden War

Since General de Gaulle's anti-American speech at Phnom Penh in 1966, a hidden but merciless war has gone on — and the Delouette case is only one aspect of a French-American settlement. Nobody would know who emerged the winner, say the gaullists, if President Nixon had not recently demanded a reorganization of the CIA for misleading him — especially on Laotian and Cambodian affairs.

STATOTHR L'EXFRESS 22-28 Nov 1971 Approved For Release 2001/08/07 : CIA-RDP80-01601R001000 L'AFFARE FOURNIER Ceux qui sortent de l'ombre

(En couverture cette semaine) · adjoint à la direction du Service de

Paris, mardi, 12 h 45. Vêtu d'un pardessus gris anthracite, une écharpe autour du cou, un homme d'une cinquantaine d'années, d'une bonne corpulence, sort du cabinet du juge d'instruction Roussel, au Palais de Justice. Il a un mouvement de recul en apercevant un photographe de L'Express, Philippe Morel, posté là avec un repor-ter d'Europe I, Pierre Douglas. Les deux journalistes le suivent jusqu'à la grille du Palais et l'abordent dès qu'il franchit l'enceinte. L'homme lève un sourcil broussailleux et dit d'une voix grave, très posée : « Je ne suis pas celui que vous croyez. » Le photographe a braqué son appareil et prend des clichés. « Vous n'avez pas le droit... Donnez-moi votre pellicule. » L'homme hèle l'agent en faction, qui appelle un « panier à salade » et conduit le trio au vieux commissariat des Halles.

« Comprenez-moi, dit l'homme, je fais de l'information, moi aussi, comme vous. Mais mes fonctions, comme ma personnalité, sont couvertes par le secret de Défense nationale. Si j'avais l'autorisation de paraître et de parler, c'est avec plaisir que je le ferais, puisque je suis mis en cause par des déclarations aberrantes. Mais je ne m'appartiens pas. »

Sur une copie. La pellicule est saisie par le commissaire, à la demande de la Cour de sûreté de l'Etat. Elle a impressionné le visage d'un homme tenu à l'anonymat, mais dont le pseudonyme et la profession défraient la chronique mondiale depuis l'avantveille : le « colonel Paul Fournier »,

documentation extérieure et de contreespionnage (Sdece, prononcez Zdek). Escamoté du commissariat par une mystérieuse ambulance immatriculée. 1296 LV 75, il vient de déposer, près de cinq heures durant, devant le juge d'instruction Roussel, dans une affaire

de trafic de drogue dont la justice amé-

ricaine l'accuse d'être l'organisateur. Au même moment, un de ses « hono-rables correspondants », M. Roger Delouette, comparaît devant le tribunal fédéral de Newark (New Jersey). Grand, élancé, cheveux noirs bien ramenés sur la nuque, ne paraissant pas ses 48 ans, il a, en plus jeune, un faux air de Ray Milland dans « Love Story ». Il suit, 'sur une copie, la lec-ture de l'acte d'accusation faite par le juge Frederick Lacey : « Vous avez plaidé coupable d'avoir conspiré avec le colonel Fournier en vue de l'acheminement d'héroïne de France vers les Etats - Unis. Connaissez - vous Paul •Fournier, des services de contre-

espionnage français, Sdece? --- Oui.

--- Eticz-vous un agent du Sdece? -- Oui.

- Depuis quand?

- J'ai été recruté en 1968. J'ai commencé à opérer en 1969.

- Avec qui deviez-vous vous mettre en rapport aux Etats-Unis?

- Je devais avoir un contact au consulat de France à New York. » (Ce contact serait M. Harold Mac Nab, chef du poste ·Sdece.)

Le juge donne alors lecture des

Un « incorruptible »

M. Herbert J. Stern, l'accusateur de M. Paul Fournier, est un jeune procureur de 35 ans qui s'est fait une réputation d'« incorruptible ». Il a passé la plus grande partie de sa vie dans le New Jersey et à New York. Après des études à l'Ecole de droit de l'université de Chicago, grâce à une bourse de la Fondation Ford, il est nommé en 1961 assistant du procureur du comté de New York. En 1964 et en 1965, toujours dans co même comté, il est affecté au bureau des homicides, où il a été chargé de l'instruction sur l'assassinat du leader noir Malcolm X. II obtient l'arrestation des trois coupables.

A la fin de 1965, il est nommó au ministère de la Justice à la tête de la section que les Américains appellent « le crime organisó et le racket ». Sa réputation est

de diriger un « grand jury » afin d'enquêter sur la corruption qui règne dans la ville de Newark (New Jersey). Auprès du procureur fédéral de cet Etat, M. Fre-derick B. Lacey, qui est aujourd'hui devenu juge, il entreprend, en septembre 1969, une enquête retentissante sur les activités de la Mafia à Newark. Il parvient à établir que l'organisation secrète a à son service le maire de Newark, trois des neuf conseillers municipaux, quatre anciens conseillers municipaux, et d'innombrables policiers. Dans cette ville, proche de New York, qui est en majorité noire, la Mafia contrôle tout. M. Stern parvient à y faire condamner les coupables, y compris le maire, M. Hugh Addonizió. Aux élections suivantes, un Noir est élu maire.

Au début de l'année 1971, 'M. Stern

déclarations faites par l'accusé depuis son arrestation, le 5 avril, par le service des douanes du New Jersey. Ce jour-là, une jeune inspectrice, miss Lynn Pelletier, 22 ans, avait eu bien du flair en procédant à la fouille d'un minicar Volkswagen, débarqué sur un quai de Port Elizabeth du cargo Atlantic Cognac », en provenance du Havre, et dont le propriétaire, .
 M. Delouette, était arrivé la veille à New York par le vol 803 de la T.w.a. Sous le plancher. « Un petit quel-que chose m'a mis la puce à l'orcille », dira plus tard la jeune femme. En démontant le réservoir d'eau en plastique sous le lavabo de la caravane, elle a trouvé quinze sacs remplis de poudre blanche, quatre-vingt-six autres sous le plancher : au total, 43 kg 778 d'héroïne pure, estimée à 2,750 millions au prix coûtant et en valant 66 à la revente clandestine au détail.

Le Français est aussitôt appréhendé sur le quai du port et interrogé par les enquêteurs des douanes. « Je n'y comprends rien. Je ne sais pas ce que c'est que ça.» L'interrogatoire va durer trente heures. Commencé à la douane de Port Elizabeth, il va se poursuivre à l'hôtel Sheraton de New York, où une souricière est tendue dans la chambre que M. Delouette a réservée. Jaloux de leurs prérogatives, les douaniers se contentent de prévenir le Narcotic Bureau de leur exploit. Les policiers alertent à leur tour l'antenne de l'Office français des stupéfiants, tenue par le commissaire Daniel Hartwig et par l'officier de police Claude Chaminadas. Le protocole de coopération franco-américain ne s'étend pas, en effet, aux douanes. M. Chaminadas est, cependant, autorisé à assister à un bout d'interrogatoire. Sans intérêt.

Le lendemain matin, 6 avril, le téléphone sonne dans la chambre où M. Delouette a passé la nuit avec un douanier. La communication, qui est enregistrée, vient de Paris. Au bout du fil, une voix de femme.

« Il est arrivé un pépin à la voiture », dit M. Delouette, qui raccroche en soupirant. Le commissaire Hartwig est invité à entendre l'enregistrement, puis la suite de l'interrogatoire, qui prend alors un ton nouveau. Après le coup de téléphone, M. Delouette commence à se confesser : « Je suis du Sdece et j'ai agi sur ordre de mon supérieur. » M. Hartwig assiste au début de la confession, qui ne donnera doja suffisamment établie pour qu'en est nominé procureur fédéral pour le New lieu à aucun procès-verbal, car l'en-1966 on lui confis la Approvectifier Reléase, 2001/08/07 co ClA.R.D.R.O.O.1601 ROO.1 000/700700700 orale aux Etats-Unis. Bientôt, le commissaire

continued

THE ECONOMIST Approved For Release 2009/08/071: CIA-RDP80-01601R00

THEWORLD

International Report

Dirty linen tumbles from the secret service closets

FROM OUR PARIS CORRESPONDENT

It. began as a trivial drug scandal. And then the skeletons and dirty linen started tumbling out of French secret service closets. When M. Roger Delouette was arrested in New Jersey last April, charged with drug smuggling—heroin, some 90 pounds of it— he claimed to belong to France's Service de Documentation Extérieure et de Contre-Espionnage (SDECE), and to have been acting under the instructions of his superior, a certain Colonel Paul Fournier. French justice was duly informed, and an ill-tempered dialogue began between the New Jersey prosecutor, demanding that a case be brought against Colonel Four-nier, and the French juge d'instruction, who wanted to question M. Delouette. In the middle of this month the full story started to spill out. The initial "unofficial" French version had been that the Americans, and the Central

Constant of the Desperation of a Intelligence Agency in particular, were trying to embarrass the SDECE. Last week, a certain retired Colonel Barberot produced a quite different version for Radio Luxembourg. The affair, he suggested, was a fall-out from the 1970 purge of the organisation that followed the appointment of its new director by President Pompidou. He argued that the drug smuggling operation had probably been mounted by members of the old regime, and that the new regime had itself denounced M. Delouette to the Americans in order to get rid of him. And who was really behind M. Delouette? The colonel hinted that it wasn't Fournier (real name Ferrer, he said) and vigorously emphasised the links between M. Delouette and yet another colonel, a certain Colonel Beaumont, who had been a director of research for the SDECE before falling victim to the



Fournier-or somebody-is staying under wraps

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Margaret, And Salar

1970 purge. Colonel Barberot claimed that he had been suspected of treason.

STATOTHR

At this point the balloon went up and fog and dirty linen came down. The judge concerned at once demanded the tape of Colonel Barberot's radio interview and has been questioning him and some former agents ever since. Colonel Beaumont in turn broke cover on Monday, declaring that he was the victim of a plot, had never met M. Delouette although he knew the latter had been considered for a mission, and that he would sue Colonel Barberot for slander.

Inevitably the affair has become political, not least because the treason" hinted at is a reference to the political basis of the SDECE purge --- the removal, that is, of the numerous agents who under General de Gaulle had been busier spying on France's allies than on its nominal enemies. But who is gunning for whom ? Colonel Barberot is a left-wing gaullist, and presumably no lover of the new regime. M. Michel Debré, the defence minister under whose wing the service operates, has given the body his full backing. Has Fournier-Ferrer been named because the new regime wanted him out of the way too, or because victims of the purge (which he survived) did, or because he was actually drugsmuggling, or merely because M. Delouette hoped to save his skin by naming a fictitious accomplice ?

And how is it that Colonel Barberot knows so much about the SDECE? His only visible connection with the case is that he runs the Bureau for the Promotion of Agricultural Production which once employed M. Delouette. This innocent-sounding body supplies third-world countries with experts in agriculture.

The press is having a field day with every combination of answers to these questions, the opposition papers according to their lights, the pro-government France-Soir gallantly soldiering on with the theory that the whole thing is a CIA plot. For this theory it has found all manner of supporting evidence-attributed to happily anonymous sources in Switzerland.

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STATOTHE THE PARIS MATCH STATOTHR Approved For Release 2001/08/079 GIA-RDP80-01601R00100

DROGUE ET SERVICES SECRETS LE COCKTAIL EXPLOS CEST PLUS TENEBREU DEI 101 AFFAIRE DE L'ANI En accusant un colonel du S.d.e.c.e., Delouette,

agronome, trafiquant d'héroïne, et agent spécial relance la campagne américaine contre la filière française de la drogue. Mais qui est Delouette?

4 novembre. — Hubert J. Stern, procureur général à la Cour de Newark, couve du regard son accusé favori, son poulain Roger - Xavier - Léon Del'ouette: Petit, maigre, le visage émacié des justiciers incorruptibles, le procureur général, dans son strict complet gris anthracite de fonctionnaire intègre, a l'allure tranchante des attorneys qui ambitionnent une grande carrière. L'audience a lieu devant le tribunal de louette, plaide respectueuse-Newark, dans un local ment coupable d'avoir, « dequi ressemble, avec son plafond aux caissons de couleur, à une salle des contrairement à la loi (« against fêtes un jour de distribu- the law ») conspiré pour imtion des prix.

M. Stern se retourne très sou- drochlaride ». vent vers le public, composé de ses futurs électeurs, comme pour souligner l'importance du combat qu'il est en train d'engager : il part en guerre contre les services spéciaux français corrompus. Insoucieux des complications diplomatiques, insensible aux pressions, il met en accusation le pays qui louette a désigné comme son introduit l'héroine aux Etats- chef et que la justice améri-Unis pour empoisonner la caine a inculpé, est absent. jeunesse américaine.

plique d'une voix sourde, in- un officier « superviseur » du

l condottiere ténébreux. Une silhouette athlétique d'aventurier international à la prestanavantageuse, avec son ce 1,82 m il ressemble à un Jonquères d'Oriola au teint plombé qui aurait délaissé depuis longtemps les réunions hippiques pour les cercles de jeu. A côté de lui, son défenseur, Donald A. Robinson, un petit avocat brun qui a la mine compétente d'un qui connait les 356 artifices de procédure permettant à un ennemi public fédéral de s'en tirer avec cent dollars d'amende. Tout en manipulant nerveusement une paire de lunettes dorées, Roger-Xavier-Léon Depuis ou aux environs du 1er décembre 1970, en pleine conscience et de plein gré, et porter aux Etats-Unis 96 livres

(43 778 grammes) d'héroine hy-

LA JEUNE DOUANIERE DECOUVRE 44 kg D'HEROINE DANS LE MINIBUS

C'est le colonel Fournier que Roger Delouette lui donne la ré-l'accusation présente comme quiète, mais sans défaillence S.d. Release 2001,08/07st CIAURDE 80+04601601Re0100029001.61-Un long visage chevalin de l'instant encore, un homme

sans visage, dont le nom passe-partout a l'air d'un pseudonyme de fonction.

Le 5 avril 1971, le cargo francais · Atlantic Cognac · vient d'arriver à quai à Port Elizabeth, dans le New Jersey. Une jeune douanière de 22 ans. Lynn Pelletier, contemple un minibus Volkswagen qui se balance au bout d'un palan. Lynn Pelletier, qui a un flair de vieux douanier, décide de visiter minutieusement ce véhicule. Elle y découvre les 44 kg d'héroine pure. Peu après un Français élégant se présente aux bureaux de la douane pour retirer le minicar. On lui falicite les formalités et on l'arrête. C'est Delouette.

Son interrogatoire est fructueux : il se présente d'abord comme un agent itinérant du S.d.e.c.e. et révèle que, vers le 15 décembre 1970, il a été pressenti par le colonel Paul Fournier, haut fonctionnaire du S.d.e.c.e., pour faire passer de l'héroine aux Etats-Unis, Peu après, il rencontre au Café de Paris un personnage mystérieux, dont il ignore le nom, qui lui offre 1 200 dollars par kilo d'héroïne transportée et qui le charge d'acheter une Volkswagen · Camper -, d'obtenir un visa, et de s'occuper L'autre prévenu, celui que De- ensuite de l'expédition. Delouette touche bientôt une sur commission de avance 5 500 dollars et, sur l'ordre de Fournier, va prendre livraison de la marchandise à quarante kilomètres de Paris, à PontSTATOTHR

cains écoutent cette confesdiatement confiance à Delouette. D'abord, cette capture survient dans un climat d'irritabilité et de suspicion. Depuis longtemps, le Bureau américain des narcotiques que les trafiquants d'héroine tiennent en échec, accuse plus ou moins ouvertement la police française de protéger les gros bonnets de la droque.

Ensuite, le fait qu'un service d'espionnage serve de couverture au trafic de l'héroine parait très vraisemblable aux enquêteurs américains. Ils n'ont qu'à observer ce qui se passe chez eux. Chacun sait, aux Etats-Unis, sans vouloir le dire, que les avions d'Air America, la compagnie aérienne de la C.i.a., font la collecte de l'opium brut, cultivé par les montagnards Meos au Laos, au sud de la plaine des Jarres, et dans la région de Chiang-Mai, en Thailande. Pour des raisons politiques, mais aussi parce Delouette y fait merveille et se qu'une centrale d'espionnage a rend particulièrement indispentoujours tendance à vivre en sable dans la commercialisacircuit fermé, à fonctionner tion des produits. Il s'est mainpour elle-même et à alimenter tenant attribué le titre d'ingéses caisses, quelle que soit nieur agronome et part en Sierl'importance des crédits qui lui ra Leone où il apporte un plan sont attribués, par n'importe audacieux de culture intensive auel moyen.

louette donne sur son passé son ancien chef, qui a pris la des précisions troublantes. Il direction du Bureau pour le apparait comme un agent pres- developpement de la producque officiel du gouvernement tion agricole, société d'éconofrançais.

IL ENTRE DANS LA CARRIERE DE **L'OMBRE EN 1946**

Delouette est un fils spirituel de Graham Green et de Dominique Ponchardier. Il est né pour le renseignement. pour l'existence parallèle. C'est un personnage multiple et contradictoire. Faux ingénieur agronome, il lui est arrivé d'établir de remarquables projets d'agriculture tropicale. Mythomane, il a pourtant été parfois un informateur apprécié. Escroc de vocation, il a longtemps exercé la profession d'homme de confiance

Il est entré dans la carrière de l'ombre, en 1946, comme première mission Cuba C'est une chapelle Les prisonniers deuxième classe Approved en Release 2001/08/07 : CIA-RDP80-01601R001000070001-6 Grèce, en 1946. Il est sous les

cains écoutent cette confes-sion avec délice, approved for Release 2001/08/07 ntrêle-BEP80-0160 TR001000/0001, duction de riz de 50 00

élections grecques. Jusque-là, 300 000 tonnes. il s'est passionné pour les problèmes agricoles et il a tenté aussi de se faire admettre, sous l'Occupation, comme auditeur libre à l'Ecole nationale d'agriculture de Grignon. On le retrouve ensuite en Angola où il participe à un plan de développement des Hauts Plateaux. Le colonel Barberot l'envoie Malgré son absence de diplôme, il se révèle un spécialiste en matière de riz et d'agrumes. Son nom parvient jusqu'aux oreilles du baron Guy de une lettre recommandée datée Rothschild qui lui confie la du 12 mai 1970 (référence 302 qestion de son domaine de CP 2/1), le colonel Barberot le Ferrières.

ON DEMANDE AGRONOMES POLYGLOTTES SACHANT REGARDER

du riz. En 1968, il vient frapper Enfin, Roger-Xavier-Léon De- à la porte du colonel Barberot, mie mixte dont le moins qu'on puisse dire est qu'elle est à vocations multiples. C'est un organisme para-officiel qui est en fait une officine de renseignements.

> Le colonel Barberot ressemble à Clark Gable. Héros de la France libre, écrivain, journaliste, cofondateur du mouvement dit des gaullistes de gauche, le colonel Barberot rayonne, par experts agricoles interposés, à travers les pays de la Coopération, et même à travers le tiers monde.

> Au 202, rue de la Croix-Nivert, siège du B.d.p.a., un immeuble moderne aux larges baies vitrées, on demande agronomes polyglottes sachant regarder. Delouette tombe bien. Il parle anglais, portugais et n'a pas

DELOUETTE EST LICENCIE POUR FAUTE GRAVE

alors pour une mission de trois mois en Côte-d'Ivoire. Mais, à son retour, Delouette disparaif sans remettre son rapport. Par licencie « pour faute grave, sans préavis, ni indemnité ». Delouette perçoit tout de même le solde de son compte, la somme de 1 308,06 F qui est virée à son compte de la Banque Transatlantique, boulevard Haussmann. Pourquoi Delouette n'at-il jamais remis ce rapport qui ne lui aurait demandé que hui: jours de travail ? Peut-être est-il déjà au service de son nouvel employeur : le S.d.e.c.e. Aux Etats-Unis, on aime les spécialistes. Pour les policiers américains, Delouette n'est pas un escroc international. C'est un agronome qui a plusieurs réalisations à son actif. Détail qui ne gâche rien, sa fille Caroline travaille à « Vogue ». C'est un personnage important. On le choie. A l'issue de l'audience du 14 novembre. Delouette est ramené à la prison de Sommerville, une bâtisse blanche, de quatre étages, en pleine campagne, dans le comté de Scmmerset, où il est détenu depuis six mois. Avec beaucoup d'égards comme un prisonnier de marque. Sommerville est une prison familiale.

LE GARDIEN-CHEF EST FIER DE SON CUISINIER FRANÇAIS

Son gardien-chef, Louis Bellent, considère ses détenus comme des pensionnaires, et même des amis. Le séjour, à Sommerville, est agréable. Il les yeux dans sa poche. Sa y a la télé, la radio, un cinéma,

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Maitre de maison corpulent et jovial, Louis Bellent, un ancien de la guerre de Corée, a pris en affection Delouette II lui a confié les fonctions de chef cuisinier et dit souvent avec fierté : « Nous avons un chef français. » Lorsque Delouette est revenu de l'audience de Newark, Louis Bellent lui a simplement demandé, en lui tapant sur l'épaule : « Alors, gars, qu'est-ce que tu nous fais ce soir ? » Delouette répond simplement : « J'ai pensé à quelque chose de léger : soupe au bœuf, côtelette de porc et compote de pommes. »

Dès le 6 avril, l'antenne de la police française à New York constituée par le commissaire Hartwig et l'officier de police Chaminades, informe Paris de l'arrestation de Delouette et de ses accusations contre un haut fonctionnaire du S.d.e.c.e. Une longue et sournoise bataille commence. Elle ne se dégénérera en polémique ouverte que. le 14 novembre, date à laquelle un quotidien new-yorkais révélera au public qu'un officier supérieur français est impliqué dans l'affaire Delouette.

ON BUTE SUR L'ARTICLE 138 DU CODE PENAL

A Paris, le dossier est confié au juge Roussel, spécialisé au parquet de la Seine dans les affaires de drogue. Il lance une commission rogatoire le 13 avril et charge des policiers français d'aller entendre Delouette aux Etats-Unis. Mais Delouette est bien protégé. Son avocat, Donald A. Robinson, déclara que son client ne répondra devant la commission rogatoire que si la justice française lui accorde l'immunité. Le procureur général Stern ap-Roussel répond que l'immunité, monnale (article 138 du code luge Roussel invoque à nou- si l'on peut dire, son métier. pénal). C'est alors que les veau les dispositions de la loi On sait encore qu'il s'est longrelations entre les autorités française et en particulier l'ar- temps occupe, au S.d.e.c.e

portent un uniforme seyant : Français ont peur des révélaclaquant la porte et va porter jeans et chemiseApprovedFoltiReteasD2001/08/07 chetAhRDP80-01601R001000270001-6ssa-

à couvrir Fournier. Paris consldère que les Etats-Unis tiennent à tout prix à étendre la ministérielle à l'hôtel Matignon. loi américaine en France et à impliquer, par tous les moyens, une haute personnalité française dans une affaire de drogue. Le conflit entre dans sa phase aiguë au mois d'août : M. Cusack, chef du Bureau des narcotiques en Europe, fait alors de fracassantes déclarations affirmant que de hautes protections couvraient en France la transformation et le trafic d'héroine.

PHOTOGRAPHIÉ, FOURNIER FAIT SAISIR LA PELLICULE

Septembre 1971. Le procureur général Stern sort son arme Roussel et s'esquive à pas secrète : le « polygraph ». C'est pressés : c'est Paul Fournier. le détecteur de mensonge, un C'est la première fois qu'on appareil qui ressemble à la fois 'voit son visage depuis le déà un magnétophone par son clenchement de l'affaire. Aussiformat et ses cadrans à aiguille tôt le photographe « shoote » et à un instrument médical par presque sans le voir. Il remarson fonctionnement. On passe que ses cheveux en brosse, deux sangles aux poignets et son nez pointu, sa haute tailaux bras du sujet. Le principe le... « un air de paysan ». est fondé sur le fait que la ten- Fournier, hors de lui, appelle sion nerveuse et artérielle du un agent. « Je veux qu'on dépatient monte quand il ment, truise cet appareil. Il y a une Le 13 septembre deux policiers photo de moi là-dedans. * français de haut rang se ren- L'agent suit à la lettre le rèdent aux Etats-Unis pour assis-glement : l'incident doit être ter à un séminaire sur la dro- réglé au commissariat dont dégue et rencontrent le procureur pend le Palais de justice : Stern. Ce dernier s'étonne de- celui des Halles. C'est là qu'un vant eux que le colonel Four- photographe de la police judinier n'ait pas été inculpé et claire confisquera le rouleau leur annonce que Delouette a de pellicule du photographe. accepté de se soumettre au Le juge Roussel avait convodétecteur de mensonge. C'est qué le colonel Fournier à 8 alors que l'un des commissaires heures du matin. Il était temps demande à essayer le « poly- de le faire sortir de l'ombre. graph - et parvient à mentir Sa fiche reste succincte. Une sur son âge sans faire osciller incertitude plane encore sur la moindre aiguille sur les ca-son nom : il s'appellerait Ferdrans.

américaines et la justice fran- ticle 138 du code pénal. Le du clé parte de 10000700016 en caise se tendent. Approved For Release 2001/08/07 justa de Roperto 10000700016 en caise se tendent. cains ont l'impression que les limites de l'insolence, part en poste aux Etats-Unis, qu'il est

deur des Etats-Unis.

14 novembre. Réunion inter-Il y a là les directeurs de cabinet de Debré (Défense nationale), Marcellin (Intérieur), Pleven (Justice) et un représentant du S.d.e.c.e. Le « Daily News » vient de révéler qu'un haut fonctionnaire français est impliqué dans l'acheminement de la drogue aux Etats-Unis. Le Conseil interministériel décide de prendre les devants, de publier un communiqué qui rappelle les différentes étapes de l'affaire, et surtout de laisser filtrer le nom de Fournier. 17 novembre. Au Palais de justice, dans le couloir des juges d'instruction, un journaliste et un photographe attendent. Il est 13 heures. Un homme sort du cabinet du juge

rer...

Le 6 novembre, le procureur On sait qu'il a 52 ans, qu'il a puie cette réclamation. Le juge général Stern vient à Paris. Il appartenu aux services de rense précipite chez le juge Rous- seignements de la Résistance. dans la loi française, ne peut sel, exige l'inculpation de Four- qu'il a la croix de guerre puis être accordée que dans un cas nier et réclame de nouveau qu'il est resté dans les sertrès précis : le crime de fausse l'immunité pour Delouette. Le vices spéciaux, qu'il en a fait,

acutinued

maintenant, à la capprovettoFor Release 2001/08/07 : CIA-RDP80-01601R001000070001-6 tier (siège du S.d.e.c.e) attaché au service central en qualité de chef d'études et qu'il est assimilé au grade de colonel. 4

LES QUATRE HYPOTHESES QUE L'ON PEUT ENVISAGER

On sait surtout qu'il est considéré, de l'avis général, comme au-dessus de tout soupçon, expérimenté et sérieux.

Alors qui est coupable ? Sur cette trame serrée d'hommes et de faits, plusieurs dessins, ambigus, incertains, se dégagent.

Première hypothèse : Delouette est un simple trafiquant qui utilise sa couverture S.d.e.c.e pour renvoyer sur Fournier l'essentiel de sa culpabilité. C'est la version officielle française qui s'exprime partout, et jusque dans les services de police ordinairement sans tendresse pour leurs collègues du S.d.e.c.e. Elle se heurte à la conviction du procureur Stern; elle néglige les vertus reconnues aux U.s.a au détecteur de mensonge.

Dauxième hypothèse : Fournier est de longue date connu et surveillé comme le sont tous les responsables du contreespionnage de son rang. Son dossier est solide.

Troisième hypothèse : Les services américains manipulent Delouette pour compromettre Fournier, victime d'un règlement de comptes entre services secrets. C'est la solution la plus romanesque et la moins vraisemblable.

Quatrième hypothèse : Delouette ne ment pas. Il a été dupé et manipulé non par Fournier comme il le croit, mais par un intermédiaire qui connaît « la piscine » et qui a usurpé la qualité et l'identité de Fournier. C'est l'hypothèse qui séduit le plus les spécialistes de l'espionnage tant américains que français. Et dans ce cas seul ce mystérieux personnage connaît la vérité : ce n'est ni le procureur Stern, ni Delouette, ni Fournier. Nous nous garde-

rons de choisir. Approved For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6 FRANÇOIS CAVIGLIOLI.

NEW YORK TIMES

Approved For Release 2001/08/07 : ငြုံ႕-RDP80-01601R0010

"Maybe we should think about applying some of the rules of football to our Presidential election campaigns."



Tempest in an Opium Pot

By C. L. SULZBERGER

PARIS--The world has been having a field day with the real-life thriller story of plots, counterplots, drugs, contraband and other James Bond divertissements apparently unfolding as a consequence of the arrest in New Jersey of a minor French espionage official charged with dope smuggling.

The verbal fallout from this event has become absorbing reading matter although much is without foundation. Thus it is not apparently in any sense true that there is a clash between the American C.I.A. and its French counterpart, S.D.E.C.E., nor that S.D.E.C.E. is being riven by internal purges.

Dope and espionage were certainly involved in the arrest last April of a former S.D.E.C.E. agent named Roger Delouette. Delouette was calling for an imported car loaded with 96 pounds of heroin. He claimed to be acting under instructions from an S.D.E.C.E. official.

The case ballooned in importance. Drugs, of course, are a major preoccupation in the United States, and chauvinistic steam was worked up about the French poisoning American youngsters.

For their part, the French have already been regaled with tales of how S.D.E.C.E. agents were involved in the murder of a Moroccan left-wing politiclan named Ben Barka, and of the socalled "fopaz" case.' "Topaz," an American novel, was based on charges of an S.D.E.C.E. agent in Washington that high French Government officials were leaking information to Russia. Thus the

S.D.E.C.E. is a postwar organization of mixed antecedents. These included de Gaulle's émigré intelligence organization in wartime London, a similar structure in North Africa, parts of the old Pétainist Second Bureau and Resistance groups inside occupied France. From its start, shortly after the war, S.D.E.C.E. has been preoccupied with crises. First came Indochina, then the cold war. Then there was the Algerian partisan conflict and finally the struggle with the O.A.S. (secret Army organization) conspiracy.

The Algerian guerrillas depended on foreign arms supplies, so S.D.E.C.E. got into the brutal business of fight-

Approved For Release 200 1/08/07

Murder and kidnapping became one aspect of its operation. S.D.E.C.E. took and also another bunch of hard nuts who had served as Gaullist bully boys during the general's early years of exile and who were called S.A.C. (Service of Civic Action).

FOREIGN AFFAIRS

As Francophone Africa became independent, de Gaulle's Fifth Republic organized a special intelligence branch under Jacques Foccart to keep the new states on the road to survival and also close to France, S.A.C. survivors joined that special secretariat.

When the Ben Barka case blew in 1966 both Foccart's and S.D.E.C.E.'s name became tarnished by scandal. De Gaulle decided to rein in S.D.E.C.E.'s and put it under the Defense Ministry, replacing its boss with Gen. Eugène Guibaud, a regular officer.

Guibaud put S.D.E.C.E. into its proper place in a civilian regime that had terminated the threat of civil war. He discharged unsavory thug elements. He was asked to stay on an extra year and finally was replaced in 1970by Count Alexandre de Marenches."

In French eyes, Marenches, a huge man, is the typical pro-"Anglo-Saxon." His wife is British, his mother was American, his father served as liaison officer on General Pershing's staff. He speaks perfect English. Nevertheless, there is every evidence that he is a loyal French patriot of the same type as his predecessor, and there is no question of pro- or anti-Americanism involved.

Thus there is little truth in tales now circulating here about "settling old scores" between pro-Soviet and pro-American cliques or doing away with nefarious double agents. Such rumors have been spread by persons at one or another time associated with S.D.E.C.E. who have got into a publicity contest, and the French opposition is trying to embarrass the regime.

Nevertheless, since the student uprisings of 1968, after which/relations with America perceptibly improved, Paris and Washington have had excellent working relations even on the secret service level. Furthermore, the French are just as concerned with the drug problem as Americans are.

: CIA-REPSOUCIED ROUTOOD/70001-6 optum pot. Once justice has taken its

course, it will blow over. No deeper political implications are involved de-



French Secret Service Scandal Spreads in Wake of Drug Case

On emerging, the state of the service of the servic agents were involved in the drug traffic and that the ar-rest of Delouette might have been arranged as revenge by

By JOHN L. HESS
 Special to the Mer Part Thusp
 PARUS, Nov. 20—A nerootics
 Secured by Delouette as having
 treated and the secure treat
 indentified by Colonel Barborov
 indentified by Colonel
 indentified by Colonel

drug traffic and that the ar-rest of Delouette might have been arranged as revenge by other agents. There was no immediate comment by Col. Paul Fournier, present and former agents of the point of the

ALDIAARDRIA GAZETTE 20 NOV 1971 Approved For Release 2001/08/07 : CIA-RDP80-01601R001000

Cappites Feere Dope Business nima's

By Andrew Tully The McNaught Syndicate, Inc.

WASHINGTON — At first glance there was something financially self-defeating in the maiden United Nations speech of Red China's Deputy Foreign mains the potentially much Minister Chiao Kuan-hua, in richer market on the American which he demanded that the mainland, and cynics of my ilk United States immediately with-draw all its troops from Viet-nam, Laos and Cambodia.

Such a withdrawal would be a severe blow to Peking's economy, which is supported in part by massive shipments of opium and heroin to Indochina, and which is largely responsible for making drug addicts of thou-sands of American GI's in that area, particularly in Vietnam. A Central Intelligence Agency source has estimated that this traffic in junk has enriched the Mao regime by "at least" \$1-billion in the past five years. "We threw out another \$500-

million in profits as only about 50 per cent verifiable," said the CIA man. In "Puritan" Communist

China, dope is a state monopoly - for export only. Peking's Special Trade Bureau of the Ministry of Finance operates several opium and heroin processing plants, doing business under such labels as "Red Lion" and "Crown." The annual production of opium, from which heroin is produced, has been estimated by international experts as well over 8,000 tons, compared with production by the rest of the world-for me-dicinal purposes — of between

5,000 and 6,000 tons a year. At least 90 per cent of Pe-king's production is exported. Most of it is shipped through Burma and Thailand, and then smuggled into South Vietnam and Hong Kong. In South Vietnam the junk is sold to American soldiers. From Hong Kong, the stuff is smuggled into the United States, where it is disposed of at the retail level for more than \$100-million a year.

As a Deputy Foreign Min-ister, Chiao Kuan-hua can be described as a kind of vice president for dope sales. For the exportation of opium and heroin is an instrument of official Peking foreign policy. The Finance Ministry's Special Trade Burcau is merely the outlet, taking orders from the

Now it would seem that Red

China, by demanding with-drawal of U. S. troops from Indochina, is willing to deprive itself of the rich Southeast Asian market. But there remainland, and cynics of my ilk are inclined to suspect that now the U.S. has admitted a Peking delegation to New York there will be a nice little boom in American sales.

For one thing, U. S. narcotics officials point out that Red Chinese heroin has always been famous for its purity. Most of the Chinese stuff seized along the Pacific Coast runs about 70 per cent pure, while that seized on the East Coast-from the Middle East via France and Italy-averages only 49 per cent pure.

Logically, American dope ty-coons seek out the purest heroin they can buy, because the purer the heroin, the more it can be cut for street sales. Moreover, the Peking monopoly has held fast to the policy of offering its higher quality junk at prices no higher than that paid for the inferior Middle Eastern stuff-It makes gleeful financial sense for our illicit drug industry to do business with Chinese salesmen. i

In any event, it seems more than coincidental that the number of aliens from Communist China sneaking into the United States has been on the herease for the past few years. Indeed, an Associated Press dispatch on the day Chiao spoke at the UN quoted Justice Department intelligence reports which said as many as 3,200 Red Chinese aliens are smuggled into the U.S. every year.

The AP story said Justice reported the aliens are shipped to the U.S. to engage in both espionage and narcotics traffic. This figures, since Peking's dope business is part and parcel of its official international posture, and one of the espi-onage racket's ancient functions is to undermine the basic social structure — or the morals — of the target country.

Perhaps Barry Goldwater has something in suggesting that the UN be transported en masse to Geneva. Such a move just might be the only way we can escape becoming a nation of honhead

Foreign Ministry. Approved For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6

Approved For Release 2001/08/07 : CIA-RDP80

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French intelligence officer testify again to French indicted on federal drug tuthorities under the influsmuggling charges in New- ence of the truth drugs. ark has blamed the indictment on a long-running bat- volved in the indictment was tle between the CIA and the discovered hidden under the The officer, Col. Paul Four-nier, charged that the CIA was trying to settle an old April. score with him.

French agent, Roger Xavier bus and has been jailed in Leon de Louette, were in- \$500,000 bail since. His at-dicted by a federal grand jury torney said he had been co-in Newark yesterday for al- operating "completely" with \$12 million worth of heroin into the U. S. this spring. Fournier was accused of being the mastermind in the · · , alleged plot.

De Louette, who has been in custody in Newark since April, was due to be arraigned today. Fournier remains in France, and is still uncertain how fully French officials will cooperate with the U.S. investigation.

A Top Agent

According to the story Fournier told his superiors, he had been operating as a top agent in the U.S. The CIA learned of his activities, he said, and was eager to expell him.

The perfect opportunity came, Fournier claimed, when de Louette fell into the hands of U.S. authorities on the heroin smuggling charge.

Fornier said he thought de Louette was approached by CIA men and told that it would do him a lot of good if he were to incriminate Fournier in the drug scandal. Truth Drugs

At his own request, he said, he was given truth drugs, and the U.S. detectives were unable to corroborate their version of his role in the smuggling conspiracy.

Fournier has now told French secret service in PARIS-The high-ranking Paris that he is ready to

The heroin shipment in-

De Louette was seized Fournier and a former when he arrived to claim the

WASHINGTON DAILY NEWS

Approved For Release 2001108/070.VC1A7RDP80-01601R00100



R. De Louette

London Express Service PARIS — A h.ghranking French spy who was in d i c t e d with another French official in Newark, N.J., for dope smuggling, today revealed a power struggle between the CIA and its French counterpart, SDECE.

A federal grand jury yesterday accused Col. Paul Fournier with masterminding the \$12-million dope-smuggling plot.

Also charged was Rover Delcuette, Col. Fournier's subordinate, who has been under arrest since Aoril 5 when he tried to take delivery of an imported car with 96 pounds of heroin secreted under the floorboards in Port Elizabeth, N.J.

Last night, the French government issued e statement in New York indicating it might not deliver Col. Fournier for a U.S. trial because he was being accused by a man trying to get his own penalty reduced.

It's believed that Col. Fournier is under police surveillance but French authorities say only that he is "somewhere in France."

Only a few weeks and in the periphery tached in a low capacity on the periphery SDECE's top agents operating in the U.S. at-

of the French Embassy in Washington. He told his chiefs in JDFCU time there are a crican CIA agents had tumbled onto his activities and were eager to settle an old score with him and have him expelled from the U.S.

The perfect opportunity came when Mr. Delouette fell into the hands of American authorities by bungling the heroin smuggling.

Col. Fournier believes that Mr. Delouette was approached by CIA men and told that it would do him a lot of good if he were to incriminate Col. Fournier in the drug scandal. Since then, Col. Fournier said, he has been?

questioned about the affair by American detectives investigating the case.

He said that at his own request he was given truth drugs, but that the Americans were even then unable to corroborate their version of his role.

But now he has told his bosses he is ready to testify again to the French authorities under the influence of truth drugs.

The indictment charged Mr. Delouette was promised \$1,200 for every kilogram (about 2.2 pounds) of heroin he smuggled into America and was given \$5,500 to buy the car.

U.S. Atty. Herbert Stern, who made the indictment announcement, said it is now up to the French authorities to either hand over Col. Fournier or prosecute him in France.

Mr. Stern, who said another indictment is pending, stressed that his office is cooperating with French officials and allowed a French investigator to interview Mr. Delouette shortly

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Approved For Release 2001/08/07/19/CIA-RDP80-01601R00100007 NO. 20

November 1971

Peter Arnett has been covering South East Asia and the Victnam War for more than a decade. His reporting has won such varied accolades as. The Pulitzer (1966) and Sigma Delta Chi (1963) prizes, expulsion from Indonesia (1962), and the government closing of his weekly paper based in Vientiane, Laos (1960).

An Associated Press reporter since 1960, Arnett recently wrote a series of articles with Bernard Gavzer about the heroin traffic in South East Asia and the ways that heroin gets to US troops in Vietnam. UR interviewed him shortly after his return to New York, and asked him about the nature of the drug traffic there.

An American Gl lights up a cigarotte in Saigon. He pourpd grains of white heroin powder into the menthal cigarette, from which he had first removed some of the tobac-Wide World Photos C0.

UR: Has the CIA been part of the drug /They farm crops, including opium, and traffic in South East Asia?

veryone is against the use of heroin or at least they say they are. But beyond the basic idea that people take heroin because their life is a bummer, there are only a lot of charges and countercharges about who is letting/helping/pushing/or profiting from the heroin trade.

We think that the heroin trade is a typical issue of our time. For example, how is it that heroin can be transported thousands of miles over all sorts of obstacles to poison millions, while we cannot possibly figure out how to get focd to starving people?

We hope to do a series of articles and or interviews about heroin presenting a variety of views and evidence. We have started with South East Asia because it is the largest source of opium in the world, and also because the heroin usage by American soldiers in Vietnam has led to increased information on this issue becoming available, such as the worked. confidential government documents that we partially reprint here.

Amett: The CIA has indeed been inyears in the drug business, but it's espolitical necessity.

Now, why is it a political necessity? At the beginning of the '60's, South East Asia was seen as greatly threat- their allegiance. They were just another ened by Communist China. There was great fear that revolutionary war by people's armies would sweep across munists started pressing into Laos. Up South East Asia, to Vietnam, Thailand, Formosa and all the rest. So the American officials out there -- the CIA, the American Military, and the Embassy people - figured that any approach would be acceptable if it was in order to resist that great a threat. Eventually, of course, it led to a commitment of half a million American troops in Vietnam, But even before Vietnam, any act to prevent the Communists from taking over the area was considered acceptable, and this included the drug business. Here's an example of how it

In Laos you have this tribe, the Meo. They came down from central China We do not imagine that the Release 2001/08/07 wickAdRDP80:01601R001000070001-6 this by ourselves and we hope that any-one who has information, documents, nove in family groups and live above

they have a fairly well-developed culture based on silver ornaments and volved, as has the US Government, for home-made weapons. The CIA and the American Government considered sentially for political reasons - as a them important because they were the buffer between China and the rest of South East Asia. So it was in the interest of the American Government to win arm of the American war effort.

However, in the early 60's the Comto that time these people had been growing opium and other little crops, but opium was their only cash crop. The average family could make \$40 or \$50 a year from it, and that would be enough to buy some silver ornaments and to pay for the pigs for the harvest celebrations.

As the Communists started coming through they started to cut the old trails that these people had been using to unbad their opium. The Meo were stranded in the mountains and the CIA Jfigured that the least they could do was to help them in harvesting and distributing their crop. So, on the numerous American airfields you had a liason

continued

Editor

WASHINGTON POST Approved For Release 2001/08/07 : CIA-RDP80-01601R0010

Gen. Dzu and Heroin

Letters

In testimony before the House Foreign Affairs Subcommittee on July 7, 1971, I stated that U.S. officials in Saigon were in possession of hard intelligence naming South Vietnamese General Ngo Dzu, the commander of II Corps, as a heroin trafficker.

On July 8, Mr. John Vann, senior American adviser to General Dzu, stated that there was no information available to him "that in any shape, manner or fashion" would support my testimony. In a letter to The Washington Post on Oct. 9, Mr. Vann expressed the view that my testimony was based on "unsubstantiated rumors and allegations which are available at a dime a dozen against any major personality in Vietnam at any time."

In view of Mr. Vann's statements, I wish to state for the record that my testimony was based on information contained in a series of classified intelligence reports prepared by the Criminal Investigation Division of the U.S. Army and the Public Safety Division of USAID. These reports, the first of which was dated Jan. 6, 1971, contained information collected from agent sources who, according to the source descriptions in the reports, had provided reliable information in the past.

The intelligence reports were brought to my attention by highly qualified U.S. officials in Saigon and Washington who expressed deep concern that the reports were not being acted on because of General Dzu's rank and position. These officials are unanimous in describing the reports as hard intelligence because of the nature of the sources and the manner in which the information was collecteed.

I can only assume that Mr. Vann is not aware of these reports, since he is surely aware that U.S. intelligence agencies take great care in describing their sources and do not make a practice of publishing unsubstantiated rumors and allegations without clearly qualifying them as such.

To clarify the situation, I have formally requested the Department of Defense and the Department of State to provide me with copies of all documents in their possession pertaining to drug trafficking by General Dzu, together with a full report on what action has been taken to utilize the information contained in each document.

Washington.

ROBERT H. STEELE, Member of Congress.



A shocking British government document has come into this reporter's hands; it is Great Britain's 1969 estimates of the contribution Communist China makes to the world's illicit production of opium. According to the British, as of two years ago the total illegal world production of the drug from which heroin is derived was "5,000 tons, 1,000 tons coming from the Middle East and minor producers," the remaining "4,000 tons" emanating from "Southeast Asia (including Burma, Thailand and Laos)" and the "Chinese Peoples Republic." Of this amount, the official British estimates is "3,500 tons" coming from Red China!

The confidential document goes on to point out that all opium grown in Red China is illicit, that the average yield of opium per hectare of poppy field is seven kilos and that the total area under cultivation is estimated at a half-million hectares or 200,000 acres. The poppy-growing provinces are listed as Yunnanwhere production is figured at 1,000 tons, Szechwan, Kwangsi, Kwangtung, Hoper and Honan. The annual revenue to Peking is placed at a half-billion U.S. dollars.

In view of the Nixon Administration's large-scale efforts to curtail illegal drug traffic at the source and the attitude of its experts with regard to Red China's part in this trade, the British figures are astounding and require immediate answers in Washington and London.

Congressional inquiry as well as press efforts to gain information on Peking's role in the most vicious of all trades, have been met at the U.S. Bureau of Narcotics by inconclusive and evasive replies. "No intelligence on the matter, no evidence. People on the spot cannotverify, can only give an opinion."

Mr: Copp, a Washington-based free-lance writer and businessman, is an expert in national affairs China. A bomber pilot in Morte Werd For Release 2001/08/07 d. CIA-RD-80.01601R001000070001-6 authored with Marshall Feth The Odd Bay a raw oplicit divided CIA-RD-80.01601R001000070001-6 book dealing with Nationalist Chinese affairs. His cover story for HUMAN EVENTS on March 27, 1971 the TT C

U.N. Narcotics Commission recently to discuss a detailed article on Red China's dope trade published in the March 1971 edition of the Taiwan publications ,Issues & Studies, the response could only be described as scoffing. The article had never been heard of and there was simply no evidence whatever that the Chinese Communists were any longer engaged in the production and sale of narcotics.

At an international drug conference held in Ottawa last month the delegate from the Republic of China presented a statement of his government's investigation into Communist. China's drug activities. So far as is known, the statement was ignored.

The official attitude was best summed up by a noted British drug authority when he said: "We do not have any information that the Peoples' Republic of China is involved in illegitimate narcotics traffic, but we are not doing any work in Red China. We are, of course, always interested in information about any country."

Because the subject is so important, the contradiction so broad, and the need for clarity so great, the following chronological account of Red China's known involvment in illicit narcotic smuggling is offered. From it, we believe, a conclusion can be reached.

At the time that the Chinese Communists conquered Mainland China in 1949 the production of opium had been outlawed by the Nationalist Government of Chiang Kai-shek since 1934.

In 1950 the United States added an annex to the U.N.'s Narcotics Commission report giving an analysis by the U.S. of the illicit drug traffic throughout the world during 1949 and the first nine months of 1950. The analysis said in part:

"It is reported that Chinese authori-

attempting to remain out of the picture.

When this reporter approached the From the account given of raw opiumseizures in Burma, it is quite evident that very large quantities of raw opium are smuggled into that country from China."

> Earlier Great Britain had informed the commission that Peking representatives had offered to sell 500 tons of opium to a British firm in Hong Kong. When this offer had been declined an attempt was made to sell 300 tons of opium to the U.S. in exchange for cotton.

During the Korean War much evidence was amassed to show that Peking was intent upon injecting the drug habit upon our GIs. Two examples will suffice. In October 1950 U.N. forces in North Korea discovered 300 boxes of opium which had originated in Red China containing several tons of the drug. In 1952 another seizure was made amounting to 6,000 pounds.

Dr. Harry Anslinger, director of the U.S. Narcotics Bureau for many years and a member of the U.N. Commission, stated in 1954 that Red China was spreading narcotics addiction to obtain funds for political purposes. He told the commission that this was the practice of the "entire regime" and that the United States was a key target of illicit traffic from China. The Soviet representative, Mrs. V.V. Vasilyeva, objected and said the accusation was a "slander" calculated to ruin Peking's reputation.

Dr. Anslinger later declared: "As pointed out in my reports to the United Nations over the past several years, trafficking in narcotics for monetary gain and to undermine and demoralize free peoples has been a policy of the Communists in China from the beginning."

Nearly a decade later, in 1963, U.S. Narcotics Commissioner Henry Giordano charged that the Red Chinese were extensively engaged in drug traffic and he saw no reason to believe that this traf-

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15 Oct 1971

STATOTHR

Gemini head: CIA largest dope dealer

By HAL PRATT "The CIA is the largest dope dealer and narcolics officers are the biggest traffickers," Steven "Cayote" Fawley, Gemini House staff head, said to about 30 persons Thursday, at a McKinley Foundation hincheon.

The new head of Gemini House pointed to the correlation between the increase of heroin use by Americans and the increase of U.S. involvement in Southeast Asia. "Contrary to what government officials would like us to believe, 80 per cent of the opium that comes to the U.S. is grown in Southeast Asia, not Turkey," Fawley said. CIA purchases

Fawley said he believes the CIA is purchasing opium, a staple crop in Southeast Asia, from govern-ments there to better U.S. diplomatic relations with them. The opium is then channelled into the U.S. under the CIA's auspices, he added.

"They want dope to run wild; the vested interests of this country are contrary to stopping drug use because the users pose a threat to the U.S. power structure," Fawley said, referring to youths and blacks as the users.

After saying drug use is plans to combat "without notifying inevitable among youths, Fawley added, "I would like to see good Since the Gemini House staff has dope run bad dope off the streets, then we could deal with the drug problem instead of a medical one. He said he was especially, without help from police, and distressed over the "increase of thereby solve the problem without heroin and barbituate use" in causing any harm to anyone, Champaign-Urbana, which he Fawley said.

contact with most of the drug dealers in town, they could easily confiscate the heroin from them,

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LATIN AMERICA Approved For Release 200140840742CIA-RDP80-01601R001000

15 October 1971

Paraguay: turning on with General Stroessner

Normally cordial relations between the United States and Paraguay have been soured by President Stroessner's failure to crack down on drug smugglers, who have been using Asunción as a convenient staging post for running heroin into North America.

For years the United States government has watched benevolently while President Alfredo Stroessner and his generals turned Asunción into the smuggling capital of Latin America. The staples of the trade were Scotch whisky and cigarettes; in 1969, Paraguay overtook Kuwait and Hong Kong to become the world's leading importer of United States cigarettes. The commander-in-chief of the armed forces, General Andrés Rodriguez, and the chief of the crack counter-insurgency force (RI-14), General Patricio Colman, and other top generals have become millionaires several times over on the basis of this lucrative traffic. Washington, however, takes a rather dimmer view of heroin smuggling into the United States (the eigarettes and whisky are destined principally for Brazil and Argentina). Since President Nixon's speech in July asking all friendly governments to cooperate in a drive to keep hard drugs out of the USA, pressure has been building up on the Paraguayan government to play to terms with the drug smuggling. This is denied its part. Strocssner's problem is that he is not com- hotly but not entirely convincingly by the United pletely master in his own house and has to reckon with the powerful vested interests of the generals who profit from the drug smuggling trade. The chief of his personal secret police, Erasmo Candia, is alleged to have been responsible for the deaths of at least three Interpol narcotics agents over the open expression of anti-yanqui feelings as a result past three years.

In October 1970 five Paraguayans and a Frenchman were arrested in Miami airport with more than 10 million dollars worth of heroin stowed in the tail of their light airplane. One of the five, Enio Varela, gave the FBI enough information (in of the nomination. return for his unconditional release) for the United States to persuade the Paraguayan authorities to arrest another Frenchman, Auguste Ricord (alias Lucien Dargalles), whom Varela had fingered as the Mafia's top man in Paraguay coordinating the flow of heroin from Marseilles through Asunción, and on to the United States. Following Ricord's arrest, the United States embassy presented a

request for Ricord's extradition, where he would face charges of being 'one of the top drug smugglers into the USA in the past 25 years'. He is also wanted by the French police.

Stroessner - for reasons best known to himself -- vetoed the extradition request, and the opposition believe that Ricord will die in prison as he knows far too much about the official protectors of the drug smuggling. The Liberal-Radical weekly El Radical was closed for a number of weeks after it tried to publish a list of the generals and politicians who were implicated in the drug smuggling, basing their information on a secret study undertaken by the Central Intelligence Agency (CIA) and leaked to opposition journalists by the United States embassy. El Radical's editor, Dr Juan Carlos Zaldívar, had his house raided by the police and was threatened with death by the chief of police, General Francisco Brítez (one of the leading characters in the CIA report), should he ever try to publish such information again.

Among the consequences of the drug scandal was the temporary arrest in July of Pastor Coronel, the civilian chief of the police investigation department. In fact some see a power struggle between the 'traditional' smugglers, such as Generals Rodríguez and Colman, who see their empires threatened, and the new generation of hard drug smugglers, who include Britez, Coronel and Candia. It is also widely believed in Paraguay that the decision of the United States senate committee to reverse the earlier recommendation of the house committee to give Paraguay a sugar quota, should be seen as a reprisal for Paraguay's failure to come States embassy.

President Stroessner has already been put forward as a candidate for the 1973 presidential elections by his militant supporters in the Colorado Party. However, what with the drug smuggling, the of the threat to the virtually promised sugar quota, and relations with the Catholic Church at their lowest ebb ever (following the torturing of the Uruguayan priest, Uberfil Monzón), Stroessner is biding his time before announcing his acceptance

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STREET BORSTON

CIA denies war veteran's drug claims

In a rare statement issued in Washington, a Central_Intelligence Agency spokesman yesterday labeled as "errant nonsense" a statement by an Indochina war veteran that he had purchased large quantities of opium in Laos using CIA funds.

Former Green Beret Sgt. Paul Withers, 24, of Cambridge had told an antiwar veterans' panel Saturday that one of his "main functions" while serving in Laos in 1966 was "to buy opium from Meo tribesmen, using CIA funds."

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THE BOSTON CLOBE Approved For Release 2001/08/07 101A-RDP80-01691R001098

CIA funded opium traffic, ex-Beret says

By Joe Pilati Globe Staff

A former Green Beret asserted yesterday that he regularly purchased large quantities of opium in Laos with funds provided by the Central Intelligence Agency.

His testimony came during the final day of "Winter Soldier Investigation II," sponsored by Vietnam Veterans Against the War (VVAW) at Boston's Faneuil Hall.

Former Sgt. Paul Withers, 24, a Springfield native now living in Cambridge, told 300 persons: "When I was in Laos in 1966, one of my main functions was to buy opium from Meo tribesmen, using CIA funds."

He said his orders to buy opium "came down from a contact man' 'from the CIA and were "only verbal, never on parer." Payment to the Meo tribesmen was made in "gold and silver, which came in on an agency plane," he added.

Withers said opium pick- ups at a small base camp in northern Laos, which he and two other Green Berets built, were made by "Air America" planes. "It was Americans who picked up the opium" in its raw, unprocessed form, he said.

A report in july by two House Foreign Affairs Committee members, Reps. Robert Steele (D-Conn.) and Morgan Murphy (D-Ill.), alleged that "Air America" aircraft, con-tracted by the CIA, have been used to transport opium from northern Laos into the capital city of Vientiane and that, once

processed, the drugs are flown into South Vietnam aboard both military and civilian aircraft.

The congressmen's report also alleged that both the Laotian army commander, Gen. Ouan Rathikoun, and South Vietnamese Premier Tran Thien Khiem are involved in the corruption of customs agents and drug trafficking.

Withers said that, after completing basic training at Fort Dix in the fall of 1965, he was sent to Nha Trang, Souh Vietnam. Although he was "ostensibly" stationed there, he said he was placed "on loan" to the CIA in January 1966 with orders to help "train and quip Meo tribesmen in counterinsurgency" against Pathet Leo guerrⁱllas.

The traiinng was "in fact the main part of my job" in Laos, Withers asid, but "there were never fewer than two opium pickups a week" during the year he served there.

Withers said that, after receiving language training in various Southeast sian dialects while at Nha Trang, he was "stripped of my uniform and all American credentials" before going to Laos.

He said the CIA "wouldn't even let me write my own letters. They gave me blank sheets of paper and told me to sign at the bottom, Then the agency typed out letters sent to my parents and my girlfriend,"

Discharged last December after post-Laos service in Cambodia and South Vietnam, Withers was

awarded nine Purple Hearts, the Distinguished Service Cross and Silver and Bronze Stars.

He said he spoke about his involvement in opium trafficking to Sens. Mike V Gravel (D-Alaska) and McGovern George (D-S.D.) and to aides of Sess. John Stennis (D-Miss.) and William Fulbright (D-Ark.) in June but was not aware of any subsequent action -taken by the legislators.

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He said FBI and Army Criminal Investigation Division (CID) agents had visited him "three or four times, most recently about a month and a half ago in Camridge," to question him about his allegations. e said hsi mother in Springfile and his wife, now living in South Hadley, had also _been questioned.

Another participant in yesterday's VVAW panels, Charles Knight of the V Committee of Concerned Asian Scholars, called opium "the largest export" commodity in the Laotian economy" and commented: "In this sense, it is not at all strange that the CIA° should aid and protect its transport."

Other testimony included statements by Indochina veterans who said they were former or current heroin addicts.

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> BREMERTON, WASH. SUN

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CIA School Closed Over Drug Arrest

Agency (CIA) closed a secret school for training Cambodian army guerrillas in Laos when police arrested a high ranking Cambodian officer at the school on heroin smuggling charges, military sources said.

The officer was a top aide of Lt. Col. Lon Non, brother of Prime Minister Lon Nol, the sources said.

Since his arrest in June, the aide has been released and, dressed in civilian clothes, has resumed duties in Phnom Penh at Lon Non's super secret special coordination committee,

WASHINGTON STAR Approved For Release 2001/08/07 : CIA-RDP80-01601R001000 8 OCT 1971

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CIA Closes Schoel After Drug Arrest

PHNOM PENII (UPI) — The U.S. Central Intelligence Agency closed a secret school for training Cambodian army guerrillas in Laos when police arrested a high-ranking Cambodian officer at the school on hereinsmuggling charges, military sources said.

The officer was a top aide of Lt. Col. Lon Non, brother of Prime Minister Lon Nol, the sources said.

, Since his arrest in Junc, the aide has been released and, dressed in civilian clothes, has resumed duties in Phnom Penh at Lon Non's super-secret Special Coordination Committee.

The Cambodian army, in the meantime, has established a new guerrilla training center in southern Laos, and the CIA is once again considering providing American instructors and equipment, the officers said.

The Lon Nol aide was arrested in Pakse, Laos, by local police when he attempted to board a Phnom Penh-bound Air America plane with 22 pounds of heroin in a soapflake box, the sources said.

The heroin would be worth almost \$12,000 on the Vietnam market.

American officials were informed, and concluded after investigation that the heroin was bound for U.S. troops in South Vietnam.

The secret CLA camp, at Nakorn Sin in southern Laos, subsequently ordered out all Cambodian officers and trainces from Lon Non's 15th Infantry Brigade, the officers reported.

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PHILADELPHIA, PApproved For Release 2001/08/07 : CIA-RDP80-01601R00' BULLETIN

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SEP 29 1971

Drug Addiction Attlicts Children Of U.S. By THOMAS MARLOWE Special to The Bulletin Officials in Southeast Asia

Vientiane, Laos – Last spring, two American techaged dependents of foreign aid employes were caught mailing 20 kilograms of pure heroin Urreugh the Army Post Office here.

The drugs were destined for Saigon, to be picked up by other dependents for use or sale.

Wrsta result, no one under 18 years of age is now allowed to mail anything larger than 'a letter through the Vientiane APO. Dependents over 18 can be prosecuted if caught mailing drugs.

Several days later, the son of an embassy official admitted confidentially that "I was all ready to mail 10 pounds of heroin to the States."

"I had it all packed and a buyer waiting at the other end," he said. "But it is just too risky now. The APO is checking every package."

Heroin and other drugs are not only deeply entrenched in the American military, but in much of the American eivilian community in Southeast Asia. Centered in Compound

Among those who will probably return to the United States with a habit are American teen-aged dependents of civilian and military officials.

Many live at K-M6, a compound outside of Vientiane for American officials and their families. At the K-M6 high school one ninth-grader said: "Almost everyone past the

sixth grade smokes grass

here. A lot of the older kids are using speed and heroin." The hard drug problem in Laos has its roots in the socalled "fertile triangle" which borders Burma and Thailand. More than half the world's poppy crop is harvested there each year.

Problem in Thailand

The poppies are harvested primarily by Meo tribesmen.

Some of the opium is reported to find its way to the secret Central Intelligence Agency base at Long Cheng, where it is said to be transported via planes of the CIAsubsidized Air America to Bangkok, Saigon, Hong Kong, and even San Francisco.

Americans in Laos are not the only ones hit with the spreading drug problem. In Thailand, at least one American student at the Bangkok. International School died from an overdose of narcotics during the past school year, and 14 others were expelled for drug usage.

"Those were only the constant violators," explained one student. "You know, the kids who go into the bathrooms and shoot up between classes."

The psychiatric ward at Bangkok's 5th field hospital has grown accustomed to American dependents.

Little Girls, Too "There's almost always a 13- or 14-year-old kid in there for smack," a medic said. "They usually bring them in at night and give them a urine

test in the morning." A hospital psychologist said: "It hurts when a 12- or 13year-old girl is brought in with an overdose. I've seen little girls with needle marks on their arms. Their parents often cry and want to know why."

To support their habits, or just to make money, some kids sell drugs. They rationalize that "somebody will do it, why not me?"

/ Shortly after last Christmas, the 17-year-old son of a U. S. foreign aid employe was shot to death in a Bangkok alley.

"He had not," according to one of his former associates, "paid his Thai supplier the full amount for the last shipment (of heroin) he received."

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Drumhire on China

It is a topsy-turvy world when Premier Chou En-lai rebukes James Reston for having said the President lacks courage: "Deciding to come to China at this time is something which even the opposition party says others dare not do. So on this point he has some courage." How much courage it will take has yet to be fully determined. The new China policy was roundly rejected by the AFL-CIO executive council, 24 to 4 with two abstentions, while the American Legion has given it grudging approval on the express condition that no concessions are made by our side.

Anyone who rejects political acts because of the possible motives behind them had better avoid politics altogether. No doubt the President was fully aware of the domestic gains in his announcement, although we can hardly believe that he thought they could outweigh the gut issue: 'the domestic economy. More to the point is Chou's remark. Nobody thought the old China lobby amounted to much anymore. But the White House needed no Geiger counter to alert it to hostile right-wing reaction. The Vice-President's celebrated midnight remarks last April against the first flush of "ping-pong diplomacy" provided the modern instant communications counterpart to Paul Revere's ride. Immediately after the trip announcement in July, twelve conservatives, headed by William F. Buckley, announced suspension of ."support" for Nixon, and a few weeks ago delegates representing 67,000 Young Americans for Freedom voted to dump Nixon, in "part because the trip will threaten "the national sovereignty of the United States." The antics of the Rev. Carl McIntyre with his Taiwan table tennis team raise little more than smiles from sophisticated infighters. But in Middle America confusion and concern can become bitter hatred if properly aroused. Toward this end various reactionary revivalists of the early 1950's witchhunt are once again on the conspiracy trail. This time they can move against the background of an admitted betrayer of secrets, Daniel Ellsberg, as compared with the earlier accused but unproven "traitor," Alger Hiss.

Recently a Detroit FM station carried four hours of telephone interviews with a young American scholar on China. The moderator claimed no other program had evoked so many responses. The angry callers seemed awakened from a 20-years' cleep, so obsessed were they by the McCarran hearings, the Institute of Pacific Relations, and alleged Communist affiliations of such personages as Professor John K. Fairbank and Henry Kissinger. But these long-dormant memories did not spontaneously spring to life; they are cultivated. Visitors to San Clemente heard first-hand of the "hate Henry" campaign that is being waged in many localities in an effort to embarrass the President's trip through his emissary. ciate the ignorance and fear that can be exploited against China. In this regard he faces a much tougher fight than did President Roosevelt in moving to recognize the Soviet Union in 1933. American business had built Russian factories. American journalists and tourists had traveled throughout that country. A positive subliminal image of Russia had established acsthetic and humanistic ties through intimate familiarity with Tchaikowsky and Rachmaninoff, Dostoevsky and Tolstoy. The savagery of civil war and foreign intervention against the new Soviet state had been followed with the Hoover relief missions.

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No such counterforce exists on the China question. The bitter heritage of two wars, Korea and Vietnam, fuses in American perceptions as the product of Chinese Communist aggression. Total isolation from the mainland for 20 years combines with the most remote and random newsreel images of the previous decades, broken only by the familiar figures of a sturdy little generalissimo and his striking Wellesley-educated wife.

New versions of old tales fuel opposition fires. On the day Senator Proxmire's Joint Economic Committee heard three prominent professors attack secret subversion against the mainland conducted jointly by the Chinese Nationalists and the CIA, Senator Eastland released a study by Professor Richard L. Walker which estimated that between 34 and 60 million Chinese died over the past 50 years as a result of Communist activity. Walker included all the intermittent civil wars of 1927-49 as well as wholly unsubstantiated and unverifiable figures from every kind of source, including Radio Moscow. Another hate-China theme focuses on drugs. A few days after the Eastland report came a headline-grabbing story from Saigon. According to an alleged "high-level defector" out of North Vietnam, poppy fields in that country are so large it takes a harvesting tractor one whole day to cover a single planting. The produce is secretly processed in China, he said, and smuggled out through Hong Kong. Interestingly the defector admitted he had not revealed this information when first interviewed a year ago, claiming it had not seemed important then. Its importance now was obvious since only the previous week, two detailed accounts - one by the Associated Press Pulitizer prize winner, Peter Arnett, and another in The New York Times, had traced the Asian drug traffic to specific villages on the Burma-Thai border. From there it moves over land and air routes to South Vietnam, with the certain knowledge if not connivance of Thai and South Vietnamese officials. No matter that the Far Eastern Economic Review states unequivocally that Hong Kong is not a conduit for drugs from mainland China, or that the US Narcotics Bureau lays no charge against the People's Republic of China, such as it does against Turkey, Iran and a host of other countries.

We see no evidence of an all-out US campaign at : **CIA-RDP80-01601R001000970001a6**d thereby block

Mr. 'Nixon need Approved Fors Releases 2001/08/07 : CIA-RDP 80-01601 RO

continued

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SEN. ABRAHAM RIBICOFF

SEN, EDMUND MUSKIE

incredulous

seeking answers

Defense, Justice Officials Pleading Ignorance on Top Asians' Drug Role

By LEE HICKLING The Times Bureau

no one at the Pentagon knows enough a bout the in-ternational drug traffic to testify on how and from where narcotics get in to South Vietnam. And the Inet WASHINGTON ----

And the Justice Department, contradicting a statement Atty. Gen. John Mitchell made two months ago, said it has no evidence linking "any high official in the Southeast Asian countries' with the narcotics traffic there."

Sen. Abraham A.' Ribicoff (D-Conn.) speaking for himself and Sen. Edmund S. Muskie (D-Maine) in a Senate speech prepared for today says that if this is the case, the White House had better find out what the Defense and Justice departments a r e doing in the narcotics field.

Mitchell told Muskie, during a hearing July 7, that "there has been involvement by government officials in some of these countries" in narcotics 'traffic, and our government had "identified some of them." But the attorney general said he did not want to testify about the subject in an open hearing and would do so in an executive. session.

. Since then, Ribicoff, who is chairman of the Government' **Operations** subcommittee that held the hearing, and Muskie have been trying to get Mitchell to make good on his promise, and bring along the secretaries of State and Defense and the director of the Central Intelligence Agen-CY.

Sept. 13, Deputy Atty. Gen. Richard G. Kleindienst wrote

The Ribicoff that the delay had

"have come to our attention.

At the same time, however, we do not have any specific evidence which links any high official in the Southeast Asian countries with the narcotics traffic there. Thus, we do not feel that it would be appropriate to testify. Further, even a closed session on the subject could fan unfounded rumors and cause possible international repercussions."

The Defense Department had turned down the in-vitation earlier, Ribicoff and Muskie revealed yesterday. In a letter July 23, an assistant replied for Secretary Melvin Laird: "This is to ad-VISC you" that there are no personnel in the Department of Defense qualified to testify in regard to the problem of international drug traffic and we will, therefore, be unable to provide a witness as you have requested."

Ribicoff and Muskie are chairmen of chairmen of two sub-committees of the Senate Government Operations Committee which have been studying proposals to consolidate the campaign against narcotics in a White House Office of Drug Control.

The administration wants such an office to have nothing to do with law enforcement policy and the international drug traffic, feeling that the

The two senators said in a joint statement that drugs are one of the major problems facing the armed forces in Southeast Asia, yet the Pen-tagon apparently has nobody who can tell the committee where the drugs come from and how they get into Vietnam.

"This is certainly the kind of situation that a White House office should be able to look into," their statement says,

The attorney general had told the committee that there was evidence that Southeast Asian government officials were involved in the narcotics trade, and then Deputy Atty. Gen. Kleindienst said it had not, the two senators noted.

If that is true, they said, "The attorney general should explain his earlier statements to our subcommittee and the public."

Approved For Release 2004 y08/07 stiCIA-RDP 80-01604 R001000070001-6 months to get an answer. On Defense Department and

other agencies can handle those aspects better.

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Cf. Curran, Barbara, Unavailability of Law-yer's Services for Low Income Persons, 4 Val.U.L.R. 303 (Sp. '69).

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³³ Jerome J. Shestack, a practicing lawyer in Philadelphia, is immediate past Chairman of the American Bar Association Section of Individual Rights and Responsibilities, a member of the National Advisory Committee to the Legal Services Program of the Office of Economic Opportunity, and a member of or accomme opportunity, and a memor of the Executive Committee of the National Legal Aid and Defender Association. "Shestack, Jerome J., "The Right to Legal Services," The Rights of Americans: What

They Are; What They Should Be (Dorsen ed., Pampheon, 1971) at page 126.

WHY ARE WE PAYING OUR FRIENDS TO CONTINUE KILLING OUR CHIL-DREN?

HON. CHARLES B. RANGEL

OF NEW YORK IN THE HOUSE OF REPRESENTATIVES

· Thursday, September 23, 1971

Mr. RANGEL, Mr. Speaker, the press has recently reported that President Nixon may exempt South Vietnam, Cambodia, Laos, and Thailand from his announced 10-percent cut in economic aid.

Official figures reveal that between 5.7 and 14 percent of our servicemen returning from duty in Southeast Asia are drug dependent.

The United Nations Commission on Narcotic Drugs has reported that at least 80 percent of the world's opium is produced in Southeast Asia. Two of those four countries-Laos and Thailand-are. part of the "fertile triangle" which raises more than half of the poppy plants grown in the world.

The Criminal Investigation Division of the U.S. Army has allegedly compiled reports linking top South Vietnamese leaders to the heroin trade. Lt. Gen. Ngo Dzu, military.commander of South Victuam's central highlands, and other military and naval personnel and Government officials are leading figures in the narcotics. traffic that preys upon American servicemen in Southeast Asia.

There have also been reports that the Central Intelligence Agency is supplying arms, transportation, and funds to drugproducing hill tribes in Laos and northeastern Thailand.

The governments of these four countries have failed to take decisive action to stop the production, processing, and transport of illicit drugs for our GI's. While we continue to expend billions of dollars and thousands of American lives to defend and support these friendly governments, they continue to kill our servicemen.

These are the governments that President Nixon may exempt from his cut in complices to murder whom the President Officials suggested that the Adv may reward. may reward.

The administration has even requested an increase in economic aid to South Vietnam of between \$150 to \$160 million. The Thieu government may get even fatter if President Nixon has his way.

My most recent inquiry to the Agency for International Development in the Department of State indicates that the

President has not made a final decision on whether or not to exclude these four countries from the cut in foreign aid. There is still time for Members of Congress to contact the President and urge him not to further feed the already fatted cows who have not cracked down on their merchants of death.

It is about time we stop bringing gifts' to our allies when they are murdering. American servicemen.

Four articles follow:

[From the New York Times, Sept. 12, 1971]

FOUR INDOCHINESE COUNTRIES ARE REPORTED EXEMPT FROM NIXON'S ORDER TO CUT FOR-FIGN AD BY 10 PERCENT

(By Tad Szulc)

WASHINGTON .- South Vietnam and three other Southeast Asian countries are being quietly exempted from the 10 per cent cut in foreign economic aid ordered by President Nixon last month, authoritative Administration officials said today.

The Administration has made no public announcement that economic assistance planned for Southeast Asia for the fiscal year 1972, which began July 1, is to remain intact despite the cut in the foreign-aid program. Official spokesmen have insisted for the last four weeks that no decision has been made.

Total economic aid, designed to complement United States military assistance, has been set for \$765.5-million this year for South Vietnam, Cambodia, Laos and Thailand.

The largest slice is to go to South Vietnam with \$565-million, which is an increase of about \$160-million over economic aid given Saigon in the previous fiscal year.

Officials noted that in announcing his new economic policy on Aug. 15, Mr. Nixon con-fined himself to the statement that "I have ordered a 10 per cent cut in foreign economic aid."

The Administration's request to Congress for foreign assistance in fiscal 1972, prepared before the new Nixon economic policy, was \$3.3-billion. But the President ordered the cut only in economic aid, which accounts for \$2.09-billion of the total. The balance, \$1.21billion, is carmarked for military grants and foreign military credit sales.

Inasmuch as Mr. Nixon did not elaborate on how the economic aid reduction should be administered, the interpretation now being placed on his order is that the cuts should be applied selectively, according to officials.

This means, they said, that the Adminis-tration is free to cut aid for some countries but not for others as long as the economic assistance package is reduced 10 per cent.

Officials concerned with United States policy in Southeast Asia indicated in private conversations that economic assistance to the four "critical" Southeast Asia countries could not be reduced while the war goes on.

They said that the White House took the view that cuts could undermine the economies in the four countries and hurt the conduct of the war.

Therefore, officials said, aid programs in the region are proceeding on the assump-tion that no cuts will be made unless Congress decides otherwise.

Foreign-aid legislation was approved by the House of Representatives last month and

Officials suggested that the Administration preferred not to publicize the reported exemptions to avoid protests from other nations.

Another reason may be concern over opinion here. President Nguyen Van Thieu has come under considerable criticism for his decision to run unopposed in the Oct. 3 Pres-idential elections and there has been talk in Congress of reviewing the American assistance to South Vietnam.

The Administration believes, however, that increased économic aid to South Vietnam is vital at a time when American forces are withdrawing and last year's economic reforms are beginning to produce results.

Testifying before a Senate subcommittee on Wednesday, Secretary of State William P. Rogers asked for approval for the full \$565-million for South Vietnam is needed tSTATOTHR set the economic impact of the reduction in United States military expenditures as our troops are withdrawn."

Economic assistance to South Vietnam ranges from the financing of essential imports to agricultural land reform to programs for education, and health. But it also includes support for the South Victnamese police in counterinsurgency and other activi-STATOTHR ties.

[From the Washington Post, Sept. 9, 1971] HEROIN PROMOTION

(By Jack Anderson)

WASHINGTON .-- At the same time that the U.S. command is striving mightily to stop GI drug addiction in Victnam, a top South Victnamese general has been using U.S. military equipment to hustle heroin. This is documented in a number of intelligence reports, all highly classified, which have now reached Washington from Saigon. The reports nail Lt. Gen. Ngo Dzu, military commander of South Vietnam's central highlands, as one of the chief heroin traffickers in Southeast Asia.

The incriminating details, including dates and places of heroin transactions, have been reported by the Army's Criminal Investigation Division, U.S. Public Safety Directorate, and Rural Development Support Team in South Vietnam.

Dzu's accomplices are also named, including a former South Vietnamese Senator, a Chinese businessman from Cholon, the South Vietnamese provost marshal in Qui Nhon, and several South Vietnamese navy officers. Dzu was first named a heroin dealer by

Rep. Robert Steele (R-Conn.), in testimony last July before a House Foreign Affairs sub-committee. The Congressman told of his fact-finding mission to Indochina where, he said, widespread corruption among officials had blocked efforts to halt the heroin traffic, The day after Steele's testimony, South Vietnam's President Thieu went through the motions of ordering a narcotles investigation. It's doubtful, however, that Dzu will ever be tried and convicted.

One of Dzu's most vigorous defenders was his senior American advisor, John Paul Vann, who assured the press: "There's no information available to me that in any shape, manner, or fashion would substantiate charges Congressman Steele has made." the

The incriminating intelligence reports would indicate that Vann either was woefully incompetent or, worse, was helping Dzu to cover up his dope-smuggling operations.

The first intelligence report linking Dau to the heroin trade was filed on January 6, 1971, by the CID. Citing highly sensitive sources, the CID charged that the narcotics traffic in the Central Highlands had increased tremondously since Dzu had taken command of the region in September, 1970. The CID's sources asserted that Dzu not only protected the key traffickers who kicked back part of their profits to him but also took a direct part in the smuggling through his father Ngo Khoung. At that time Ngo Khoung was described as an "important" herein dealer.

It was also alleged that Dzu often used the U.S.—to snuggle heroin. A CID report dated May 12, 1971, told how Dzu and his fether took ingenious advantage of the funeral of a South Vietnamese general in Saigon to fly in heroin from the highlands.

Yet General Dzu, a power in South Viet-nam, is expected to be given a whitewash. In

CHRISTIAN SCIENCE MONITOR Approved For Release 2001/08007ECIAPRDP80-01601R00

By Daniel Southerland

Staff correspondent of The Christian Science Monitor

Saigon

eairs

A South Vietnamese investigation of Lt. Gen. Ngo Dzu has cleared him of drug traificking charges raised by a U.S. congressman, according to informed sources in Saigon.

The sources disclosed that the investigation conducted y the South Vietnamese Defense Ministry was completed before President Thieu's recent promotion of General Dzu from major general to lieutenant general. The findings of the investigation have yet to be made public.

The disclosure came in the wake of a new allegation against General Dzu made by Washington columnist Jack Anderson, who wrote this week that the general had been using "U.S. military equipment" to "hustle" heroin, U.S. Rep. Robert H. Steele (R) of Connecticut had earlier named the South Victnamese general as "one of the chief traffickers in heroin in Southeast Asia."

Mr. Steele told a House foreign-affairs subcommittee on July 7 that "U.S. military authorities, have provided Ambassador [Ellsworth] Bunker with hard intelligence that one of the chief traffickers is Gen. Ngo Dzu, the commander of II Corps."

A report prepared earlier this year by the provost marshal of the U.S. Military Command in Vietnam concluded that "the degree of sophistication which the trafficking in drugs has achieved could not exist without at least the tacit approval if not active support of senior members of the government of Vietnam."

But U.S. officials here say they are unaware of any "hard intelligence" which would link General Dzu with the drug traffic. They say that there were some unconfirmed "low-level" reports which were passed on to the South Vietnamese in connection with the investigation of General Dzu, an investigation which was prompted by Representative Steele's allegations.

"All the information we had was shared with the South Vietnamese," said a U.S. Embassy official in Saigon.

• U.S. sources in Saigon say that Representative Steele has yet to produce any evidence to substantiate his charges against General Dzu. The South Victnamese general himself has twice issued appeals to the U.S. congressman asking him to "produce your evidence so that I may disprove this allegation."

Informed sources said the Defense Ministry investigation of General Dzu did not deal with other corruption charges which were leveled against the general within South Vietnam prior to the allegations concerning drug trafficking. Those charges were contained in letters written by a group of South Vietnamese officers who accused General Dzu of taking bribes and of profiting from the looting of two former U.S. bases in South Vietnam's central highlands. The general has denied the charget. STATOTHR

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sources pop

- By TED KNAP Scripps-Howard Staff Writer

While the flow of illicit narcotics out of Turkey has been curtailed sharply, it has increased substantially out of the "golden triangle" in Thai-land, Laos and Burma.

While Iran and India have begun effective controls over their narcotics traffic, new sources of supply are developing in Afghanistan and Pakistan, which have not.

Altho France has beefed up its narcotics police force, the gendarmes have not been able to knock off any of the several heroin processing laboratories known to be operating in secret places around Marseilles. These developments in narcotics control efforts were described today by the executive director of President Nixon's newly established cabinet Committee on International Narcotics Control. The White House announced formation of the committee yesterday.

committee staff, said in an in-terview that emergence of Southeast Asia as an important source of heroin is the 'most disturbing" new development in the effort to curb the flow of hard drugs to Americans, both here and in South Vietnam.

Mr. Krogh, just back from a. tour of the area; said the in-creased export of illicit narcotics from Thailand, Laos and eastern Burma has been "substantial" in the past year.

"CONSUMER MARKET'

"We are concerned," Mr. Krogh said, "about the United States becoming the consumer market for the golden triangle."

Turkey announced in June that it would ban all growing of opium poppies and, in the meantime, would purchase more of the 1971 crop so as to reduce its flow into illicit channels. With U.S. aid, the Turkish governmenthas bought up 140 tons of opium so far this year compared with 63 tons all of last year.

Mr. Krogh said the early, .Egil "Bud" Krogh, White but not yet conclusive, indica-House aide named to head the tions are that Turkey is of Atty. Gen. John Mitchell,

"drying up" as a source of opi-um, which is processed into morphine for medicaluse and heroin for illicit use. Turkey has been the main grower of opium poppies.

The White House official said intelligence sources réport that between three and nine processing laboratories are in operation in the Marseilles area of southern France. Secretary of State William Rogers, who heads the cabinet committee, said France is cooperating, but so far all the laboratories have escaped detection.

91 EXECUTED

Mr. Krogh said Iran, which has executed 91 persons for narcotics smuggling since it passed a death penalty law in 1969, and India have instituted effective monitoring of opium fields in those countries. He said similar controls will be sought in Afghanistan and Pakistan, either thru the United Nations or by separate agreements with the United States.

In addition to Mr. Rogers, the cabinet committee consists

Defense Secretary Melvin Laird, Treasury Secretary John Connally, Ambassador to the United Nations George Bush and CIA Director Richhard Helms.

While the cabinet committee concentrates on curbing the supply of narcotics, another White House group headed by Dr. Jerome Jaffee focuses on the demand side, including detection and treatment of addicts.

Dr. Jaffce's office said today it cannot claim that there has been any reduction in the rate of a ddiction among American servicemen in South Vietnam since Mr. Nixon or-dered a "top priority" cam-paign against it-in June. The program has detected that 5.3 per cent of the 70,000 homeward-bound GIs given urinalysis tests had been recent users of heroin. They are given some treatment before being discharged.

With Americans'leaving South Vietnam, Mr. Krogh said that the use of heroin is spreading now among the Saigon government troops and Vietnamese students.

Approved For Release 2001/08/07 CIA

Rogers Unit To Control Drug Trade

Associated Press

The White House disclosed yesterday the creation several weeks ago of a Cabinet committee on controlling the international narcotics traffic.

Secretary of State William P. Rogers, the chairman, said there have been three meetings with pleasing results and some successes.

"In my opinion," the Secretary told reporters, "it is the most important step that has been taken in the field of control of drugs in the international sphere."

In terms of initial successes, Rogers mentioned control efforts in Turkey--which has been biggest source of opium flowing into the United States --T ailand, Laos, Burma and Mexico. And he said that the U.S. ambassador to Cyprus, David H. Popper, has gone to more than 20 other nations to round up support.

Rogers briefed reporters at the White House after press secretary Ronald L. Ziegler said President Nixon signed a memorandum setting up the Cabinet committee shortly after leaving Washington Aug. 17 for a speech-making trip across the country and a sojourn at the Western White House. There was no explanation of the delay in announcing the action.

On the committee with the secretary are Attorney General John N. Mitchell, Secretary of Defense Melvin R. Laird, Secretary of the Treasury John B. Connally, United Nations Ambassador George Bush and Director Richard Helms of the Central Intelligence Agency.

NEW YORK DAILY NEWS

Approved For Release 2001/08/07 021A-RDP80-01601R0010

Promote Viet Drug Case General

Saigon, Sept. 5 (UPI)-Maj. Gen. Ngo Dzu, one of South Vietnam's top military commanders who was accused by an American congressman of playing a major role in the narcotics traffic, has been promoted to lieutenant general.

The government news agency Vietnam Press said today that Dzu received his third star under a decree signed by President Nguyen Van Thieu. Dzu is commander of Military Region II which includes the strategic central highlands.

Data was the seventh South Vietnamese army officer to win promotion to the three-star rank in the last week. One air force and one nacy officer won similar promotions.

The presidential decree also withdrew the March 15, 1967, discharge for disciplinary reasons of Lt. Gen. Nguyen Huu Co, once an acting prime minister and a leader in the 1963 military coup d'etat which overthrew the late President Ngo Dinh Diem. The decree will allow Co to receive rtirement pay.

Dzu was accused in July in a speech on the floor of the U.S. House of Representatives' of being a leader in the narcotics traffic in South Vietnam. The charge, by Rep. Robert Steele, (D-Com.) was covered by congressional privilege, which protects the accuser against suits for defamation. Dzu denied the accusation. Results of a defense ministry investigation have not been made public.

Steele last spring accompanied Rep. Morgan Murphy Jr., (1)-Ill.) through Southeast Asia on an in-



vestigation of the narcotics traffic into U.S. military bases. Murphy did not join in Steele's accusation against Dzu.

Steele, reached in Vernon, Conn., by the Associated Press, said he found Dzu's promotion inconsistent with South Vietnamese investigations into his involvement in narcotics.

The promotoion "appears to

Incomplete
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YOUNG WORKER: publication of the Young Workers Liberation League. August, 1971; vol. 2 no. 5; 24 pages; 30¢; edited by Roque Ristorucci.

By DONNA RISTORUCCI

The August issue of the Young Worker, publication of the Young Workers Liberation League, includes an article on the sensitive and controversial subject of Jewish nationalism.

The article, "JDL — Defender of Jewish Youth?" by Marc Beallor, New York YWLL organizational secretary and former member of a Zionist youth organization, analyzes the background and activities of the fascist Jewish Defense League, and its attempt to corrupt Jewish youth through racism and anti-Sovietism.

The article attributes the disturbing amount of support the JDL has won among Jewish youth for its violent attacks on black youth. Communist and progressive organizations, and Soviet diplomats and for its other activities in part to the "vacuum left among Jewish youth" by the "donothingism of the Jewish establishment."

Also of interest in the article, especially from the viewpoint of a Zionist, become Marxist, is the analysis of some of the "progressive" Zionist youth organizations as being unable to fight the tactics of the JDL because they "reject struggie in the U.S." and because of their "basic adherence to Zionist ideology."

Another pertinent article, "Capitalism's New Religion," was written by Jim Bains from a Birmingham, Ala., jail, where he was serving a three-month sentence because of his anti-war activities. The "new religion" it discusses is drugs. The article discloses CIA involvement in international drug traffic, and discusses the use of drugs as a "tool of monopoly in controlling the way out," the need for an antidrug campaign among youth and what the position of the Left and the YWLL should be on legalization of drugs.

Worker' takes look at Kahane's JD

> The unity of militant spirit running through the Young Worker can immediately be seen in the cover and the titles of the articles. The simple, attractive cover has pictures of two brilliant, courageous and beautiful women, Madame Binh and Angela Davis, with the slogans "U.S. Out - Set the Date!" and "Bail Now!" The titles, along with the well-chosen pictures and cartoons, indicate at a glance a good balance of stories of action, analysis, humor, international and domestic issues, dealing with the questions that today most occupy the thoughts of American youth.

For young workers and other youth who support rank and file struggles in the shops, there is an article about the annual organizing conference of the AFL-CIO District Council of Riverside and San Bernardino in California, the theme of which was "Organizing Youth for the '70's." It was written by a League member who participated in the conference and projects the spirit of rising militancy and dissatisfaction among the young rank and filers there.

If you read the last Young Worker you'll want to get this one, because it's the only way you'll be able to find out the latest developments of "Dick Tricky" and "Weirdo Nagyou," those reallife comic-strip characters, in their attempts at splitting the "working mob."

Individual copies (30 cents) and subscriptions (\$3 for 1 year, \$5 for two years) can be obtained from the Young Workers Liberation League, 29 West 15 St., New York City, 10011.

opposition" by offering an "ensurement of the second secon

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The Washington Merry-Go-Round

2.

U.S. Cutting School Lunch Funds By Jack Anderson

White House Apology—The White House has mailed letters of apology to 47 congressional interns from Connecticut who heard a presidential aide call Rep. Bob Steele (R-Conn.) a "liar" and a "moron." Brash, young Jeff Donfeld, who once worked for the Nixon law firm and paid court on Tricia Nixon, gave the interns a narcotics briefing. One intern asked about Steele's findings that 10 per cent of the GIs in Victnam were heavy heroin users. Donfeld, who had come back from his own Vietnam visit with lower figures, snapped that "Steele is a liar" who acted like a "moron" in assembling his data. Steele, an experienced ex-CIA agent, was furious. His plaints swiftly reached the White House. Although Donfeld originally told us he would stick to his charges, he finally was compelled to eat crow. The White House mailed out the letters of apology to placate Steele, then quietly promoted Donfeld to be assistant director of the President's Special Action Office for Drug Abuse Prevention.

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"...Although this entire series of discussions was "off the record", the subject of discussion for this particufar meeting was especially sensitive and subject to the previously announced restrictions."

-C. Douglas Dillon

By The Africa Research Group

The Central Intelligence Agency is one of the few governmental agencies whose public image has actually improved as a result of the publication of the Pentagon Papers. Despite disclosures of "The Agency's" role in assassinations, sabotage, and coup d'etats consciously intended to subvert international law, America's secret agentry has actually emerged in some quarters with the veneration due prophets, or at least the respect due its suggested efficiency and accuracy.

Virtually every newspaper editor, not to mention Daniel Ellsberg himself, has heaped praise on the CIA for the accuracy of its estimates detailing the U.S. defeat in Vietnam. Time and again, the Agency's "level headed professionalism" has been contrasted with the escalation-overkill orientation of the Pentagon or the President's advisors. The editor of the Christian Science Monitor even called upon policy makers to consult the CIA more, calling it a "remarkably accurate source of informa-'tion." But such backhanded praise for conspirators confuses public understanding of the important and closely integrated role which the:CIA plays in advancing the Pax Americana on a global scale.

. For many, the Pentagon Papers provided a first peek into the inner sanctum of foreign policy making. As the government's attempt to suppress the study illustrates, the people are not supposed to have access to the real plans of their government. On close inspection, what emerges is not an "invisible government" but an indivisible system in which each agency offers its own specialized input, and is delegated its own slice of responsibility. Coordinated inter-departmental agencies work out the division of imperial labor. There are disagreement Approved For Release 2001/08/07x1 CIA-RDP80-01601R001000070001-6

rivalries to be sure, but once the decisions are reached at the top they are carried out with the monolithic tone of state power.

NO. 19 1971 September

The intelligence community now plays an expanded and critical role in creating and administering the real stuff of American foreign policy. CIA Director Richard Helms presides over a U.S. Intelligence Board which links the secret services of all government agencies, including the FBL. In the White House, Henry Kissinger presides over an expanded National Security Council structure which further centralizes covert foreign policy planning. It is here that the contingency plans are cooked up and the "options" so carefully worked out. It is in these closed chambers and strangelovian "situation rooms" that plans affecting the lives of millions are formulated for subsequent execution by a myriad of U.S. controlled agencies and agents.

Increasingly, these schemes rely on covert tactics whose full meaning is seldom perceived by the people affected ---be they Americans or people of foreign countries. The old empires, with their colonial administrators and civilizing mission have given way to the more subtle craftsman of intervention. Their manipulations take place in the front rooms of neo-colonial institutions and the parlors of dependent third world elites. In this world of realpolitik, appearances are often purposely deceptive and political stances intentionally misleading. The U.S. aggression in Vietnam, lest anyone forget, began as a covert involvement largely engineered by the CIA. Similar covert interven-V tions now underway elsewhere in the world may be fueling tomorrow's Vietnams.

It is for this reason that the Africa · Research Group, an independent radi-.cal research collective, is now making public major excerpts from a document which offers an informed insider's view of the secret workings of the American intelligance apparatus abroad. Never intended for publication, it was made available to the Group which will pub-

CIA manipulations.

Richard Bisseil, the man who led the Council discussion that night, was well equipped to talk about the CIA. A onetime Yale professor and currently an executive of the United Aircraft Corporation, Bissell served as the CIA's Deputy Director until he "resigned" in the wake of the abortive 1961 invasion of Cuba. The blue-ribbon group to which he spoke included a number of intelligence experts including Robert Amory, Jr., another former Deputy Director, and the late CIA chief, Allen Dulles, long considered the grand old man of American espionage. Their presence was important enough an occasion for international banker Douglas Dillon to

*The complete text of the document will be available for \$1 in late October from Africa Research Group, P.O. Box 213, ridge, Mass. 02138. . .

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MEXICO:

The Great Escape

Not a detail had been left to chance. The evening roll call was over and, inside the sturdy blockhouse at the Santa Marta Acatilla Prison near Mexico City, all but five of the jail's 125 guards were safely out of the way--watching a movie called "The Altar of Blood." At this opportune moment, a helicopter bearing the blue and white colors of the Mexican Attorney Ceneral's office fluttered into the prison courtyard. And with that, two prisoners sprinted from a hiding place, jumped into the waiting chopper and vanished over the wall without a shot being fired. All in all, it was a remarkably well-executed escape from one of Mexico's toughest maximum-security prisons. But there was far more to it than that, For the daring jailbreak marked the reopening of an obscure but fascinating international mystery. Rumor: The escapees were a 41-

year-old New York molasses dealer, Joel David Kaplan, who was serving a 30-year sentence for murder, and his cellmate, Carlos Contreras Castro, 35, a convicted counterfeiter. Just after the Bay of Pigs invasion ten years ago, Kaplan became the central figure in a bizarre international incident when, on the basis of shaky circumstantial evidence, he was extradited from Spain to Mexico on charges of having murdered a so-called "business associate," Luis Vidal. At the time, there was widespread speculation that Kaplan was working for the Central Intelligence Agency. Indeed, rumor had it that he had killed Vidal in order to break up the sale of \$140,000 worth of Mexican arms to the Caribbean Legion, a group dedicated to the overthrow of both left- and right-wing Latin American dictators. That speculation was fueled even further a few years later when the J.M. Kaplan Fund-headed by the fugitive's uncle-was identified by members of the U.S. Congress as a conduit for CIA funds.

Naturally cnough, many observers were quick to give the CIA credit for Kaplan's spectacular jailbreak. Only the CIA, they contended, could have masterminded so involved and expensive



STATOTHR

Joel Kaplan: Long gone?

a plot. And even Kaplan's lawyer claimed that he never for a minute doubted his client's affiliation with the CIA. But it was by no means an open-and-shut case. For other informed sources disputed the CIA theory entirely, suggesting that the escape had been hatched by another well-organized and well-financed secret organization—the Mafia. Far from being a U.S. agent, these insiders argued, Kaplan was a kingpin in the illicit drug trade and had been freed from prison by his friends in the underworld.

About the only thing that was certain was that Kaplan and Castro were long gone. Mexican officials said that their helicopter (allegedly piloted by an American named Harvey Orville Dayle) had dropped the pair off in Actopan, some 100 miles north of Mexico City. There, they switched to a light Cessna airplane rented earlier in the week in Phoenix, Ariz. Sometime later, the two fugitives parted company. Castro was said to have headed for freedom in Guatemala, and Mexican police were busily checking out reports that Kaplan had flown north to Brownsville, Texas, and then on to Sausalito, Calif. And at the end of the week, FBI agents in San Francisco had reportedly joined in the intensive search.

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Internationals

Gaps in Nixon-Mao publicity

By TOM FOLEY

Henry Rissinger's trip to Peking and the forthcoming visit of President Nixon to the People's Republic of China are now getting tremendous publicity in the U.S. news media. But many questions about this apparent U.S.-PRC rapprochement remain uffanswered-at least, publicly-and the detailed speculation in the U.S. press deliberately seems to avoid these areas. They are the following:

1) Northern Burma and Laos: ever since the Chinese civil war, the U.S. Central Intelligence Agency has been deeply involved in this region just south of the Chinese province with the romantic name of Yunnan, or "Cloudy South" province. In 1949, the de-feated remnants of Chiang Kaishek's army crossed over into north Burma and Laos, seized control of these outlying areas. and began calling themselves the Yunnan Anti-Communist, and National Salvation Army, Actually, they are the biggest opium dealers in Southeast Asia and they have been financed and armed since 1949 by the CIA.

In Laos, the CIA organized, trained and equipped the 50,000man secret army led by Gen. Vang Pao, composed of his Meo tribesmen followers, who are the biggest opium smugglers in Southeast Asia. But everybody knows that the CIA created this Meo military force not only for use in Laos: in Yunnan, there are 4.5 million Meo tribesmen who form the most important national minority in south China and who have maintained their ties with their relatives across the Laos border. · 2) Tibet and northern Nepal: in 1959, when revolt broke out among 'the Amdo and Khampa tribesmen of Tibet, it did not require great insight to see the CIA hand involved in it. The Khampas were armed with brand new U.S. equipment, including G1 fatigue uniforms and thermoboots. Since both ·Tibetans and Chinese hate and fear the Khampas, the CIA made a serious political mistake in backing them, because everybody else allied against them. They did get the Dalai Lama, however,

and Arndos fled mainly into northern Nepal after the 1959 revolt and simply took over the country in conjunction with the CIA and U.S. military in Nepal. As far as v anybody knows, most of them are still there.

3) Taiwan and CIA air bases: as everybody except the ordinary American citizen knows, Taiwan is headquarters for the CIA's vast air operations in Asia. The CIA base is at Tainan and is run by a front organization called Air Asia, which also has an office in downtown Taipeh. Air Asia inturn is a subsidiary of Air Ame- 🗸 rica, the CIA line which provides all supply and transport runs for CIA operations in Laos, Burma, Thailand, Vietnam and Cambodia. Air America has its offices in Okinawa; it is a Delaware corporation with about 4,000 employees listed on its records as working in Asia.

The CIA base at Tainan, in southwest Taiwan, was the launching point for all CIA operations against the Chinese mainland, including parachute drops and reconnaissance flights. This is also well known to everybody except the American people.

But the curious fact is that the U.S. news media have not mentioned a word about any of these areas, and neither has the U.S. government. The Chinese side has been completely silent about them as well.

Any real normalization of U.S.-China relations demands that all these CIA operations be ended-and not only in China--and that the American people finally be told the truth about them in detail.



probably because he is of Amdo, not TibApp69ged For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6

in China. About 20,000 Khampas



Staff correspondent of The Christian Science Monitor

Fort Collins, Colo.

The United States Central Intelligence Agency "equipped and directed" incursions by mercenaries into Chinese territory from northern Laos, according to a former Green on studies he had read while serving as a Beret captain.

Lee Mond, now a student at Newark, N.J., State College and a delegate to the National Student Association Congress here says "no Americans have crossed the Chinese border." However, the CIA recruited ethnic Laos and Chinese for the crossings. In addition, he maintains the CIA "directed reconnaissance missions and monitored operations along the Chinese border."

Emotional speech

Mr. Mond repeated in an interview with the Monitor charges he first aired at a forum on war crimes sponsored by the Vietnam Veterans Against the War as part of the congress last Saturday.

The tall, black veteran of seven years, the agency recruits as mercenaries. seven months service who left the Army in June, 1970, after being wounded three times ing, "perhaps they (CIA) don't always need Stars - struggled with his emotions as he grow poppies because it is so lucrative." He told the cheering NSA delegates on Monday that he had "made up my mind after a year of deliberations to disclose this information they would have to support the tribesmen because these things were part of an on- far beyond what they are paying them now." going philosophy of . . . the executive branch of this country.'

Mr. Mond said that about 3,000 Chinese were in northern Laos when he was in Thailand from June, 1969, to June, 1970, and that they then controlled the quarter of the . country north of the royal capital Luang Prabang.

The majority were engineers, building a north-south road from China to Luang Prabang. He said "studies indicate" that they hoped to push down to Vientiane, the pres. Planes carry drugs ent provisional capital.

to protect them.

Incursions described

He said the incursions were made at Lai added "it is inconceivable that this much Chau in the northern tip of Laos and Muong opium could be transported on American Sing, also in northern Laos, and that the aircraft without their superiors knowing it." units moved about 50 to75 kilometers north and northwest into a large open area touching on the town of Lant Sang in Yunam Province in the People's Republic of China.

Mr. Mond said his information was based plans officer in Thailand on the U.S. Army general staff and in conversations with military personnel.

Vietnam,

The former captain cited as one main reason for his disaffection with American policies the massive flood of drugs pouring out of Laos into Thailand and then into the hands of American troops.

Opium smuggling

He charged that the CIA "actively encour- program on his base. aged the growing of poppies, the flower from which opium is made, by Montagnard tribesmen (on the opium rich Plain of Jars) whom

He later qualified this statement by add--winner of the Silver Star and three Bronze to encourage them (the Montagnards) to added, "But I am sure they don't discourage them. If they cut off this source of income,

> Mr. Mond also charged that the opium is often flown illicitly to major populations in Laos by Air America, a private airline said to be controlled by the CIA. "Opium comes out of the Plain of Jars catch as catch can, he said in an interview with the Monitor, "but from Moung Suoi, a major CIA base which has an airstrip, . . . I am aware that pilots would fly it down to Vientiane for their own profit."

He said he "knew" that Air America was Chinese infantry units were in Laos to flying opium from Vientiane to Udon Thant protect the road builders, he added, and on the southern Lao border from where it antiaircraft installations were built in Lacs would be transported to Bangkok and perhaps on to the United States. He said that the base at Udon had one of the biggest drug problems of any U.S. base.

Mr. Mond said he had never personally witnessed such shipments. However, he said, that while he was in Bangkok doing research for his study on Thailand "I talked with several young Air America pilots. They had been helicopter or fixed-wing pilots in Vietnam-and they told me that the drug trade from Vientiane to Bangkok was vast. They indicated that it was being flown in. He also served with the 101st Airborne in I took it for granted that since they were relating this, they had firsthand knowledge."

> While in Thailand Mr. Mond's unhappiness with the drug problem led him to write a letter in April, 1970, to the commander of U.S. Army Support Forces in Thailand in which he indicated that between 10 and 15 percent of the junior enlisted men on his base used hard drugs daily.

> He also initiated a drug rehabilitation

Mr. Mond said he could not say whether The incursions were aimed at watching Chinese movements, accorproved For Release 2001/08/07 : CAR RDP80-01801 R001000070001-6

RASELUCTON POST Approved For Release 2001/08/07 : CIA-RDP80-01601R001

The Washington Merry-Godlound

I.S. Discussing a Mission Impossible

By Jack Anderson

narcotics, the United States hand, ... Several of the pre-may send Mission Impossible ceding areas would depend on operatives, possibly criminals, Washington support or could to destroy opium laboratories be better implemented with in foreign leads.

Or the United States may underent the smugglers by Bangkok that Asian narcoties flooding harmless herein substitutes or may simply cutbid thera in bribing high foreign officials who protect the drug trade.

were taken up at a secret from Bangkok and transship it strategy conference called by strategy conference called by the State Department last April in Bangtopk, Foreign service officers, military representatives and narcotics gambling rings and other rackagents slipped into Bangkok quietly from Hong Kong, Hon-

They agreed that "extralogal action" may be needed to combat the narcotics menace. A' classified, 18-page summary of their discussions suggests: "Flooding markets with harmless or aggravating heroin substitutes to destruy the

gests that unusual steps they helped line up to fight gotten its money's worth. He is In the secret war against should not be rejected out of Washington involvement.

The conferees also agreed at the market with are reaching the U.S. through three "systems:"

• "Okinawa System" - GI's and ex-GPs, "allied with a few local Okinawans," get heroin

• "Thailand System" -- "Re-tired U.S. servicemen" and "camp followers," who operate ets in Thailand, have now built up a thriving narcoties business. GI's on active duty

€ "Philippines System" ---oin from Hong Kong to the bills. But they aren't likely to United States, sometimes by pass much vital legislation. way of Europe.

oin substitutes to destroy the frade's credibility with abu-sers; destruction of factories through use of criminal car at least non-official elements; payoffs of corrupt officials as ington came up with another of liation. "Any extra-legal action is of course highly problematical," the cubacks in Southeast because of the cubacks in Southeast big their rake off has been because of the special preserve of the substitute; and de-suggested using CIA agents? the cubacks in Southeast big their rake off has been because of the substitute among the from the government and sign the substitute among the from the government and sign the substitute. The substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the from the government and sign the substitute among the substitu

urgency of the problem sug-|Meos and other tribesmen| whether the government has the Communists. But the new CIA mission would be to persuade or pay the hill people to stop growing opium.

----Washington Whirl---

year, Congress enacted only half of the 14 basic appropriations bills by the November elections. The new House lead- \$2.5 million windfall. Incideners started off this year determined to introduce more efficiency to the House. Louis-iana's Hale Boggs, the new Democratic leader, broke all precedents by calling for ses- the firm. sions on Fridays. This upset the Tuesday-to-Thursday Club, Sen. John Stennis (D-Miss), which likes long weekends. Rangoon, Saigon and Vienti-ane. They agreed that "extra-United States." After only two Friday sessions the Senate, presides over the in June, Boggs gave up. House Ethics Committee, which regu-members, now taking a recess lates Senate conduct. Yet it until Sept. 8, are talking about has been whispered that he After only two Friday sessions members, now taking a recess lates Senate conduct. Yet it Filipinos are recruited to tober. This time, they'll com- from the original Senate "body-pack" nearly pure her- plete all the appropriations chamber, including a grand

particularly suspicious over the selection of President Nixon's former law firm to handle the legal formalities for the \$250 million postal bond issue. At the customary 1 per cent House Hold-Off -- Last fee, the Nixon firm (now Mudge, Rose, Guthrie and Alexander) will wind up with a tally, bond work used to be the specialty of Attorney General John Mitchell, who was one of Nixon's partners in

STATOTHR

Conscience of Senate known as the Conscience of the Senate, presides over the until Sept. 8, are talking about has been whispered that he winding up their work in Oc- made off with furnishings chandelier which once hung in the historic old room. We in-Nixon's Law Firm --- Rep. vestigated and found the whis-Footnote: while the strate- Morris K. Udall (D-Ariz.) paid pers highly exaggerated. All

BALTIMORE SUN

Approved For Release 2001/08/07 CTATEDP80-01601R00

Asian Dru	g Trade	Defies U.S.	Grackdown
·			

(P--Americans Saigon charged with the task of combatting the heroin traffic in Vietnam find themselves with few real weapons for a fight that is only now beginning.

"We didn't give a damn about the drug business as long as only Asians were using the stuff," commented an American "The huge profits of the racket have kept the narcotics pipeline running for years. And the Unitheroin we just don't have litical reasons, enough hard facts to adequately "Why, in th crack down."

12,000 To 37,000 Users

this year. United States minuary filed tribesiden by head they file authorities apprehended 1,031 opium crops to Lao collecting transshipment point to Vietnam, users, nearly the same number points," commented one Ameri-Hong Kong and Singapore, but as they had taken in the whole can involved in drug suppres-table transmission of the same points of the same field of the same point of the same point of the same point of the same points of the same point of th as they had taken in the whole can inverved in using suppression of 1970. The estimate of GI sion in Vientiane. "That fact can drug-users ranges from 12,000 to be documented. The CIA have in the countryside. as many as 37,000 of the quarbine got out of the business." User million-man American force what the United States finds in Vietnam.

that even though the death pen-t then to treat those addicted, and alty for opium processing has forcefully prevail upon the Victbeen in effect for 10 years, namese government to toughen drugs roll through that country the weak narcotics suppression in ton lots past border check-laws. points and roadblocks, and ultimately to fishing trawlers that week with a bill instituting the move the shipments on to Vietnam.

And in Laos, a major growing, And in Laos, a major growing, collecting and processing area for the Vietnam trade, Ameri-cans are shaking their heads in perplexity over ways to bring finally outlaws option growing vors," said a U.S. official with for the Vielnam trade, Ameri-i have helped draw up a bill that by the White House.

Senior Lao generals have been. named as being incriminated in

the narcotics pipeline run by a Chinese ring that buys the raw opium in the hills and pays off all down the line, from the time the black gum is processed into heroin to its being sold in tiny plastic vials to GI's on the streets of Saigen.

investigator in Saigon. "Now ed States has even become inthat American GI's are hitting volved in it temporarily for po-

"Why, in the mid-60's when the war disrupted the traditional haulage routes, the CIA ordered/devote to a realistic drug-sup-In the first three months of Air America to assist the loyal pression effort. this year United States military Meo tribesmen by flying their Thailand is the major drug

itself best able to do is first to Americans in Thailand say warn GI's against drug usage,

> President Thieu obliged this death penalty for importers and peddlers belonging to organized by officials who are required to

perplexity over ways to bring and smoking, and this is expect long experience in Vietnam. about the crackdown demanded ed to be passed soon by the "At this stage of the ga ed to be passed soon by the National Assembly.

"But then what we will end up with is rules, just rules," com-mented a U.S. official in Vientiane. "Now who is going to enforce them?"

American officials say that a concerted police effort in Laos could run to ground the Chinese operating the processing plants, and the dealers. But this would be a massive task involving retraining the police and breaking up a century-old way of life.

And in Bangkok, Americans say that the Thais just do not have the police resources to

among Asians toward drugs, and the integral place the narcolies business occupies in the traditional patterns of smuggling in Southeast Asia,

"To effectively stamp out heroin, we would have to change the economic patterns of Asia. The governments of Laos, Thailand and South Vietnam are run

"At this stage of the game, with Americans getting out of Vietnam, we have less leverage than ever before. Maybe the only way to handle the problem is to pay officials the cash they would lose in cutting out the drug traffic, and I doubt the U.S. Congress would go along with that," he added.

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BY HENRY KAMM Special to The New York Times

BANGKOK, Thailand, Aug. 101 ---Formidable obstacles confront the United States in its efforts to halt the flow of heroin to its troops in Vietnam far, there was reluctance to disand to prevent Southeast Asian heroin from moving into the American market to fill the gap from the Middle East is contained.

American officials, aware of the high priority President Nixon attaches to the program, display determined hopefulness that the flow can be significantly reduced, at least while American troops remain in south Vietnam.

Asian officials, on the other hand, are openly doubtful of the chances of even limited success over a short term. They express growing concern that a problem that they had considered primarily American may also be on the rise among their own people. They see the search for a solution-if indeed one can be found-as a process that will take years.

The Asians agree with American officials that with increased United States assistance: they can intercept a greater share of the traffic in opium and its derivatives from the contiguous growing areas in the mountains of northeastern Burma, northern Thailand and mountains northwestern Laos. But they believe that both supply and demand are so great and the profits so temptingly high that the supply and the demand will remain more or less in balance until one or the other can be controlled.

In a month of inquiry in Thailand and Laos it was possible to get a reasonably full picture of how the sap of the seeded pod of Papaver somniferum, the opium poppy, moves from the mountain tribesmen who cultivate and harvest it, is and converted into heroin reaches the consumer. Much vagueness was encountered, on a lack of knowledge.

Among American officials, whose information - gathering capacity in Laos and Thailand is believed to surpass that of the national Governments by cuss pertinent information that contrasts with the declared view of officials in Washington that American market to fill the gap exposure of the problem is in that may be left if the traffic the national interest.

The principal factors behind Asian skepticism over the outlook for short-term success are these:

The main growing area-the Shan State in Burma-is in open rebellion against the Government in Rangoon, which ex-ercises little control in the remote and inaccessible region.

Offhe growing areas in Thailand and Laos are contested by rebel and bandit groups that make Government action extremely difficult.

GThe borders between the three countries, run through densely jungled mountains and effective control is not exercised except at certain crossing points.

QOpium is in most cases the growers' only cash crop and no substitutes with comparable return are available.

9The trading networks are so firmly established and their links with Government and military officials who provide protection and tolerance so close that the Burmese Government is believed to be resigned to its inability to act and the Thai and Laotian Governments at a loss on how to carry out their new-found desire to act.

Habit of Unpopular Minorities

The historical view of opium and its use among Southeast Asian officials has been that it provides profits for them from an admittedly bad habit that has been largely limited to unpopular minorities: the over-

seas Chinese, mainly coolies, and mountain tribesmen. Both groups sought refuge from poverty and hard labor and the absence of other medicines to make them forget pain and illness.

About three-fourths of the production is consumed in Southeast Asia, in the growing regions and in cities of heavy addiction such as Hong Kong and Bangkok. But now, by based both on sceretiveness App aver ber Release 2001/08/07th CIA-RDP80 0160 160 1600 00007.0001-En intelligence on a lack of knowledge.

of the American soldier in Vict-1 nam, the trade picture is being distorted.

"Over the last ycar," a knowledgeable intelligence of-ficial in Washington said, "the production of heroin in Southeast Asia has risen out of sight."

/White heroin, refined to a-purity of about 96 per cent, is the most luxurious opium product and the only one with appeal to American consumers, at home and abroad. Asian opium or heroin users are content, at the most expensive, with cheaper purple heroin suitable only for smoking, not injection.

More White Meroin Produced

Only since the discovery of the American market in Vietnam have Asian traders and processors begun to produce significant quantities of white heroin.

Since the estimated profit on a kilogram (2.2 pounds) of heroin between the grower of the required poppies and the user is put at more than \$200,-000, people in the carly stages in the complicated distribution network are increasingly finding their best interest in refining the opium to the most profitable state themselves.

The result has been a growth poppies bloom. The Central Intelligence Agency has identified seven installations capable of producing white heroin in the a year ago.

With the United States urging the cooperation of the opium-producing countries to suppress the trade, Asian officials believe that increasingly more refining will be done in the inaccessible border region to reduce the bulk and detectability of the product to be taken to market.

In the green mountains on whose slopes and valleys the poppies grow, the Government's writs, in so far as they run at Ngop, with seven operating, all, run as far as do the roads units in Burma up to the Chi--of which there are scarcely any.

Except for Poppies, Self-

Their principal contact with the world, apart from the occasional patrols of Government or anti-Government soldiers, are Chinese traders, who sell them arms, ammunition, patent medicines, tools and other utensils. Early in the year the traders come to buy the opium that has just been harvested.

Many of the traders, according to the best available accounts, are small operators. After this stage in the chain of distribution there is little room for anything but potent organizations. The most potent are the groups that have their, origin in remnants of Chinese Nationalist armies that sought refuge just across China's border with Burma after the Communist victory in 1949.

According to the C.I.A., the two groups, operating from base camps in Thailand, dominate more than 80 per cent of the traffic from the Shan State as a result of their control of a strip roughly 75 miles long in the extreme worth of Thailand along the Burmese border.

The group that derives from the Chinese Nationalist Fifth Army, the larger of the two, forces, is commanded by Tuan Shi-wen. He has about 1,800 men, informed Western sources say, only about a tenth of them trained soldiers and the rest of refineries close to where the bill tribesmen hired as smugglers.

Links to Irregular Bands

The sources reported that Burmese-Laotian border region General Tuan, from his head-where none had been known quarters at Mac Salong commands 11 operating units in the Shan State that, in turn, command a number of friendly irregular bands in Burma with which the general has concluded alliances.

The second group, from the former Third Army, is com-manded by I.i Wen-Huan, who was reported to have about 1,400 men, also consisting largely of hired tribesmen. Their headquarters is at Tam nese border.

A third Chinese group, known as the First Independent Unit, received financial support from Sufficient Taiwan through the Chinese The growers—be they Meo, Nationalist Embassy here longer Yao, Lisu, Labu, Akha, Kachin, than the others and, according Karen or any of the other to informed sources, may still mountain peoples---live in small be doing so. The sources said villages largely apart from the that the unit also received arms lowland civilizations of the and ammunition sinuggled from countries to which they belong. Ban Houei Sai, Laos, to its They eat the rice and vege-tables they grow, make most of their own cloth and depend on the poppies they raise for most force of about 400. The sources Fracing the Drug Trail to

FROM HIMALAYAS TO GIS

STATOTHR

By PETER ARNETT and BERNARD GAVZER Associated Press

SAIGON-America's GI heroin users are at the Victnam end of an intricately organized dope pipeline that begins in the poppy fields of the Ilimalayas and is tolerated, and sometimes aided, by government officals and soldiers of three nations on its journey to the streets of Saigon.

Alarmed by widespread use of drugs among American service-men, the United States is putting on vast pressure to curb the traffic, but finds itself bucking a way of life that has endured for a century.

An Associated Press investigation of how drugs move through Southeast Asia produces these major findings:

• A Chinese "mafia" domi-nates the durg traffic. It oper-ates a complex family-style network out of a dozen Asian cities, paying off all the way: to the military rebels whose caravans gather the opium gum grown by Meo farmers, to the Lao soldiers who guard the secluded heroin refineries along mountain streams, through customs checkpoints and roadblocks in Thalland; to fishing boat owners and truck drivers in Indochinese villages, and finally to some South Vietnamese generals who allow the traffic to continue. right under their noses in Saigon.

• Though the opium trade in the Orient is a hundred years old, U.S. attention has centered on it in the past year only be-cause of the spreading use of heroin among young soldiers in Vietnam. American officials in Laos, South Vietnam and Thailand say on the record the traf-fic is being suppressed, but many despair of making a serious dent in the business soon begins' in peace on the green because it is one thing to know the system and quite another to Thai villages. In these places the break through the layers of pro-Meo families developed the op-tection and obtain names and jum crop. A typical family evidence.

o The pareoties traffic is so deeply woven into the social, political, and economic fabric of Southeast Asia that it is a sort of cottage industry upon which many people depend for liveli-hoods. It is not generally con-ceived of here as wrong to deal in drugs. in drugs.

relatively poor grade of smoking heroin, the Southeast Asian narcotics traffic has evolved in the last year or so into a semisophisticated racket that some officials say is ready to expand and follow the GIs home to the United States if Mideast and European sources of heroin there dry up.

150,000 Doses a Week?

o The flow to GIs in Vietnam is appreciable by any standards. Col. Lee Doc Huong, head of narcotics investigation for South Vietnam said on the basis of seizure that it could readily be 59 kilograms a week, about 150,000 doses.

To measure the networks within Southeast Asia's drug traffic, we journeyed around the world, from the Bureau of Narcotics and Dangerous Drugs in Washington, to Interpol, the international police agency, in Paris, and to narcotics bureaus and study centers in Saigon, Bang-

kok, Hong Kong and Vientiane. We traced the 100-year-old drug routes in the "Golden Triangle"--the key Southeast. Asian cultivation center where Burma, Laos and Thailand meet mountains inhabited by bandit the raw opium is refined into gangs.

Supply Plentiful

We went where opium is grown, where it is processed and where it is used. We watched American GIs smoking heroin in Saigon while the peddlers and bar girls they purchased it from danced around them in constant attendance, always proffering more at \$5 a barrel-one third of a gram, pure.

While the war is fought in eastern Laos, the dope pipeline hillsides of Burmese, Lao and might have as much as two highways to the coast, or by

sorts. Chinese traders collect the heroin from Ban Houei Sai, and

o On mainly concerned with the route; a kilo of heroin selling moves by plane through the supplying smoking opium and a in Saigon for \$10,000 from an southern Lao town of Pakse to in Saigon for \$10,000 from an investment of only \$350 in the raw opium needed to produce it.

Mules Employed

The trek from the remote villages goes through mountains and valleys, along hidded paths and ancient roadways, all leading to the 21 processing plants near the borders of Thailand and Laos.

Huge caravaus of up to 300 pack mules are sometimes used. In the assembly of these mighty caravans, the major opium dealwho came from a small, harsh region--in their case the Fukien coast of China-and fanned out as families to all the neighboring nations of Asia,

Official assistance is required, along the transportation route, and that is where the next payoffs are made: to customs officials, local military garrisons and police.

Then the Payoffs

Major payoffs are made at the next stage of the traffic: the farmhouse-sized processing processing plants tucked discreetly along streams and on hillsides. Here morphine blocks and low-grade purple heroin favored by Asjan addicts, or the top grade H4 heroin used exclusively by the Americans. The payoffs at the processing plants are for protection by troops.

A senior Lao general, Ouane Rathikone, namod in a special report to the U.S. Congress as being involved in the oplum business, "protected" two heroin refineries at Ban Houei Sai with Lao troops loyal to him, according to informants in Vientiane. Rathikone has retired but faces no charges.

The next big payoffs come in moving the finished heroin product by truck through many roadblocks sprinkled on Thailand's acres of opium in a year. When the opium is harvested thisgence reports repeatedly it stops being a f a m i ly have charged the Royal Lao Air enterprise--a cottage industry of Force with carrying opium and

Saigon and Nha Trang.

Vietnam

The U.S. Embassy in Saigon has incriminating dossiers on many South Vietnamese officials, and recently sent 78 of them to President Nguyen Van Thieu for action. American officials with access to these files said they were compiled by the CIA and include corruption charges against six senior officers in the military.

The charges are of a type that would mean certain courtmartial for a general officer in the American army. As with so many other things in Vietnam, the Western model cannot automatically be substituted for the Asian reality. Patronage, political necessity, old alliances formed in war or commerce all play a role.

Police Criticized

The chief of police, Gen. Tran Thanh Phong, has total police power. Yet, American investigators complain that when peddlers incriminate dealers there is no followup of American complaints to Phong.

Vietnamese Air Force planes, according to the best-informed Americans, fly to Pakse in southern Laos and return with

dope. "But how do you nail the Vietnamese Air Force?" one Ameri-can investigator complained. "The retailers say they bought it from a pilot, and if we arrest him the Air Force bombs the police headquarters, and there is nothing we can do about it."

In Vietnam, the main effort by . U.S. military authorities is to persuade GIs to avoid the drug, and to treat and rehabilitate those already hooked. Estimates. of users range from 5 percent to, 15 percent, the high figure representing some 37,500 soldiers.

U.S. officials also are pressuring the Victnamese to crack down on peddlers to make it harder for GIs to get heroin. Outside Vietnam, where

American leverage is weaker, governments have been asked to crack down on the traffic, but American agents expect few results. The Laos National Assembly is soon expected to pass a bill outlawing oplum growing and smoking, but both Thailand Approved For Release 2001/08/07 FCIA_RDP80:07601 R0070007000 have had sinilar move by lishing trawler to Viet-nam. From Vientiane the heroin

CHICAGO TRIBUNE Approved For Release 2001/08/07 : CIA-RDP80-01601R00

Was Called a Moron, Litte

STATOTHR

BY ALDO BECKMAN

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[Chicago Tribune Press Service] WASHINGTON, July 31-The White House doesn't often go out of its way to pacify a freshman. congressman, .but then it isn't often, either, that a White House aide describes a Republican lawmaker as a "moren and lisr."

A luncheon earlier this week, put together by Clark Mac-Gregor, counsel to the President for congressional rela-tions, was held in the conference room adjacent to the basement White House mess.

Legislator Is Guest / Rep. Robert Steele [R., Coan.], a 32-year-old former Central Intelligence Agency agent, was the guest of honor. The hosts were such elite administration officials as John Ehrlichman, President Nixon's top domestic adviser; counselor Donald Rumsfeld; Dr. Jerome Jaffe, the new antidrug chief; congressional relations chief William Timmons, and Egil Krogh, Ehrlichman's top aide, who is the ranking staff man in the President's fight against drug abuse.

The sele purpose of the luncheon, ironically set up before Steele was attacked as a "moron and liar" by a White House aide three days earlier, was to heal the growing breach between the administration and Steele over the extent of the drug problem among American servicemen in Viet Nam.

Steele visited South Viet Nam last April, along with Rep. Morgan Murphy [D., Ill.], on a fact-finding tour, and came back with reports of widespread use of heroin among American servicemen there.

Murphy, a Chicago attorney, wrote most of the reports andtestified before several congressional committees but, partly out of fear that he might become a tool of antiwar activists, shied away from American servicemen leaving exploiting the fApproved For Release 2004/08/07/ictGIAtRDP80-01601R001000070001-6

Publicizes Fludings

Nixon Aides Calm Rep. St

tioned as a potential candidate | tended. next year for the United States Senate seat now held by Sen. Abraham Ribicoff [D., Conn.], harbored no such compunctions. He felt that the facts should be made public and should be known as widely as possible.

Steele reported his findings first to a combined meeting of the White House's National Security Council and the Domestic Council, but was urged to hold off any more action on it, since the administration was about to release its own program aimed at curbing the drug problem, both in the United States and among American servicemen abroad. After that session, some White House officials said privately, that Steele had no information that the White House did not already know about and that attitude apparently got thru loud and clear to the young lawmaker, who felt that he was being shunted into the background by the White House.

- Complains About Aide

Steele was particularly upset with Jeffrey Donfeld, a 28-yearold White House staff assistant, who worked closely with Krogh in developing the Nixon drug program. Denfeld, one of Tricia Nixon Cox's escorts before she was married, was arrogant, condescending and abusive toward him, Steele complained privately.

So, Steele continued to speak out on the findings of the Viet Nam mission he and Murphy undertook, suggesting that the only way to stop the drug problem was to get all Americans out of Southeast Asia

immediately. Last week, Steele issued a press release challenging the findings of Jaffe, who found that about 4.5 per cent of

heroin. The figure was more Steele, prominently men- like 15 per cent, Steele con-

Steele was so upset with the administration that he talked privately with Rep. Gerald R. Ford [R., Mich.], House minority leader. Ford reportedly sympathized with Steele over the treatment he received, but urged him to try and make peace with the administration over the explosive drug issue.

So Steele readily accepted MacGregor's invitation to hunch at the White House. Altho MacGregor began calling his While House colleagues at midweek in an effort to get them together on Monday-a day that the President was to stay at Camp David until midafternoen-he didn't get to Steele until Saturday, when Steele was in Connecticut.

Called a Moron

In the meantime, on Friday afternoon, Donfeld called Steele a moron and a liar. As the to add political injury to insult, the remark was made to a group of Connecticut high school and college students who were in Washington for a seminar sponsored by Connecficut's three Republican lawmakers, including Steele.

Donfeld later apologized to Steele for his remarks and said in an interview he "simply reached a point of frustration and lost my temper."

"I should have had more self-control," he conceded. Donfeld said he had been working on the drug problem for more than two years and felt that Steele's contention that 15 per cent of all American servicemen in Viet Nam are addicted to heroin was not only inaccurate, but unfair to all servicemen and their families.

"I was frustrated by this kind. of maligning of American servicemen," Donfeld said. "It was not the case."

Donfeld Not Invited

At the White House lunchcon, which Donfeld was not asked to attend, there was a meeting of the minds between Steele and the administration. Steele agreed to the 4.5 per cent figure, after Jaffe explained that the figure was reached on the basis of urine tests of military personnel leaving Viet Nam.

Everyone around the lunchcon table apologized for Donfeld's remarks. Getald R. Warren, deputy White House press secretary, was briefed to tell reporters about the luncheon meeting. Altho congressmen and senators frequently meet privately with White House staff officials, such sessions are seldom announced to the press.

Warren also was ready to tell reporters, if anyone asked about Donfeld's remarks, that "the President does not condone such language in regard to Congressman Steele."

No one asked, however.

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At Thai-Burmese Border, Opium Eases

By LENRY EAMON Special to The New York Thors

TACHILEK, Burma, July 23—The border officer smiled at the happy click-clack as two wooden balls, dangling on the ends of a string he held, knocked against each other.

Meanwhile, the unofficial. border traffic and smuggling continued to flow steadily across the bridge on the Maesai River between this town and Maesai in Thailand. Burmese and Thai officers guard the border with a tolcrant eye and a gentle hand. The customs and border officials in this area of impenetrable jungle but porous borders shrug off the petty smuggling across the bridge all around them procceds one of the world's largest smuggling operations, and they know they are powerless against it. So why not let the little smug-glers go?

Tribesmen Grow the Poppy

On the mountainsides all around—in Burma, Thailand and Laos—primitive hill people of many tribes grow the poppies that produce about one half the world's illegal opium. Less primitive people buy it, process it and start it on its way toward the consumer.

The Central Intelligence Agency study that provided this estimate also concluded that Tachilek was probably the most important transshipment point in the area. Tachilek is also, the C.I.A.

Tachilek is also, the C.J.A. reported, the center for 14 of the 21 known opium refineries in the tri-border area.

Knowledgeable sources in the provincial capital of Chiangrai and in Maesai said that in the last 18 months significant quantities of 96per-cent-pure, white No. 4 heroin had become available to local addicts used to smoking the less potent purple heroin.

The observation lends credence to reports that the mounting demand for No. 4 —regarded in Asia as a luxury for the Western market only—among American soldiers in Vietnam had prompted optum traders to do the refining closer to the market.

Way for Petty Smugglers

A Few Low Shacks

But the Thais said the only generally known aspect of the illicit trade, beside the fact that it goes on, was a few low shacks in Tachilek, just below the Burmese Army barracks. There Thai.



and Burmese addicts meet to smoke their pipes.

This is a fair international exchange, they said, because many people from Luuma cross daily to visit the Maesai brothel. There are no opium dens in Maesai, the Thais said hopefully, and no brothcls in Tachilek.

Those with yellow or brown faces cross the border bridge with a nonchalance that is particularly surprising because Burma stringently limits access to foreigners, even tourists. But a pale outsider appearing unexpectedly on this side of the river was allowed no further than the control post. There officers apologetically drew the line and let only a Thai companion pass without asking for his papers.

He returned with two tightly furled umbrellas in the elegant style favored by British guards officers, acquired on the market place for 42 Thai baht (\$2.10) each.

Coods Are Japanese

The Burmese customs man, offering no objection, assessing the smuggled goods with an expert customs man's eye as Japanese merchandise smuggled into Burma from Laos, across a border that is officially closed.

Burnese border officials are fully aware of the opium traffic—in fact, one said, "some Thais come to smoke it right here in front of us" —but they said the opium crossed the horder upstream and downstream from here. Except for now, at the height of the monsoon rains, the river is shallow enough to be forded on foot in many places.

The Burmese regime exercises even less control than the Thai and Laotian governments over these mountains, covered in the richest and deepest greens. Their populations consist of remote hill tribes and mutually antagonistic bands of rebels of various persuasions, bandits and opium smugglers.

The small Burnese military garrison and handful of officials control little more than the town. They are linked to Rangoon and the rest of Burna only by air, and duty here is not desirable for men from Rangoon or Mandalay.

"You can take the road," one said, "but sometimes they cross it, and if you're there you've had it." "They" are the Shan State robels, who are diciting in

"They" are the Shan State rebels, who are fighting in the jungle and sometimes in the towns to separate this vast state and its ethnic group from the Union of Burma.

But no one interferes with the comings and goings across the bridge. No one is frisked, and the last opium seizure occurred many months ago. "I think it was August," an official said.

Hill tribesmen, In nomespun black shirts and lioncloths, carry charcoal across for sale in Thailand, where the people are poor but less poor than in Burma. They return with meager food supplies, mainly vegetables. Burmese cross into Thai-

Burmese cross into Thailand to buy shoes and textiles and other small consumer items unavailable in Burma. Most pay in baht acquired through the illegal sales of Burmese rubies, sapphires and other gems-

The Burmese kyat is a currency worthless outside Burma and is not acceptable in Thailand.

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Thais and Chinese merchanis from Macsai, and villages nearby come to Tachilek to buy for resale small quantities of Western luturies smuggled from Laos. Cigarettes and whisky are the main item in the illicit duty-free shops.

A carton of Lucky Strikes sells here for 70 baht (\$3.50) after having been transported from the East Coast by ship to Bangkok, by truck to Vientiane, by plane to Ban Houei Sai near the Laotian Burmese border, smuggled across by boat and cartied here by mule over about 100 miles of mountain jungle.



Aid, Pushes Lacs To U.S. Plee Emact 1st Anti-Drug Law

By MICHAEL PARKS Sun Staff Correspondent

Vientiane, Laos-Under strong American pressure, Laos is about to enact its first drug-control law, and the United States has promised to provide advisers and money to help the Lao police enforce it.

The proposed law, which is awaiting final action by a reductent National Assembly, for the first time would limit the cultivation and use of opium, once the basic source of income for the hill tribes of northern Laos. Marijuana Excluded

It also would completely outlaw the sale, processing and transportation of opium, herein and related drugs. Marijuana, which is as plentiful and as easily obtained as tobacco here, is not included under the law since the Lao use it for cooking.

Although police are compiling lists of the dozens of opturn dans to be closed and hundreds of drug addicts to be accested, the law is intended principally to check the heavy flow of raw opium through the "Golden Triangle" where Burma, Laos and Thailand meet.

"Laos is probably the busiest single drug corridor in Asia now," said an American official.

"What opium is still growa here does not cause much of a problem, and the Lao users are not a big concern either.

"Major Thoroughtere"

"But Lacs is a major thoroughfare in world drug traific, and the amount of opium refined down to a morphine base and heroin is also very large. Laos funnels drugs to Vietnam, Cambodia, Thailand and Hong Kong."

A European intelligence agent. who investigated drug traffic here for his government estimated that virtually every civil-

ian airline flight out of Vientiane senior embassy official said. carries contraband drugs and that a fourth to a third of the thousands of military flights, aside from bombing runs, carry drugs.

"It is going to take a lot more than a fairly mild law to stop this drug traffic, especially when it is the Army that is a principal mover," the agent said.

CIA Accused

'Two U.S. congressional investigators charged last spring that until recently the American Cen, tral Intelligence Agency had al-flights. lowed its planes to be used by Lao officials transporting opium, morphine and heroin.

They accused the Lao Army commander, who is retiring, of being the top figure in the compiex drug-running-and-refining operation. The processed heroin, carefully guarded through its journey by Leo soldiers, eveniually was smuggled into South Vietnam for sale to American soldiers.

American officials in Laos have put up with the drug traffic over the years, the congressional report suggested, to win support in the fight against the North Vietnamese and the Pathet Lao and preserve political peace in the embattled kingdom.

American officials, now worried about enforcing the law once it is enacted, say they have won firm commitment of support from the premier, Prince Souvanna Phouma, the King and other high-ranking Laolians, who are mindful of their country's virtually total dependence onU.S. aid.

To help enforce the, law, American officials here have re-i quested that Washington assign a drug coordinator to the em-bassy. "He should be here within a matter of days, we hope," a

"Once he arrives, we expect he will be setting up a program to help the Lao national police enforce the law. The Leo have asked for advisers and we have promised to supply them. But details of the program are still to be worked out."

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Tighter Centrels

The initial effori, according to American officials, will be to tighten castoms inspections of cargoes on domestic and inter-Inational air flights and to establish comrols over military

American officials also hope to end the use of the northern Laotian fown of Ban Housi Sai as a major opium transshipment point. It has been a center for refining raw opium to a mor-phine base and, recently, the site of a major laboratory turning morphine into herein.

The proposed law would permit persons over 40 years of age to continue growing opium if they get a government license. But much of the land used in opium cultivation is under controi of the Pathet Lao and North Vieinamese--who burn the opium crops out of moral strictness-and the growers; mostly Meo tribesmen, have been moved as refugees to lowlands, where the optim poppy does not grow well.

"We have no illusions that as scon as we get a law the flow of drugs is going to dry up," said a senior U.S. diplomat, "but with no law there is nothing that can be legally done."

In addition to advisers, the United States is prepared to provide financial aid, technical assistance (such as laboratory analysis) and help in establishing a rehabilitation program for Laos's own opium smokers and other drug users.

WASHINGTON POST

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Hard Decisions Avoided Gls and Heroin: The Facts of Life

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By Flora Lewis

JOHN W. PARKER, director of strategic intelligence in the Bureau of Narcotics and Dangerous Drugs, knows a good deal about Southeast Asia's contribution to the dopà problem. And while he is a soft-spoken Richard Helms adamantly denied there had Southerner, sometimes so quiet one has to strain to hear him, he is the most straight forward man I have yet found on the subject in the administration.

He starts with an explanation. Remember, the says, that until 1970 we were concentrating on the drug problem here in the United States. Not too much attention was paid by the bureau to the source of supplies. And the Army, the CIA, the State Depriment, the month. There was none before. people out there where the heroin comes from weren't concerned about drugs. They were concentrating on other problems.

Further, while there has been opium in Southeast Asia since the British introduced it in the early 19th century, until 1970 the heroin refineries in the area were all in Thailand and Hong Kong, Parker says. It didn't seem to affect the United States.

In fact, the dominant government attitude was that this was a fact of life in Asia which Americans shouldn't try to upset, especially since by the beginning of the decade so many Americans were so deeply engaged in trying to control other facts of Southeast Asia's life, namely the Vietnamese war and all its offshoots.

Now, according to Parker, practically all the heroin refineries have been resituated along the Mekong River, in Burma, Thailand and Laos, and "almost all have been identified.

If so, why hasn't the United States, which completely subsidizes and virtually runs Laos and has poured billions into Thailand, whose "volunteer soldiers" it employs in Vietnam and Laos, made sure the heroin factories were destroyed?

The obvious urgent question didn't annoy Parker. On the contrary, his stolid face slowly eased into a Cheshire cat grin. At first he didn't say anything. I suggested that the reason wasn't hard to guess and wasn't really secret.

"I know," he said. "I'm struggling not to say it."

and

IT IS AT once a simple and excruciatingly tough answer. As he finally pointed out, it is a matter of political decision in Washington. There is a choice to make. It would be easy to blow up the refineries, defoliate most of the poppy fields, push the governments involved into cracking down on their own high-level military and civilian profiteers and blocking the supply of heroin to GIs in Vietnam and, increasingly, to the United States.

But it would be a severe embato allies in Southeast Asia. It would hinder the prosecution of the war in Indochina, perhaps so seriously that basic U.S. policy would have to be changed.

STATOTHR

There have been some changes in the past year, but they have followed a pattern of seeking compromise with the drug-producing countries, not confrontation.

The CIA has changed its rules in an effort to stop the use of its private airline, Air America, for the transport of drugs in Laos. uAlthough only two months ago CIA Director 🗸 ever been any agency involvement in the traffic, he is now said to have told a secret congressional hearing that there was involvement but it has been stopped in the past year.

The U.S. Embassy in Laos has pressed the government there to put through a strict law on drugs which may be passed this

The U.S. Embassy in Saigon got the Vietnamese government to remove some of the corrupt customs officials, and similar efforts are being made in Thailand, With Congress vociferously taking up the issue, the White House is cracking the whip on all the assorted American officials who thought drug traffic was not their concern, who thought their job was only fighting the war, gathering intelligence, maintaining foreign relations.

THE QUESTION is whether these relatively gentle pressures will convince govern³ ments largely dependent on the United States that they must fight heroin. Years of argument got nowhere in Turkey, but a threat to cut off foreign aid finally did.

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Now the Turks have promised to wipe out opium production after the 1972 crop, which means that in three or four years that source of supply will dry up. Parker is convined now that the Turks can and will enforce the ban. But ask him how much difference it will make in the amount of heroin 1 supplied to Americans.

"If nothing else is done," he says flatly, "no difference." And the "something else" can only be done in Washington, a decision to be just as tough in Southeast Asia as the Nixon administration was in Turkey.

Meanwhile, the inch-high vials of 96 to 93 per cent pure heroin distributed in South Vietnam have begun to turn up in the United States. The hurcau foresees an almost uncontrollable flood as veterans return, find themselves without jobs and realize how much money can be made by having buddies or friends send them supplies from the Far East.

Addiets can be treated, but there isn't much likelihood that there won't be far more new ones than cures each day unless the flow of heroin is cut at the source. At the Burcau of Narcotics, experts are con-

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going to happen. The hard political decision hasn't been taken.

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Sen. Dzu Asks His Accuser to Reveal Evidence of Drug Charges

By IVER PETERSON Special to The New York Times

special to The New York Times SAIGON, South Vietnam, July 21--Maj. Gen. Ngo Dzu, who was accused by a Connecticut Congressman of being "one of the chief traffickers" in nar-cotics in Southeast Asia, sent the Congressman a letter today requesting that he make his cvidence for the charges public. "There is no appeal for me as long as the basis of your allegations remains secret," the general wrote in a polite, two-page letter to Representative Robert H. Steele, the special to The New York Times possible." He has already denied Rep-resentative Steele's charges and is now busy trying to prove that the controversy is the work of personal enemies in the South Vietnamese Army. Mr. Steele, a former member of the Central Intelligence Agency, has stood by his origi-nal charges but has refused to reveal the sources or the na-ture of the "hard intelligence" on which he says the charges are based. "Without busyling"

general wrote in a polite, two-page letter to Representative Robert H. Steele, a Republican. "Without knowledge of the evidence' you state you have," A copy was also mailed to President Nixon.

"My only hope to prove my some fabricated letter or in-innocence is for you to reveal dictment against me." your evidence," the general "The Nature of Polities' your evidence," the general said. "Surely, this is something you should be interested in doing. Justice is the basis for the existence of your govern-ment, of your Bill of Rights, and for the deaths of hundreds of thousands of Americans on the battlefield." General Dzu began his letter by regretting that he "must impose on your valuable time"

this clarified as soon as possible."

the general wrote, "I can only assume you have a record of

"Based on this assumption," the letter continued, "I suggest to you that you may be acting in good faith but very naively. You apparently do not under-stand the nature of politics in of thousands of Americans on the battlefield." General Dzu began his letter by regretting that he "must impose on your valuable time" but added "I have a duty to get

The "fabricated letter or indictment" refers to two anonymous letters that General Du says were sent to the United States Embassy here. The gen-cral has said that they charge him with corruption, theft and harcotics smuggling. Embassy sources acknowledge that they have received allegations of wrongdoing against many South Vietnamese officers and officials including Conversi officials, including General Du, but say that the charges against General Du have not been substantiated and that they were not passed on to Representative Steele.

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SOUTH VIET NAM

The Dzu Story

It has been a trying summer for General Ngo Dzu, commander of one of South Viet Nam's four military regions. Last month 27 Vietnamese majors and colonels sent a letter to top government officials in Saigon charging Dzu (pronounced zoo) with a long list of corrupt practices (TIME, June 28). The general branded the letter the work of his enemies, and one of his most trusted U.S. advisers declared that "upon examination, all the charges have fizzled."

Last week, however, Dzu was once again the target of corruption charges, this time from a U.S. Congressman. In Washington, Representative Robert Steele, 32, a Republican from Con-necticut (and former CIA employee), charged that Dzu was one of the chief narcotics dealers in Southeast Asia.

Hard Intelligence. Steele, who made headlines two months ago when he charged that the drug-addiction rate among G.I.s in Viet Nam was between 10% and 15%, refused to reveal the sources of the new accusations. "My information comes from intelligence sources in Saigon," he said. "My concern is due to the fact that this is hard intelligence, which has been developed for months, and nothing has been done." He added: "There has been a crackdown by the South Vietnamese, especially against the customs officials. But who do you think is moving this stuff? Porters? We've made some progress. Now we're at the point where we must move against the kingpine " The first denial came from Jol raul

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Vann, an American pacification worker who was recently appointed Dzu's se-nior U.S. adviser. "If there has been any wrongdoing of this nature," said Vann, "I am not aware of it." Other sources close to Dzu claimed that Steele had based his charges on the letter signed by Dzu's 27 dissident officers.

When Dzu flew to Saigon, President Nguyen Van Thieu flatly refused to see his embattled general. After 24 hours of waiting, Dzu flew back to his Military Region II headquarters, protesting that Steele had damaged "not only my honor as a general but also the honor of the Vietnamese army and the Vietnamese people."

Highly Sensitive. The Saigon gov-ernment said that it was investigating charges of corruption on Dzu's part. Many case-hardened U.S. officials doubted, however, that Dzu has played as large a part in the narcotics racket as Steele claims. They noted, moreover, that his popularity as a military commander has slipped markedly since he took over Military Region II last August -which could make him expendable at a time when corruption in the Thicu government is a hot political issue.

For its part, the Nixon Administration made no direct reply to Steele's charges. But the Administration has been genuinely shocked by the extent of the narcotics problem among G.I.s and it is acutely aware of the risks for its policy that the problem carries. Last week's visit to Viet Nam by Dr. Jerome Jaffe,



GENERAL NGO DZU Kingpins, not porters.

the President's adviser on narcotics and dangerous drugs, is the most recent indication of the President's concern. The charges against Dzu could make it all the more difficult for the Administration to convince the nation that it is more important to support the current Vietnamese government than to speed the U.S. withdrawal.

STATOTHR FAR EASTERN ECONOMIC REVIEW Approved For Release 2001/08/07 : CIA-RDP 80FA1601RB

O PIUM growing and heroin marketing are not new to Asia or the world. Nor are efforts to control them. Yet last month US President Richard Nixon was prompted to declare a national emergency in his country, bluntly stating: "If we cannot destroy the drug menace in America, then it will surely in time destroy us." America, he admitted, has the highest number of heroin addicts of any

nation in the world, although no opium is grown there and no heroin processed. "This deadly poison," Nixon said, "is a foreign import". Such words must ring ironically in those Asian capitals which are targets of a new international effort to stem drug marketing. And Peking, forced just over a century ago to open its borders to foreign trade after attempting to prevent Westerners from destroying its people with the "foreign mud", now sees the wheel come full circle.

Recently a UN mission accompanied by

US observers investigated outlets in northern Thailand -following charges by Taipei that China devoted 6 million acres annually to the production of 10,000 tons of opium for export. It declared China innocent of any involvement in the production or export of opium, herein or any other narcotics. Marshall Green, US assistant secretary of state for East Asian and Pacific affairs, did not mention China

Fortunes of War By T. D. Allman, Bangkok

TEROIN addiction among American soldiers in Vietnam If It has finally prompted White House orders for US missions in Southeast Asia to crack down on drug traffic. But these new efforts to curb the clandestine trade in drugs are not America's first incursion into the murky area of Southeast Asia's most secret and profitable business enterprise. Though the exact details have been well-guarded secrets, several US clandestine agencies and a number of allied Asian . military leaders have been involved in the traffic for years. Until the tragedy of opium and heroin addiction began to strike US soldiers, the reason for American involvement in the trade was ruthlessly simple. Opium is a major basis of the power wielded by several of the area's most influential pro-American leaders, and US influence with them has depended partly on American ability to influence the flow of opium within the region.

The remote northern mountains of Vietnam, Laos, Thailand and Burma are among the world's prime opium growing areas. Traditionally, the local warlord, governor or military commander has controlled the drug trade for his own profit. In their efforts to dominate these regions, American personnel have become involved in a sordid business that goes back to the opium wars of the last century.

The degree and natapproved **Forvelesses 2009 108707** trade takes different forms in different countries. When asked by a congressional committee if Asian government officials

at a July 12 press conference on the drug problem. He pointed instead to the "golden triangle" -- the border areas between Burma, Thailand and Laos.

Experts estimate that in this area 1,000 metric tons of raw papaver somniferum — the "opium poppy" — are harvested every year, 80% of it in Burma, the remainder in Laos and Thailand. Far above the legal limit authorised by

the UN, the crop realises 30 tons of heroin in world markets. The route to such markets was directly through Rangoon in the years immediately following world war II, then through Bangkok until 1957, and finally by way of Vientiane, Phnom Penh and Saigon.

The Indochina War, despite creating problems of distribution, has not slowed the flow of drugs. Social workers in South Vietnam now report many of the nation's large streat urchin population are hooked on the cheapest form of opium by-product — a dark watery substance which is heated and then injected

into the veins. As Green noted, heroin traffickers need to seek new customers as American troops have Vietnam-"The youth of Asia are a prime target," he concluded "and this disturbing possibility is beginning to come home to Asian leaders". Perhaps they, like their American counterparts, now realise that if they do not destroy the drug menace, it will surely in time destroy them.

were involved US Attorney General John Mitchell replied "the fact of the matter is there has been involvement of government officials in some of countries. these Mitchell refused to name publicly any the suspected o£ but Configures, Robert gressman Steele, a former CIA (Central Intelligence Agency) officer who has personally inves-Southeast a tigated Asian drug trade, 5 said a fortnight ago the US had "hard intelligence" that Major General Ngo Dzu, commander of a vital military zone

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in northern South Vietnam was "one of the chief traffickers in heroin in Southeast Asia". Although Dzu promptly denied the charge both Southeast Asia". Although Dzu promptly denied the charge both Southeast Asia". Although Dzu promptly denied department announced they would investigate immediately. But when similar accusations were made against Vice Presi-



The Wonderland of Opum

WASHINGTON YOST

STATOTHR



IT IS NO LONGER a question of whether the Nixon administration should insure the continuity of the shaky regime of Nguyen Van Thicu in Saigon but whether it can keep Thiev in power. With American support Thieu can probably come through the charade of the elections in October.

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But the signs of his weakness multiply. He seems unable to make the changes that would give his government at least a face-lifting. Instead he sits tight at the center of a power structure made up of generals and political operators who are his dependents.

A notoroius example of the henchmen on whom he relies is Maj. Gen. Ngo Dzu, / ity and indicated he would commander of II Corps, one of the four command regions. Rep. Robert H. Steele (R.-Conn.), testifying before a House Foreign Affairs identified subcommittee, Dzu as a chief heroin trafficker in Southeast Asia. He said that South Vietnamese officers deal in large quantities of heroin and transport it around South Vietnam in military aircraft and vehi-cles. Steele claimed that American military authorities gave Ambassador Ellsworth Bunker "hard intelligence" on Dzu's operation.

TWO FACTS give this charge special credence despite Dzu's immediate denial. First, it was Steele who disclosed the high rate of heroin addiction among GIs in Vietnam. And, second, as a former agent in the CIA. he had access to information that might not have been available to others.

Dzu has been for a long time a dubious figure in the military hierarchy that is both controlled by and controls President Thieu. On a visit to his headquarters in Vietnam two years ago I learned it was no secret that he was held in disregard by members of his staff. Ru-mors of corruption were rife. Members of his family were said to run a chain of restaurants largely supplied out of American military stores.

Time magazine recently reported a letter sent by 27 South Vietnamese majors and colonels to Vice Presi-dent Nguyen Cao Ky accusing Dzu of a long list of corrupt practices and falsification of battle reports and casualties. The typical technique, the officers said, is to do badly but to report well. "We wonder whether we are fighting communism or supporting it," they wrote.

The letter may have been

to grow more violent as election day draws near. Ky,

ernment in a fierce speech of a plague of military corruption, expressed doubt about the letter's authenticdo nothing about it. Dzu put /it down to the work of his enemies in the army.

THE TRAFFIC in opium and its heroin derivative has for many years been a way of life in Southeast Asia, Opium is the chief each crop for thousands of farmers in Laos, Burma, Thailand and Vietnam. With the American escalation and the infusions of vast amounts of dollars a new market opened up that has been assiduously culti-vated. There can be little doubt that from the peasants in the poppy fields to high officials, both military and civilian, in the four countries the enlarged traffic is extremely profitable.

The large and pressing question is what American officialdom in the region can do about this. The least that should be expected is not to resort to a cover-up. Until congressman Steele came up with his estimate of 20 to 30 per cent of GIs hooked on herion the army has done little or nothing about this curse.

The military response following the disclosures was to order a urinalysis as the first step for every GI about to be shipped out. But, as the GIs quickly learned, it was only necessary to stay off the stuff for about three days for the test to turn negative. Those customary high military sources inspired a news story that addition was far less than had been feared, perhaps as low as two per cent.

This may be true and, if so, it is remarkable good news. But in the first six months of this year 8,200 men turned themselves in under the Vietnam drug amnesty program. The figure for June was 1,500. Since clearly only minority of heroin users take this step, it indicates a high addiction

rate. To keep even a residue Approved For Release 2001/08/07/e CTAURD Rob 04604 R004 00007 0001-6

South Vietnam' is to invite new disasters like the drug curse.

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pact on the priority of expenditures and that he is well informed concerning performance against budget and plans in the program areas.

Thirdly, I would standardize and make more effective our activities in data processing, management research, auditing, and procurement.

Mr. ALLOTT. Mr. President, these are worthy objectives, and so long as they are not viewed as ends but are viewed as means to achieve the missions of the Department, their implementation can improve the efficiency and the responsiveness of the Department.

. Mr. President, I urge that the Senate confirm Mr. Bodman to be Assistant Secretary of the Interior for Budget and Management.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD, Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD, Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

THE HEROIN WAR IN INDOCHINA

Mr. MANSFIELD, Now, Mr. President, in this morning's Washington Post there is published an article entitled "Facts Surface on the Heroin War," written by Miss Flora Lewis. We all know and applaud what our Government has done in trying to bring about a decrease in the production of opium in Turkey; but I would hope that we would not lose sight of the fact that approximately ninetenths of opium production in the world comes from the so-called Golden Corridor in Laos, Thailand, and Burma.

We have talked a good deal about the casualties of our men-and they are huge. We have talked a good deal about the costs of the war-and they are great. But only recently have we been discussing the question of drugs as they affect American personnel in Indochina and, incidentally, involve local dignitaries in many of the countries concerned.

If I may take an excerpt on two from the article written by Miss Lewis—which I hope every Member of Congress will read as well as the administration downtown---she brings out the fact that the CIA has provided Congress with a report naming the sites of the heroin refinerics in Burma, Thailand, and Laos. There is more to it. It will go in with the full story.

I read as follows:

The report also confirms for the first time on the record that Laotian air force planes and Laotian and South Vietnamese commercial planes take the drugs on to markets, both the GI market in South Vietnam and international centers which ship to Europe and the United States. It does not mention Air America, the CIA-operated airline in Laos and Vietnam. But there have long been numerous reports that Air America's secret fights supporting the Laotian war also often transport opium.

Further on,

Vice Adm. William C. Mack, Deputy Assistant Secretary of Defense for Manpower, has testified that the only thing that "will save our men" from the tremendous drug problem in Vietnam is troop withdrawal. But the supply routes are organized now. The high-ranking officials, and by no means all the highest have as yet been named, still have U.S. support and every prospect that support will continue after most troops have gone. So the heroin can be expected to follow the GIs home, a continuing souvenir of the war.

Two developments have begun to bring into the open the relation of heroin and the war. One is the huge increase in GI use in the past two years, while the military were assiduously fighting marijuana and vir-tually ignoring the opium-heroin trade. The other is counting public revulsion as each piece of news appears here.

And, further on,

It is time, late but not too late, for American intelligence which does know quite a lot about the drug trafile to make it their concern. It is time to stop defoliating Vietnamese fields and start defoliating poppy fields. It is time to stop subsidizing high Asian officials who use American support to deal in drugs with impunity.

John Ingersoll, director of the Bureau of Narcotics, has written Congress that "It is probable that optum production in Southcast Asia will be brought under effective control only with further political development in these countries."

If that means that the United States can't successfully fight heroin and Vietnamese Communisis at the same time because too many allies are on the side of heroin, it shouldn't be hard to choose the worst enemy. There can be no national defense even on this continent if the invasion of drugs is not stopped.

Mr. President, I ask unanimous consent to have this very worthy article printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACTS SURFACE ON THE HEROIN WAR (By Flora Lewis)

At last the facts of the heroin war in Indochina are trickling out. Many officials, and others, have been aware of them for a long time. But the officials weren't very interested, and secrecy about the war in Laos and American clandestine operations made it extra hard for others' to pinpoint the route of heroin from the mountaintop poppy fields of Southeast Asia to American bloodstreams.

The CIA, which has prime responsibility for the Laotian war, long denied any knowl-edge of the drug trafic. Now it has provided Congress, through the Bureau of Narcotics, with a report naming the sites of heroin refineries in Burma, Thailand and Laos. Furthen, the public report says that "a senior Laotian officer may hold an ownership interest in some of these facilities." The officer, named elsewhere, is Gen. Ouane Rathikone, chief of staff of the Laotian army, which exists entirely on U.S. subsidy. Army units provide a "military defense perimeter" to guard the refinerles.

The report also confirms for the first time on the record that Laotian air force planes and Laotian and South Victnamese commercial planes take the drugs on to markets, both the GI market in South Vietnam and international centers which ship to Europe and the United States. It does not mention

Air America, the CIA-operated airline in Laos and Vietnam. But there have long been numerous reports that Air America's secret flights supporting the Laotlan war also often transport optum. Rep. Robert Steele of Connecticut, an ex-

July 14, 1971

CIA man himself, has named Maj. Gon. Ngo Dzu who commands South Vietnam's Second Military region as one large-scale organizer of the traffic.

The opium, from which heroin is refined, is grown chiefly by Mee tribesmen who live in what is called the "golden triangle" area of western Burma, northern Thailand and Laos. The CIA organized the Meo of Laos into the Armee Clandestine and has accepted responsibility for large numbers of them.

Although it normally denied having any awareness or interest in the drug trade, from time to time the OFA claimed progress in persuading the Meo under its influence to switch to food crops. Its own report now says that "in areas (in Laos) where the tribesmen have been encouraged to grow corn, the poppies are planted among the corn. When the corn is cut the poppies continue to grow until they too can be harvested."

Vice Adm. William C. Mack, Deputy Assistant Scoretary of Defense for Manpower, has testified that the only thing that "will save our men" from the tremendous drug problem in Vietnam is troop withdrawal. But the supply routes are organized now. The high-ranking officials, and by no means all the highest have as yet been named, still have U.S. support and every prospect that support will continue after most troops have gone. So the heroin can be expected to follow the GIs home, a continuing souvenir of the war.

Two developments have begun to bring into the open the relation of heroin and the war. One is the huge increase in GI use in the past two years, while the military were assiduously fighting marijuana and virtually ignoring the oplum-heroin trade. The other is mounting public revulsion as each piece of news appears here.

But the situation isn't very new, Capt. Robert Marasco, the former Green Beret who was accused of killing a double agent, tells of camping on the Cambodian border in the Parrot's Beak sector in 1969. "There was a big market field there; people went back and forth as though there were no border. The price of heroin was astonishing; for \$25 you could get what sells for \$500,000 in the United States," he told me. "It was being bought by South Victnamese soldiers, ob-viously flunkies for the higher-ups."

On another occasion, he trailed 30 pounds of pure opium brought down the Ho Chi Minh Irall by Pathet Lao Communists along with medical supplies and found they were sold to South Vietnamese military and sent on to Saigon, "I didn't pay much attention," Marasco says "that wasn't our concern.'

It is time, late but not too late, for American intelligence which does know quite a lot about the drug traffic to make it their concern. It is time to stop defoliating Vietnamese fields and start defoliating poppy fields. It is time to stop subsidizing high Asian officials who use American support to deal in drugs with impunity.

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TWO developments have begun to bring into the open the relation of heroin and the war. One is the huge increase in GI use in the past two years, while the military were assiduously fighting marijuana and virtually ignoring the opium-heroin trade. The other is mounting public revulsion as each piece of news appears here.

But the situation isn't very new. Capt. Robert Maraseo, the former Green Beret who was accused of killing a double agent, tells of ecuping on the Cambodian border in the Parrot's Beak sector in 1969. "There was a big market field there; people went back and forth as though there were no border. The price of heroin was astonishing; for \$25 you could get what sells for \$500,000 in the United States," he told me. "It was being bought by South Vietnamese soldiers, obviously flunkies for the higher-ups."

On another occasion, he trailed 30 pounds of pure opium brought down the Ho Chi Minh Trail by Pathet Lao Communists along wiht medical supplies and found they were sold to South Vietnamese military and sent on to Saigon. "I didn't pay much attention," Marasco says; "that wasn't our concern."

It is time, late but not too late, for American intelligence which does know quite a lot about the drug traffic to make it their concern. It is time to stop defoliating Vietnamese fields and start defoliating poppy fields. It is time to stop subsidizing high Asian officials who use American support to deal in drugs with impunity.

John Ingersoll, director of the Bureau of Narcotics, has written Congress that "It is probable that opium production in Southeast Asia will be brought under effective control only with further political development in these countries."

If that means that the United States can't successfully fight, heroin and Vietnamese Communists at the same time because too many allies are on the side of heroin, it shouldn't be hard to choose the worst enemy. There can be no national defense even on this continent if the invasion of drugs is not stopped.

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DAILY WORLD Approved For Release 2001 08/07 :1074-RDP80-01601R00100

EDITOR THE DAILY WORLD 205 WEST 1910.ST. NEW YORK 10011

WHOSE OPIUM WAR NOW?

From a third to a half of the returning S.E. Asia invasion veterans have used or are addicted to drugs. Traffic in opium is common among the government officials who are our puppets, according to John Ingersoll, director of the Bureau of Narcotics before the House Select Committee on Crime on June 1st. "He said the heroin traffic is costing the U.S. \$3.5 billion a year," according to I. F. Stone (June 14/71), and that 176 pounds of opium were found a few weeks ago on a plane of Air America, the CIA's airline operating illegally \checkmark in Laos.

Weapons supplied Chiang Kai Shek with our tax money were exchanged for opium which was sold to American soldiers in Vietnam with aid of a top general in Laos, according to Rep. Paul C. Rogers of Florida. Now, Senator Frank Church of Idaho reports that the State Dept. is opposing Congressional bills that would cut off aid to countries that are sources of dope. Such laws would hurt diplomatic relations, according to Washington.

If Nixon is not in the dope business, you figure it out. The morals of this administration are straight from the gutter. And now Kissinger, Laird, and Rogers are out pimping in the provinces of the empire. Nixinger policy will make us a leper among nations. How stupid can the Republicans get, LBJ included?

PROFESSOR S.X., San Diego, Cal.

WASHINGTON POST Approved For Release 2001/08/07/UCIA RDP80-01601R00 Embassy orruption Hile ITICIS (

By George McArthur Los Angeles Times

SAIGON-The U.S. congressional charges that South Vietnam's Maj. Gen. Ngo Dzu is directly involved in drug trafficking has caused a severe case of the jitters. among ranking Americans in Saigon.

The charges come at a time when, the embassy is once again pushing a drive against corruption among South Vietnamese officials, high and low.

The embassy is uneasy about the Dzu case-and all the rest - because U.S. Ambassador Ellsworth Bunker and his military counterpart Gen. Creighton Abrams have detailed knowledge of enough hanky-panky to cause an uproar if it was published.

Among the most closely guarded secrets in the embassy's files are detailed reports covering the financial misdeeds of a vast array of South Vietnamese generals and civilian officials.

In an unguarded moment, one ranking American with many years in Vietnam once reported there were only two honest generals in the South Victnamese army. One of then has since been killed and the other is Maj. Gen. Ngo Quang Truong who commands the IV Corps area comprising the Mekong Delta region.

. And another American with access to the files added, "They are all in it and if they are not personally involved their wives are."

such While sweeping statements ... are probably overdrawn, they do reflect accurately the views of knowledgeable people who have long grappled with the problem of corruption in South Vietnam.

Mountain of Charges

Over the years American advisors have funneled into the embassy a mountain of detailed charges, all labeled top secret in the interest of maintaining relationships with the Saigon government. These have been compiled by military officers, civilians working in the police Central Intelligence Agency.

They include reports on

everyone from district officials to generals working in the Joint General Staff and advisers to President Nguyen Van Thieu.

Privately, Americans will sometimes point the finger at individuals-such as the current chief of Baclieu Province in the delta who is a distant relative of the president and renowned for corruption.

Officially, however, the American establishment has refused to name names.

In the early days of the war the frequent excuse was that it was useless to get a man removed if his replacement would be worse-and that was frequently the case.

In later years it has become embassy policy to avoid getting into any public discussions of corruption beyond admitting that it was a problem supposedly getting continuing study.

This policy was strengthened within the establishment by the belief that a public airing of corruption charges would upset the Saigon regime without necessarily getting rid of anyone.

President Thieu has been notably cautious in moving against any general on corruption charges and although some have been removed they have almost inevitably cropped up again somewhere else.

Notable Stiffening

The mounting narcotics problem in Vietnam, however, has caused a notable stiffening within the U.S. embassy and also within President Thieu's official establishment.

American officials say that the Saigon government has been told that heroin trafficking is the one crime that cannot be tolerated. There is some evidence that the South Victnamese generals and other officials have gotten this message.

One American official who admits that some generals may have been involved in past heroin smuggling says that they have now dropped it.

This official says that some Vietnamese officers,

in a certain amount of opium smuggling -- which

was more or less socially acceptable in Vietnam. They did not initially realize that raw heroin would eventually touch a very raw American nerve.

About six months ago, one official says, the South Vietnamese also began to realize that heroin was a threat to their own people.

Now, the embassy claims it is getting full support from President Thieu and lesser officials in a major, nation--wide drug crackdown.

This crackdown has been impressive in terms of heroin and other drugs seized and minor pushers and smugglers arrested. It has not, however, resulted in arrest or charges against anyone of importance.

Whether Dzu was involves in drug trafficking cannot be proved by any evidence made public, despite the charges made by Rep. Robert M. Steele (R.-Conn.).

Dzu, who commands the 12 provinces making up what is known as II Corps in the Central Highlands area, denies the charges.

Dzu has been supported by his American advisers, John Paul Vann, who has more experience in South Vietnam than any other senior member of the American establishment. Vann said he had "every reason to believe he is innocent" of the drug charges.

It is a fact, however, that the city which is corps headquarters. Nhatrang, is the center of drug trafficking in South Vietnam. This is possibly because it is the major headquarters for the South Vietnamese air force-an item that has been used in the past to link Vice President Nguyen Cao Ky, the \checkmark former air marshal who still retains de facto control of the air force, with the heroin traffic.

Though Ky has vehe-mently denied this, it is widely accepted in South Vietnam that he was involved in the old opium trade until he decided to brush up his public image.

Dzu was already on shaky ground when the drug charges cropped up. and pacification pros Approved For Release 2001/68/07HoCHASRDP80-04601R001000070001-6 and representatives of the personal meeting with President Thieu.

Only three weeks ago Dzu was the target of some widely publicized anonymous letters charging him with accepting bribes, looting U.S. supplies and making grandiose battle claims.

At that time, Dzu sent a transport plane 200 miles to Saigon to pick up a party of newsmen and fly them to Nhatrang for a news conference.

Flanked by his staff officers, Dzu denied everything.

Rep. Steele, in making his charges, predicted that the Saigon government would crack down on Dzu. Steele said his information came from intelligence reports that were also in the possession of Ambassador Bunker.

In Washington, State Department, spokesman Charles Bray replied to this that the South Vietnamese were in possession of any information about drugs which the embassy had.

While making no direct comment about Dzu, Bray implied that it was now up to the Saigon government to take action.

In Saigon, U.S. press spokesmen would say noth-ing beyond Bray's noncommittal remarks.

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Keep ühe spy üypes in line

Perhaps the least sheelding of the disclosures of the Pontagon report is the culture disclosures to which the United States dabales behind the secars in ray-familler type activities.

The pupers show clearly the role the U.S. played in the overfacewind pointh Vietnameso President Them. The only unusual accord of the affair is that many of the details have become roblic. Normally, the Contrat Total Types Agency haves its fracks were correct. The

Why Green Divide took a public beating, for example, over the slaping of a Violantiese, who was described as a double agent. But the CIA, which was accused of being helited the plot, reanaged to escape with an implied, but not proved, rele in the atlair.

The figurating aspect of such activities is the danger that the mean who plan and approve them may become herdened to their methods. A guy who decan't blint, at endering an enemy , agent rubbed out, or a government toppled, just might become conformed about his proper position in relation to domostic issues. If assaccination is an acceptable method for incolorancing U.S. foreign poley, then why isn't is a perfectly decent approach for taking care of domestic opposition?

Testifying this work before a congressional committee, Atty. Con. John Mitchell indicated that the U.S. is willing to use whatever means are heady to dry up narcotics traffic.

Mitchell said that the government knows the identities of a number of top Asian officials who are trafficking in narcotics, including some function and South Viotnamero military loaders.

How will the U.S. deal with them, a senator, asked. Said Mitchell: " stops are being taken in some of these countries to eliminate their participation..." in narroctics distribution.

Sen. Edmund Easkie then asked Mitchell if there are plans to climinate their roles in government, as well as drug trafficting.

"We anticipate we will be able to de

this to the extent our country has jurisdiction or other means of persuasion," Mitchell replied, drawing clausiles from the sonators.

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The U.S. certainly alcohild't hesitate to apply whalever pressure is necessary to stop the flow of narcotics to servicemon abroad, and to the mainland. The fact that Asians view draws in a substantially different light them Western nations shouldn't prevent us from insisting that countries we are aiding must respect and cooperate in our efforts to built the narcolies traffic insofar as it involves Accenticans.

Even so, we feel a let more then a little queasy when the alterney general of the United States talks slyly about "other means of persuasion." And when sonators chuckle evenly over the implication that we're not above a back alley appreach to getting our way, we're more than queasy. We're downright eventied.

In Mitchell's case, the statement to the committee fills in with nony of his other remarks about the rights of society being more important them individual, nights, and too much codding of criminels, and accusing dissenters of acting like Plazis, etc.

This nation is reacted in the helief that nothing is more important than individnal rights. Absolutely nothing. And that recans that correctiones society as a whole must suffer to assure the preservation of what the Declaration of Independence cells inclinable rights.

Other nations may not play by the same set of rales. In some, individual liberty isn't even considered a practical concept. But in the United States it is race than a concept, it is the gut issue of survival. Every action — at home or alread — that compromises our commitment to that position weakens the nation, not strengthens it as some in our leadership seem to believe.

So senators chuckle when the attorney general hints that the end justifies the means. But when they do, they risk chuckling our freedoms — and theirs into pethingness.

WLSHINGTON STAR

Approved For Release 20 108 107 10 APR - RDP 80-01601 R0010

U.S. Adviser Defends Dzu, Named as Drug Trafficker

By IVER PETERSON New York Times News Service

SAIGON - Maj. Gen. Ngo Dzu, who was identified Wednesday by an American congressman as being one of the "chief traffickers" in heroin in South Vietnam, said this morning that the charges were the "poor invention" of a jealous army rival, and that the Communists may have had a subtle hand in the controversy.

Dzu added that the congress-man, Rep. Richard Steele, R-Conn., had become an unwitting dupe in a methodical plot to unseat him from his command of South Vietnan's Military Region II, which covers the Central Highlands.

Dzu's chief American adviser, John Paul Vann, staunchly defended the general in a telephone interview from his office in Nhatrand. He called the charges "a tremendous act of sabotage" and sharply criticized Steele for apparently basing his charges-made intestimony before a House Foreign Affairs subcommittee-on two anonymous and unsubstantiated letters, composed by Dzu's rival and sent to the American Embassy.

Steele Is Adamant

(An Associated Press dispatch from New Haven, Conn, quoted Steele as saying that his accusations were based on "hard intelligence" now in the hands of U.S. Ambassador Ellsworth Bunker, and not on anonymous letters as Dzu suggested.

("You don't say this unless you are in a position to know," he declared. The congressman said he was unsure when or what action would be taken

against Dzu, but added: "I would hope they would put him under indictment.")

Dzu flew to Saigon yesterday mutual hard feelings. in an attempt to trace the charges against him and to plead his innocence before President Nguyen Van Thieu. The president refused to see the general, and the rest of the government, through its officials and other spokesmen, turned what appeared to be a cold shoulder toward him.

But the general had a later and apparently satisfying dinner with a close friend of the president's, Sen. Hoang Xuan Tuu, who assured him that Thieu would see him later today.

"President Thieu understands the campaign against me," Dzu said in an interview.

Maps His Defense

The portly, 45-year-old geneal, who speaks a vivid colloquial English, said he would return to his headquarters in Pleiku today but would return "in three or four days" with proof of the alleged plot against him. He said his revelations would prove that two anonymous letters, containing the false charges of his role in smuggling heroin to U.S. forces in South Vietnam, had been sent to the U.S. Embassy in Saigon, and that the embassy had in turn given the letters to Steels during his recent Vietnam tour.

"I cannot say who my enemy is," Dzu said during the interview, suddenly switching into Vietnamese. "But you know, and I know, and the Vietnamese papers all know who he is."

However, Dzu's brotherin-law, Capt. Nguyen Quang Bat, confirmed that the "enemy"

was Maj. Gen. Lu Lan, whom Dzu replaced as commander of the II Corps last year with many STATOTHR

Heads Investigating Unit-

Lan is now chief inspector general of the Army, and therefore its principal criminal investigator.

Lan told a Vietnamese newspaper last week that Dzu took. his powerful job away from him by having the Americans peddle their influence with Thieu.

Lan accused Vann in particular of having exerted his considerable influence with the U.S. Army command, with the U.S. Embassy and in the presidential palace to have Dzu take over the command of II Corps. Before the move, Dzu commanded the IV Corps, in the Mekong Delta, where Vann was his chief civilian adviser.

Last May 16, Vann followed Dzu to the Central Highlands as his adviser and as the top American in II Corps.

Intercession Denied

Vann this morning strongly denied having interceded on Dzu's behalf to land him the command of II Corps.

According to Dzu and his par-tisans in the controversy, the attack on him began last April 2 when the first anonymous letter was sent to Ambassador Bunker accusing the general of corrup-tion, and particularly with using his position and military assets to smuggle heroin into South Vietnam.

A second letter was allegedly sent on April 16, reiterating the charges and alleging further evidence of wrong-doing against Dzu.

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NEW YORK TIMES

A Saigon General Named

As a Trafficker in Heroin

Approved For Release 2001/88/07: 24-RDP80-01601R001

WASHINGTON, July 7 — A high-ranking South Vietnamese general was named by a member of Congress before a House Foreign Affairs subcommittee today as "one of the chief traffickers in heroin in Southeast Asia." Gen. Ngo Dzu, commander of the South Vietnamese Army's II Corps, was named by Representative Robert H. Steele, Republican of Connecticut, in



testimony on a proposed amendment to the foreign aid extension bill that would cut off aid to any country failing to deal effectively with illicit opium production and distribution.

Mr. Steele told the subcommittee that since submitting his recent report on illicit heroin trafficking and addiction of United States servicemen in Southeast Asia, "I have learned that South Vietnamese military officers continue to deal in large quantities of heroin and to transport it around South Vietnam in military aircraft and vehicles."

[When Mr. Steele testified in Washington, it was already night in South Vietnam, and it was not possible to obtain comment from General Dzu, who was in Pleiku in the area of his command, Military Region II in the Central Highlands.]

"U.S. military authorities have provided Ambassador [Ellsworth] Bunker with hard intelligence that one of the chief traffickers is Gen. Ngo Dzu, the

commander of II Corps," he said. "Dzu is one of the stanchest military backers of President Thieu and one of the leading strongmen in the current Saigon Government."

Mr. Steele said that Gen. Ouane Rathikoune, Chief of the Daotian General Staff, was also "reportedly deeply involved in the heroin traffic." He said General Ouane's troops protected opium and heroin refineries along the Mekong River and also transported heroin on Laotian military aircraft.

Action Taken Against Peddlers

In Saigon, Mr. Steele said, "The Government cracked down on street peddlers at our insistence and that was easy."

"They have started to crack down on their customs people and it's had some effect," he went on. "But now we come to the top strongman---a general in South Vietnam---and I wonder just how serious the Government will be about its crackdown.

crackdown. "I don't say put him before a firing squad, but he must be stopped."

The 32-year-old Mr. Steele, a former agent of the Central Intelligence Agency, estimated in his Congressional study report in May that 10 to 15 per cent of the American servicemen in Indochina had become addicted to heroin. The report was based on investigations he made in the area with Representative Morgan T. Murphy, Democrat of Illinois.

In Vietnam, Mr. Steele talked with the highest civil and military authorities of the United States and South Vietnam. He has kept in touch with many of the 50 officials, including Ambassador Bunker, who were mentioned in the appendix of his report and last night was in touch with several of them in Saigon by telephone.

Testimony by Mitchell

illitary Mr. Steele's statements paralleled testimony by Attorney General John W. Mitchell to-

By FELIX BELAIR Jr. Special to The New York Times authorities day before a Senate joint subcommittee that the United States had identified a number of Southeast Asian leaders involved in illegal drug traffic and was prepared to use its full authority "and other means of persuasion" to end their participation in government as well as in narcotics trafficking.

Under questioning by Senator Edmund S. Muskie. Democrat of Maine. Mr. Mitchell said that high political and military leaders in Burma, Laos and Thailand as well as South Vietnam were deeply involved in drug traffic.

The Attorney General said he could not identify any of the political or military leaders except in a closed session of the subcommittee, but he declared: "We feel we have identified some of them and have taken initiatives in some of the countries to eliminate their participation."

tries to eliminate their participation." "You feel you will be able to eliminate their participation both in the drug traffic and in government?" Senator Muskie asked.

asked. "We anticipate we will be able to do this to the extent that our country has jurisdiction or other means of persuasion," the Attorney General replied.

Two subcommittees of the Senate Committee on Government Operations sat as a joint panel to hear testimony from Mr. Mitchell, Elliot L. Richardson, Secretary of Health, Education and Welfare, and David Packard, Deputy Secretary of Defense, on President Nixon's plan to create a new special action office in the White House for the prevention of drug abuse.

In response to questions by Senator Abraham A. Ribicoff, Democrat of Connecticut, Mr. Packard said the Pentagon was prepared to grant retroactive amnesty—on a case by case basis — to servicemen "discharged under less than honorable circumstances because of drug abuse."

Mr. Packard read the panel a policy memorandum sent today to all service secretaries directing that "evidence developed by, or as a direct resuit of urinalysis administered for the purpose of identifying drug abusers may not be used in any disciplinary action under

the Uniform Code of Military Justice or as a basis for supporting an administrative discharge under less than favorable circumstances."

charge under less than favorable circumstances." It is only "fair and equitable" that former addicts in the military forces be given the same chance as present servicemen to earn a clean record and an honorable discharge, the Deputy Secretary said.

Amnesty Program Criticized

The military amnesty program for addicts has been criticized in and out of Congress because some servicemen who turned themselves in for treatment have been subjected to disciplinary or punitive measures.

Servicemen found to have been involved in selling narcotics or in other criminal activities are specifically excluded from the retroactive amnesty, Mr. Packard explained.

The core of the Administration's case for the President's \$155-million special action program was that the war against narcotics addiction cannot succeed until the Federal Government brings all its resources to bear through a new office in the White House. Its three spokesmen said the effort now was fragmented among nine Federal bureaus and agencies and was not being carried out

Senator Ribicoff conceded that the changes planned under the President's coordination plan were good "as far as it goes."

"But I believe we will need much more than a new box on an organization chart," the Connecticut Senator said. "It begins to look as though when we don't know what else to do and we want to create the illusion of action and concern, we create a new unit in the White House and assign it the task of coordinating some unknown solution to the problem."

As co-chairman of the joint panel, Senator Ribicoff asked the Administration officials: "What do you believe are the causes of the drug abuses crisis in the nation?"

Attorney General Mitchell said he was not qualified to answer fully but suggested that the causes included "despondency, psychiatric reliance and the fact that many young people find it sociable to join lothersin these activities."

After extensive discussion, the only point on which the committee members and administration spokesmen appeared to be fully agreed was the accuracy of President Nixon's assertion in a recent message to **COUCES** that mounting narcotics addiction was "a national

emergency.

Approved For Release 2001/08/07 : CIA-RDP80-01601R0010000 COOD that mounting narco-

CHICAGO TRIBUNE Approved For Release 2001/08/0700014-RDP80-01601R0010

Congressmen Hit Thai in Heroin Traffick

BANGKOK, Thailand, July 3 WPD - One of Southeast Asia's most successful commercial ventures is the illegal production and sale of heroin.

There is irony in the fact that virtually all of the heroin smoked and injected by American GIs in Viet Nam is smuggled thru Thailand, a staunch American ally in the Indochina War.

Thailand also is the conduit for an increasing amount of illicit heroin entering the United States.

U.S. Seeks Solution

Spurred by President Nixon, the U.S. government has turned more attention to trying to solve the problem that may prove to have more staying power than the war itself.

American diplomats in Bangkok have reached in the opium is processed into heroin past with boredom and hostility to newsmen's questions about opium and heroin traffic in Thailand, Newsmen were told they could not interview for the record American officials here about the drugs. The explanation was such news stories would damage relations between the U.S. and Thailand.

Meanwhile, agents from the U.S. Bureau of Narcolics and Dangerous Drugs were working against great edds to stem the opium and heroin tide in Thailand.

Make Congress Probe

It took two U. S. representatives, armed with congressional investigative powers, to spell out publicly 'Thailand's role as a passageway in the drug traffic.

Rep. Morgan F. Murphy, [D., Ill.] and Robert H. Stelle, [R., Conn.] came up with some recommendations. Murphy represents Chicago's South Side. Steele is a former agent for the Central Intelligence Agency. The two representatives talked with U.S. narcotics agents here for a report conducted under the auspices of the House Foreign Alfairs Committee.



Rep. Morgan Murphy

These are some of their

findings: Some of the Southeast Asian which is smuggled to the U.S. by couriers on commercial and military aireraft. Some is mailed to the U.S. by American military personnel, using both commercial and military postal services.

Cite Smuggling Routes

Most of the heroin is smuggled into South Viet Nam thru Thailand aud Laes. It is produced from poppies grown in mountainous areas of Burnia, Laos, Thailand and parts of Yunnan Province in Communist China.

American citizens, mostly former servicemen, recently have moved to Thailand and have gotten into the business of smuggling heroin. The representative said they were told by U.S. agents that bar patrons are recruited as heroin couriers to the U.S. and that U.S. military personnel on active duty are recruited to ship heroin to the U.S. thru the military postal system.

The Euroau of Customs on April 5 seized 17 pounds of heroin in a piece of military mail from Bangkok. The package seized was being shipped to Monmouth, N.J., and con-Approved Eon Release 2001/08/07 : CIA-RDP80-01601R001000070001-6 million.

Carried in Planes

Some of the heroin sinuggled into South Viet Nam is carried in commercial aircraft and in planes of the Lactian-Thai and South Vicinamese air forces the representatives said.

They said that in Laos. "government armed forces are major wholesalers of opium and heroin and have been directly involved in large-scale smuggling activities."

Murphy and Steele also charged that heroin has been smuggled in a private airline financed by the CIA. However, they said, "There is no evidence that any official of a U.S. agency has ever been involved in the smuggling of heroin into South Viet Nam.

Linked to Troops

Their report also said heroin is smuggled into South Vict Nam from Bangkok "by Thai soldiers either returning from leave or those beginning a tour of duty in South Viet Nam. Many of these soldiers travel in U.S. military aircraft."

"A former diplomat and member of one of the most respected Thai families is reputed to be one of the key figures in the opium, morphine base and heroin operations in that country and thruout Southeast Asia," they said.

Steele told reporters while in Bangkok that he was aware of the U.S. diplomats' policy of suppressing news of the drug traffic on the grounds that it might prove embarrassing to Thailand.

"That policy is going to change," Steele said. "It is not the policy of the Nixon administration."

They said the U.S. mission in Thailand "should be more foreceful" in convincing the Thai government that the U.S. needs and expects increased . action to stop the illegal traffic

Tell Thai Efforts

Their report noted that Thailand had attempted, without much success, to encourage hill tribesmen to grow crops other than opium.

It said Thailand has sought the help of the U.N. in dealing with the problem and also "has initiated efforts to destroy the poppy crops. However, it said enforcement has proven almost impossible because the areas are too remote and because of the Communist-inspired insurgency in the area.

Murphy and Steele want Thailand to "devote more resources to improvement of their capability to intercept illegal shipments of opium, morphine and heroin."

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Hansen Digs Out Facts About CIA

The director of the Bureau of Narcotics and Dangerous Drugs reported to Senator Cliff Hansen (R-Wyo.) Wednesday that the CIA is his bureau's strongest ally in the fight against illegal narcotics trade from foreign sources.

trade from foreign sources. The letter from Bureau Director John E. Ingersoll refuted the allegation by poet Allen Ginsberg at a University of Wyoming function that the intelligence agency encouraged opium traffickers in Indochina.

"CIA has for some time been this bureau's strongest partner in identifying foreign sources and routes of illegal trade in narcotics," Ingersoll told Hansen.

Hansen said he would get the facts on the allegation because: "I do not take such serious charges against our

government lightly, nor do I feel the students at our university can afford to take such charges lightly. None of us should allow unjust criticism of our government to go unchallenged."

Ginsberg's charges, in which he referred to an article in "Ramparts Magazine," first were made at the university following an address by Hansen to a ROTC group.

ENJOY A SENSIBLE FOUT THE

NEW YORK DAILY NEWS STATOTHRApproved For Release 2001/08/07 CIA-RDP80-0 3 0 JUN 1971

as well as over the nine civilian agen-

cies already specified in the bill. Toughening of the Nixon program

today for THE NEWS by Rep. Robert H.J

Steele (R-Conn.), whose report on the

frightening rise of heroin addiction among GIs abroad touched off national



By PAUL HEALY

Washington, June 29-Congress seems bent on giving President Nixon even stronger weapons than he asked for in his highly touted "war on drug abuse," particularly in the armed forces.

When it opened hearings on the crash program yesterday, the House Health subcommittee signalled a clear desire to broaden the powers of the proposed White House "drug czar." The plan is to give him control over drug programs in the military and law-enforcement ageneics,

· Moving Ahead On Drug Frohlem in another direction was predicted In the Services

shock waves.

Analyzing the strengths and weaknesses of the Nixon bill for the first time, Steele started by praising the President on several counts. This is mor than the White House has done for Sieele. One might have thought the White House would turn at least a portion of its spotlight on the kind of 32-year-old Republican the marty hadly needs. Steele, a for-mer Soviet specialist for the Cen-

tral Intelligence Agency, is a savvy, attractive newcomer from castern Connecticut. On May 27, he and Rep. Morgan F. Murphy (D-III.) issued a 32-page report on their nine - nation investigation of the world's optum and heroin centers for the Neuse For-eign Affairs Committee.

Among other alarming find-ings, the report disclosed estimates that as many as 10% to 15% of U.S. servicemen in South Vietnam were addicted to heroin. Steele was invited to brief mem-bers of the National Security Council and the Domestic Council. The White House then speeded up the drafting of its drug program and wrapped in eight recommendations of the report, with no credit to Steele (or Murphy) when it was announced with great fanfare by Nixon himself June 17. Steele today praised Nixon for

recalling his ambassadors from His discoveries were shocking France, Turkey, Mexico, Thai-land, and South Vietnam, and personally insisting that they get more cooperation from those governments on cutting off the flow of narcotics.

Steele likewise lauded the President for asking Congress for authority to create a centralized drug office right in the White House, and for choosing as his drug czar the able director of the Illinois state program, Dr. Jerome H. Jaffe.

But the Congressman wants the czar to have control over the military side of the problem and he has "serious reservations" about Nixon's commitment to the rehabilitation of addicts due to be dis-. and a state of a charged from the service. to the terms of

Robert H. Steele

Under the White House's program, addicts are now identified through utinalysis tests of all GIs before they embark for the U.S. from Vietnamese ports. The addicts are held in service for 30 more days to be de-toxified and given basic reliabilitation treatment. After 30 days, they are offered further treatment if it is indicated—on a voluntary basis.

He'd Test All the Men in Uniform

If this is indeed a crash program. Steele believes the urinelysis tests should be given to all GIs in Victnam, and also to the U.S. troops stationed in Europe. The earlier you detect an addict, the better chance you have to treat him, he noted. Also, an addict who knows he will be checked at the embarkation point need only refrain from taking drugs for 48 hours beforehand in order to pass the urinalysis test.

As for the holding of an addict in uniform for a mere 30 addi-tional days of treatment, Steele argued, "A very substantial number of these men will not have been rehabilitated in 30 days."

"What do you do with a man who is not motivated to continue treatment and is going back on the street?" he asked. "What does the President say? He says you let him go! We say you have to keep control. He is a time-bomb when he gets out."

Steele and Murphy propose that the civilian service secretaries have authority to civilly commit such an addict to the head of the Veterans Administration for mandatory further rehabilitation treatment, on the recommendation of the chief medical efficer of each service.

Wants More Research on Preventives

If addicts are allowed to leave the service unrehabilitated, Steele asked, "How many will go out on the streets and infect others, commit crimes, etc?"

"We must avoid letting this program become a gimmick to relieve the military of their responsibility (to fight heroin addic-tion)," he added.

The Steele-Murphy bill, which deals solely with nareoties use in the military, is co-sponsored by 76 other congressmen, so it seems to stand a fair passage of approval by the now drug-conscious House.

Steeld, and Murphy also are urging that the government's re-scarth programs into finding "antagonistic" drugs on the order of included, and perhaps some cost of vaccination cure, he expanded to the true of \$25 million the first year and \$50 million the second year. Steele complained, "We can't figure cut how much is going for research under the President's program.".

NIAGRA FALLS, Approved For Release 2001/08/07 : CIA-RDP80-01601 B001000070001_6 GAZETTE



CIA buy up Lave.



By JACK BELL

Gannett News Service

WASHINGTON - President Nixon is making a tragic mistake in his assessment that the use of drugs by U.S. servicemen in Vietnam is "by no means a major" part of the American narcolics problem", as he said in his drug abuse control message to Congress.

The accelerated movement of the bored or scared "grunts" into the legion of those who smoke or snort herion strikes at the heart of the narcotics cancer of the future, if not of the present.

What happens to those young men when they come home hooked with a habit they can stand off for \$5 a day in Saigon. where the dope is pure and cheap? They will find the price of their habit has gone up to \$100 a day in the United States, wherethe drug is so cut that to get any charge from it they will have to pump it directly into their blood.

CHAIRMAN Vance Hartke, D-Ind., of the Senate Veterans Affairs Committee, estimates there are more than 375,000 men

returned from Vietnam now looking for jobs. Almost none of them - and those who are joining them weekly - are likely to latch on to any payroll check that would support an addict's habit. The addict will turn naturally to crime.

Nobody really knows how many uniformed young Americans in Southeast Asia are mortgaging their future lives by using dangerous drugs. Only recently and belatedly has officialdom become grudgingly alarmed at the spread of this menace.

Rep. Seymour Halpern, R-N.Y., who bought heroin easily on the streets of Saigon to demonstrate its availability, estimates there are 60,000 users of the drug in uniform. This works out close to one quarter of the U.S. troops in the war zone.

Reps. Morgan F. Murphy, D-Ill., and Robert H. Steele, R-Conn., who made their own investigation in Vietnam, think 30,000 to 40,000 have a serious heroin habit.

NIXON'S new program is aimed primarily at reducing the number of GI addicts who will come home untreated and at providing folowup treatment for them. Urine tests will be given all returning veterans. Detected returning veterans. Detected Discussions with the govern-addicts will be put through a ments of Burma, Laos and seven-day course of detoxification in Vietnam, followed by three weeks of treatment at home,

This is all very well as far as it goes. But it does nothing for the thousands of addicts who still have time to serve in Victnam. Steele's suggestion that all U.S. servicemen be tested at least once'a month ought to be followed.

Nixon has promised to attack the narcotics supply on an international plane. He is having some success in Turkey, where the government is struggling to premium prices? Opium has le-control the growing of opium gitimate medical uses and the poppies. Smuggled opium from project would not be a total loss. Turkey is said to be the source of. three-fourths of the heroin entering this country.

THIS progress in Europe, however, has not been matched in Asia. There, the friendly countries of Burma, Laos and Thailand produce about 700 tons

of opium annually, about half of the world's illicit output.

Production of the raw drug and its refining is carried on in the "Golden Triangle" border area that feeds heroin into South Vietnam. There it is sold on the streets - often by children - to American servicemen. The Nixon administration has put the screws on Saigon's President Nguyen Van Thieu to crack down on the traffic. But this fails to get at the supply.

Thailand are not going to get very Unfortunately, these far. governments have very little clout in the Mekong River triborder area, where irregular "armies" and Chinese buy the topium crops, run the refineries and transport heroin.

The U.S. Central Intelligence Agency, under fire for its paramilitary activities in Laos, knows about these operations. What would be wrong if it were commissioned to buy up the opium harvest of the area at

This would be no more costly nor fantastic in its concept than the CIA's equipping, training and transporting troops that won one; revolution (Guatemala) and lost another (Cuba). And if it could be carried out, it might salvage a great many twisted lives among the Americans who remain in South Vietnam.

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techniques will have to be adopted. Good management will also require extraordinary care in selecting key departmental executives and the optimum utilization of the senior civil service staff. Many other Federal reor-ganizations have faltered on this score and have failed to produce the anticipated bene-fits because of managerial deficiencies.

For all these reasons we endorse your reorganization proposals and convey to you the willingness of representatives of the League, as a public interest organization, to voice our support as appropriate. Some of us may have varying views with respect to the transfer or assignment of particular functions. Admittedly, there are many issues concerning the most suitable locus for spe-clific bureaus of programs and reasonable men can expect to have some differences concerning them. Likewise, alternative clustering of functions and agencies within the general context of the plan may prove to have merit. Nevertheless, this in no way di-lutes, our endorsement of the basic principles and concepts underlying the proposed creation of these four new departments of government.

Please accept the good wishes of our Board as you proceed with the important task of forming a Federal organization which will produce better responsivity and efficiency in Federal administration.

Very truly yours,

MORTIMER M. CAPLIN, President. BERNARD L. GLADIEUX, Chairman, Excentive Committee.

POLLUTION

Mr. HOLLINGS. Mr. President, as chairman of the Subcommittee on Oceans and Atmosphere I have become increasingly aware of the horror of pollution. Our Nation's lakes and waterways are becoming unusable, wildlife is being destroyed, and the water shortages throughout the country are receiving national concern. We have a responsibility to reverse the dangerous actions which man has perpetrated on his environment for the past generations. I commend to the Senate the concurrent resolution of the South Carolina General Assembly, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CONCURRENT' RESOLUTION

Memorializing Congress to enact legislation to prohibit the Savannah District Army Corps of Engineers from permitting the dumping of sewage in Lake Hartwell in in South Carolina

Whereas, the Savannah District of Army Corps of Engineers has received an application from a firm in Anderson, South Carolina to permit it to construct and maintain a discharge line which will discharge treated effluents from a holding pond into Lake Hart-well near where U.S. Highway 76 crosses Six and Twenty Mile Creek; and

Whereas, the application if granted would permit concern to dump eight thousand gal-lons of treated scwage a day into the Six and Twenty Mile Creek channel of Lake Hartwell;

Whereas, Lake Hartwell has been developed as a residential area and as an outstanding recreational spa attracting many thousands annually to its shore to indulge in such water sports as swimming, water skiing, boating and fishing; and

Whereas, the dumping of sewage whether treated or not presents a threat to the health and safety of residents in the vicinity and the many users of the facilities of Lake Hart-well. Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States is hereby memorialized to enact such legislation as may be necessary to prohibit the Savanush District Corps of Army Engineers from approving a proposal to permit the dumping of sewage in Lake Hartwell in South Carolina.

Be it further resolved that copies of this Resolution be forwarded to the Clerk of the United States Senate, to the Clerk of the United States House of Representatives and to each member of Congress from South Carolina.

e entre a l'africane e

OT ADMITS USING TAXPAYER FUNDS TO PROMOTE SST AMONG DOT GRADE-SCHOOL CHILDREN

Mr. PROXMIRE. Mr. President, a few weeks ago I wrote to the Department of Transportation requesting information about a booklet that DOT has been distributing to the Nation's schools. The booklet is entitled "SST-T-T-Sound, Sense, Today, Tomorrow, Thereafter." The distribution of this booklet has been underway for quite some time, as part of the Department's aviation education program.

The booklet is little more than an attempt to propagandize our children as to the virtues of the SST. It minimizes--indeed, almost dismisses-the problem of the sonic boom. It makes no reference whatsoever to other environmental problems, such as excessive sideline noise or upper atmospheric pollution. It praises the virtue of speed to the hilt-but without mentioning that fewer than 3 percent of us might ever be able to take advantage of it.

The booklet's adventure stories are geared in the same direction, Children are introduced to "The Supersonic Pussycat"-the lucky pet that gets to fly to Paris in 2½ hours; to "Deci Belle"--who was attracted to any noise, "the louder the better"; to "Maxwell- the Mouse," "Shaky the Helicopter," and other unforgettable characters. There is a teacher's manual accompanying these stories, suggesting exercises which can excite interest in supersonic flight.

Mr. President, my letter to Secretary of Transportation sought information as to the cost of the booklet, its date of printing, the number of copies distributed, and the authorization for the expenditure.

Secretary Volpe's response was sent last Friday. His letter indicates that the project cost the taxpayer \$12,800; that 50,000 copies of the booklet were printed; that the booklet is still in active use; and that the money came out of the printing allocation for DOT and FAA..

Mr. President, I can see absolutely no justification for this type of expendi-ture-however small it may be. This type of blatant propaganda, distributed to children who cannot see through it, would be questionable even if it were financed by private funds. But it is doubly reprehensible to have the Federal. taxpayer finance it.

Congress has not, I hope, lost the pow-er to control such expenditures: When the DOT appropriation for fiscal year 1972 comes before the Senate Appropriations Committee, this Senator in-tends to pursue this matter further. I just can not see how we can permit this

kind of propagandizing by the Federal Government-to continue.

Mr. President, I ask unanimous consent that the response from Secretary Volpe, dated June 18, 1971, be printed in the RECORD. My original letter to Secretary Volpe already appears in the Con-GRESSIONAL RECORD of June 4, 1971, at page S8242.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,

Washington, D.C., June 18, 1971. HON. WILLIAM PROXMIRE,

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U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: In reply to your letter of June 2, 1971, this is one of many publications we have available to aid us in the promotion of aviation which is authorized by the Federal Aviation Act. The project grew out of a request by educators to have material developed which could be used for "... Aviation Education Materials For Grades K-6 In The Areas Of Aviation Noise And Sonic Boom."

In answer to the six questions you raised: (1) The booklet was produced through normal government printing channels using funds appropriated for the purpose of con-ducing Department of Transportation (DOT), Federal Aviation Administration (FAA) programs, More precisely, the publication was a part of DOT's Interagency Aircraft Noise Abatement Program under the aegis of the Information Education Committee of the group. The legislative authoriza-tion and appropriation was the regular printing allocation of the then DOT, FAA budget.

(2) The costs fall in two major categories: the actual contract for the production of the original material was \$5,021.00; the actual printing cost amounted to \$7,871.42.

(3) The first and only printing was completed on July 1, 1969.

(4) There were 50,000 copies of the booklet printed .

(5) The booklets were distributed to the then various FAA regions, area managers and educators, both in public and private schools, and those in colleges and universities who conduct teacher training sessions.

(6) The publication is still used.

I trust this satisfactorily answers the question you raised. Sincercly,

JOHN A: VOLPE.

SENATOR HUMPHREY'S SPEECH TO THE NATIONAL CONFERENCE OF MAYORS

Mr. HUMPHREY. Mr. President, on June 14 I had the high honor and privilege of delivering the keynote address to the Conference of Mayors annual meeting in Philadelphia, Pa.

In the speech, I advocated that the United States should adopt a national urban strategy-a plan of action that pinpoints the choices and values we as a nation must embrace if we are to solve the problems of the cities. I suggested that five key points of a national urban strategy arc fiscal vitality, social progress, environmental quality, urban peace, and balanced national growth.

Although I believe that each of these, topics is a major subject in itself, I focused iny attention on fiscal vitality and social progress.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

FAR EASTERN ECONOMIC REVIEW STATOTHR Approved For Release 2001/08/07-9CIA-RDP80-0160

LAOS

Change of Tune **BY ARNOLD ABRAMS**

Vientiane: The thaw in Sino-American relations has not halted US-directed intelligence operations which penetrate deep into Chinese territory. These operations, which have been conducted for years by the CIA (Central Intelligence Agency), involve the sending of reconnaissance teams from northern Laos as far as several hundred miles into southern China's Yunnan province. Team members are native hill tribesmen whose ethnic stock - Meo - is prevalent in southern China.

The tribesmen have been recruited, equipped and trained by the CIA to infiltrate Chinese territory and obtain information on troop movements, politi-



aggressive attitude towards Laos.

cal developments and other pertinent security data. American embassy officials in Vientiane refuse to discuss these operations, but qualified sources report that the officials believe local security needs and the intelligence value of such operations justify their continuation.

American authorities largely discount any potential threat these operations pose to slowly improving relations between Washington and Peking, They believe this threat is small because the operations are not commando raids or sabotage efforts, and Americans do not participate directly in them. Moreover,

Chinese authorities have known for some time about the missions; several teams have been captured in recent years.

Consequently, American officials reason that Peking will continue to tolerate such territorial incursions as long as they are conducted solely for intelligence-gathering purposes and do not pose a direct security threat. US authorities also believe that, if the Chinese want an excuse to reverse the friendly trend, they can do better than simply focus on these operations.

"Americans are still fighting in Vietnam, they have a military presence on Taiwan, and they are standing by their atreaty commitments to Chiang Kaishek," observes one source close to the US embassy here. "If the Chinese are looking for something to whip them with, any one of those three will do."

In Laos, American officials' major security concern about the Chinese stems from a Peking road-building project in the north. An estimated 14,000 Chinese personnel, including several thousand soldiers standing guard and manning anti-aircraft batteries, are constructing a route leading toward the Thai border.

Thai authorities repeatedly have expressed deep concern about the road's potential as a supply line for communist-led guerilla forces in northern Thailand. American officials privately voice similar concern. While conceding that Chinese forces in Laos have not shown hostility, they insist the construction project must be kept under closest scrutiny.

The Peking project originally was requested by the tripartite government, established in Laos with the signing of the 1962 Geneva Accord, which collapsed in 1963.

Ironically, while American officials fret about Chinese intentions in Laos, Peking's new diplomacy has prompted a positive reaction from the leader of this nation's neutralist government. In a recent interview, Prime Minister Souvanna Phouma stressed China's historically non-aggressive attitude toward Laos.

The 70-year-old prince noted that the unhappy history of this landlocked kingdom is replete with tales of invasion by neighbouring Thais, Cambodians, Burmese and Vietnamese --- but not by Release 2001/08/07, CLAS RDP80-01601R001000070001-6

possible Sino-American fapprochement, would restrain further North Vietnamese aggression in Laos.

Although Souvanna Phouma is still said to harbour private fears about Peking's longrange designs on this region, his current public stance marks a departure from the position he assumed earlier this year, prior to the US-supported South Vietnamese invasion of his country. Then, he warned that the allied move might prompt open intervention by Peking in the Indochina war. Now, his tune is different. Like everyone else, he can only guess about the intentions of China's leaders.

Fateful Flowering BY A CORRESPONDENT

Viontiane: Asia's latest opium war is hotting up. East of the Annamite mountains, the US military is reported to be reeling under the effects of heroin, and in Saigon US leaders have been pressing the government into a series of emergency measures to stop the flow of supplies – including a mass transfer of customs agents from Ton Son Nhut airport, the centre of large scale trafficking, and sweeps through the city to arrest suspected peddlars.

A widely publicised amnesty-cure programme has been offered addicted soldiers. All chemists and known peddling centres have been placed "off limits" and medical tests instituted to detect addicts among homeward bound troops.

But these measures are preliminary skirmishes in the great war. The problem of stamping out or otherwise controlling opium can only be solved by an international campaign of which Laos is already feeling the impact. An American narcotics investigator is in Vientiane tracing the legend that heroin is produced in Laos and seeking information to map out strategy in the war against opiates. Early this month Laotian national police were pressured into a general round-up of Vientiane's opium den operators, most of whom have a licence from the Laotian government. More than 120 operators were held for questioning.

But Laotians find it difficult to take seriously a campaign which conflicts with local customs, tolerances and economy. The opium den operators were

bountinued

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Rowland Evans and Robert Novak The Nixon Syndrome

WHEN A YOUNG freshmau Republican congressman returned from Vietnam in mid-April with a horrifying story of massive heroin addiction a mong American troops, he was met by ley irritation from the White House — thereby underlining a political failure that has always bedeviled the Nixon administration.

In fact, the new anti-heroin program unveiled at the White House yesterday stemmed directly from revelations of Rep. Robert Steele of Connecticut. But before that happy point was reached, the 32-year-old first-termer, a Republican moderate, was subjected to the same old mode of operations by President Nixon's staff that has disheartened so many Republican politicians.

Steele's experience is a case study of the Nixon syndrome: the isolation of the President, the arrogance of much of his staff, the White House fetish for secrecy, and the administration's inexplicable refusal to put its best foot forward.

ACTUALLY, the Nixon administration has been vigorously working on the drug problem for two and onehalf years under the guidance of John Ehrlichman's domestic policy staff at the White House. But nothing

much was getting through to the increasingly anxious public or Congress, thanks to the secrecy mania and the Teutonic fastidiousness of the Ehrlichman staff.

Moreover, the White House had been sitting on a secret certain to sieken the American public : beginning in December, 1959, heroin addiction among American troops in Vietnam steadily rose toward epidemic proportions. Typically, instead of putting this problem before the public, the White House tried to cover it up.

So pervasive was the heroin traffic among Vietnam GIs, however, that some journalist or visiting con-gressman was bound to be hit in the face with it. That was precisely what happened when ex-CIA agent Steele and another first-year congressman, 39-year-old Chicago Democrat Morgan Murphy, visited Vietam. visited Murphy, They returned to Washington convinced that the profusion of cheap high-grade heroin in Victuam was magnifying the national drug crisis in a truly terrifying way.

EVEN THEN, the White House could have recouped. Steele, a loyal Republican. was not about to attack his own President. Mr. Nixon could have extolled the energy and initiative of a freshman congressman and,

in the process, given the impression of forceful prosecution of the problem.

But he did no such thing. At this writing, the President has not even conferred with Steele. Nor has Ehrlichman. Instead, the congressman was shunted off to two young members of Ehrlichman's staff: Egll (Bud) Krogh Jr., 31, Ehrlichman's deputy, and Jeffrey Donfeld, 28, a specialist on drug problems.

Krough and Donfeld greeted Steele's revelations with a posture of boredom and indifference, the hauteur that has made the Ehrlichman staff unloved on Capitol Hill. Donfeld, in particular, confronted Steele in a mood of now, now, my boy, we don't need your advice.

Furthermore, Mr. Nixon tried to minimize the impact of Steele's revelations. At his press conference June 2, the President suggested addiction of Vietnam troops was merely part of the national drug problem — ignoring this harsh fact inherent in Steele's report: soldiers returning home as heroin addicts would never have been introduced to the drug had they not gone to Vietnam.

BOTH THIS position by the President and the coolness of his staff toward Steele stem from their awareness that the Vietnam

heroin story provides powerful propaganda to the antiwar campaign for a precipitous troop pullout from Vietnam and further undermines diminished faith in the nation's armed services. To cope with this, the White House characteristically pretended it did not exist.

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Beyond this, staffers Krogh and Donfeld, having worked night and day on the drug problem, were genuidely irritated by a very junior congressman who had become a 24-hour expert. In so doing, they again betrayed the exasperation of the White House with the legislative branch and its dim realization that Congress exists as a coordinate branch of government.

Within the last few weeks, more politically experienced presidential aides (including counselor Donald Rumsfled, an ex-congressman) stepped in to take a more conciliatory position with Steele. As a result, Steele, though still chilled by his treatment at the White House, has nothing but praise publicly for the President and his comprehensive new program announced yesterday. But in the Republican cloakroom, the real story is well known and once again betrays to all how shockingly little the White House has learned about the trade of polities.

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Strong Indictment

Long after the last American has been withdrawn from Indochina, the United States will still be facing the consequences of its participation in that theater in terms of human misery. Hundreds of thousands of wounded, many with permanently crippling injuries, will remind generations yet unborn of the cost America paid.

Perhaps more destructive, in terms of human lives, are the thousands returning from Indochina with sound limbs but bodies hooked on narcotics. Reports of drug usage by American servicemen serving in Victnam have appeared almost from the beginning of the involvement. But the full extent of addiction on drugs such as heroin has not been revealed until recently.

A report prepared by two congressmen who toured Indochina and prepared their findings on drug usage for the House Foreign Affairs Committee reveals how widespread the problem has become. The study by Rep. Robert Steele of Connecticut and Rep. Morgan F. Murphy of Illinois backs up earlier allegations by the House Armed Services Committee on widespread corruption among Asian officials in drug traffic.

"In Laos, government armed forces

are major wholesalers of opium and heroin and have been directly involved in large scale smuggling activity," the two congressmen reported.

"Reliable sources report that at least two highranking Laotian officials, military and governmental, including the chief of the Loatian general staff, are deeply involved in smuggling activity," they said.

they said. "In Thailand, a former diplomat and member of one of the most respected Thai families is reported to be one of the key figures in the opium, morphine base and heroin operations in that country and throughout Southeast Asia."

South Vietnamese and Laotian Air Force planes are used to move the illicit cargo into South Vietnam, Steele and Murphy charged. They also said there is evidence some of the narcotics are being shipped by diplomatic pouch on Air America, a CIA-backed airline.

Steele estimates as many as 20 percent of Americans in Vietnam have used heroin. If only half the charges made by this latest study are true — and thus far no part of the report has been refuted — it is a damaging indictment of the allies America has paid such a high price to defend in Southeast Asia.

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CONGRESSIONAL RECORD - Extensions of Remarks

June 15, 1971_

tals.

The VA has made plans to provide 30 special units to care for narcotics victims by July 1972, with five units already in operation capable of treating 200 addicts each. Yet those dishonorably discharged prior to the enlightened Pentagon policy still cannot receive VA treatment.

Therefore, I am introdeing today a bill which would authorize the Administrator of Veterans' Affairs to provide care and treatment for ceraain former members of the Armed Forces addicted to narcotic drugs. The "certain" members are those who were discharged dishonorably, because of drug addiction.

I believe it is important for the Armed Forces to assert national leadership in identifying drug abusers, and once recognized, insure that treatment and rehabilitation are available to all who have served their country. This is no less important for those addicts now serving on active duty who are now receiving treatment as it is for those who were treated punitively in being released dishonorably from the Army. Military leadership in handling the drug problem would be a distinct contribution toward the abatement of this national tragedy.

The bill which I am introducing today provides the possibility of treatment for thousands who have been sent home with an addiction which is all too often supported by regular 'criminal activity. It is madness to allow the military to return addicts to civilian life and not provide for their treatment.

OPIUM TRAFFIC IN INDOCHINA

HON. JEROME R. WALDIE OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1971

Mr. WALDIE, Mr. Speaker, I would like to include in the RECORD a news article on the recent testimony of John E. Ingersoll, Director of the Bureau of Narcotics and Dangerous Drugs, before the House Select Committee on Crime during hearings on the importation of opium into the United States. The article was written by Tom Foley and appeared in the Los Angeles Times on June 3.

Mr. Foley's coverage of the proceedings of that day are excellent and describe some of the startling findings we learned on the involvement of the governments and some high officials in many Southeast Asia countries in illegal drug traffic.

I commend this article to the attention of all who have an interest in this subject.

[From the Los Angeles Times, June 3, 1971] ASIAN OFFICIALS PROTECT HEROIN SALE, PANEL

TOLD-THEY MAY PROFIT FROM SUPPLYING DRUGS TO U.S. SOLDIERS, NARCOTICS CHIEF SAYS

(By Thomas J. Foley)

WASHINGTON.-The government's chief narcotics enforcement officer said Wedneschief day that officials of friendly Southeast Asia

ment in Veterans' Administration hospi- have an interest in heroin traffic to American servicemen in Vietnam.

In testimony before the House Crime Committee, John E. Ingersoll, director of the Bureau of Narcotics and Dangerous Drugs, also said Heroin had been unwittingly smuggled into South Vietnam on pirplanes of the CIA-operated Air America.

Committee Chairman Claude Pepper (D-Fla.) and other members urged the Administration to take a stronger stand with foreign friendly governments to force a halt to illicit drug traffic.

These included Turkey and France, which respectively grow and process the overwhelming amount of the oplum smuggled into the United States as heroln,

RIGHT TO ASK AD

"We're committed to risk our own cities in a nuclear war if any French city is attacked by the Communists," Pepper said, "and we have the right not only to ask but to demand that the French take emergency action to help us."

Ingersoll, who recently returned from discussions with Southeast Asia leaders on the heroin problem, said he doubted that any policy-making officials of the countries-Thailand, Laos and South Vietnam-are involved in the illicit drug traffic.

Burma, Thailand and Laos account for about 80 percent of the world's opium production, he said.

But he told newsmen after the hearing that many lower-lever officials, including members of the South Vietnamese Legislature, deal in oplum. He said some legislators have friends in President Nguyen Van Thieu's cabinct.

Ingersoll told the committee that heroin refineries were under control of insurgents in Burma and Thailand but that those in Laos are protected by elements of the royal Laotian armed forces.

RAMPARTS DISCLOSURES

He said that while management and ownership of the Laotian refineries appear to be primarily in the hands of ethanic Chinese citizens of that nation, "some reports suggest" that a senior Laotian air force officer may have an ownership interest in some of the plants.

When Rep. Jerome R. Waldie (D-Calif.) noted that Ramparts magazine had identi-fied the official as Gen. Ouane Rathiquune, Ingersoll replied that "general speculation" concoded this.

Ingersoll denied one contention of the Ramparts article. It maintained that remnants of Chiang Kai-shek's Kuomintang army leit in the area are involved in heroin production and are in the employ of the CIAV for operations on the China mainland.

But Ingersoll conceded that Air America planes had been used in the past for smug-gling heroin-just as regular commercial airliners have been used to smuggle it into the United States.

He told newsmen later that 80 kilograms were seized on an Air America plane at the huge Tan Son Hut Air Base outside Salgon only three or four weeks ago.

During the hearing, Waldie also asked Ingersoil about a Ramparts report that the secret CIA base of Long Cheng, used to sup-port the U.S.-paid Mco tribesmen, was a distribution point for heroin to be shipped into South Vietnam.

Ingersoll said he had not heard of that. However, he later said he had discussed the general illicit drug problem with CIA Direc-tor Richard Helms. He said Helms denied the CIA was involved in any way, and that he believed him.

"The Meo tribesmen arc something else," Ingersoll said, "but I don't blame the CIA for what the tribesmen do."

POOR CIA SECURITY

Waldie said CIA security was apparently

ploy used the base and facilities for the fine traffic." The narcotics chief sought to allay criti-cism by congressmen of U.S. efforts to get the cooperation of the Aslan governments to

crack down on the drug traffic. He said the United States had virtually no leverage over the Burma government, since the last existing aid program is being phased out. The opium-growing area in Thailand is in the hands of insurgents, Ingersoll said, but the Bangkok government is taking steps to try to control it.

He said Laotian officials were "most responsive" even though some high-ranking officials were involved.

VIETNAM SMUGGLING

Ingersoll said the Saigon government had taken several steps to crack down on the smuggling, including a shakeup of its cus-toms officials, an increase in the size of its central police force dealing with the problem and the appointment of a special task force by President Thieu.

He also said he was assigning three additional agents to the Far East and that the Defense Department had placed off limits areas of open heroin dealing.

-----A SYMBOLIC FLAG CEREMONY

HON. FRANK HORTON

OF NEW YORK IN THE HOUSE OF REPRESENTATIVES

- Tuesday, June 15, 1971

Mr. HORTON. Mr. Speaker, during these times, when, on one hand, the patriotism of some of our Nation's finest leaders is questioned; and when, on the other, it is often scorned to be patriotic, we must slop to consider what the flag and patriotism actually mean.

Sunday, in Rochester, N.Y., in my congressional district, I attended a flag ceremony at the Rochester Polish People's Home. It was the first flag raising at the home. I would like to share the ceremony with my colleagues for it vividly made the significance of the flag clear to all who attended.

Mr. Ray Gatz, president of the home, introduced the guests, who represented local, county, State, and Federal legislative bodies, as well as the Polish-American and American Legion Posts.

Officials included Rochester Mayor Stephen May, State Assemblyman Raymond Lill, City Councilman Urban Kress, Monroe County Legislators Nicholas Santaro and Sam Poppick.

County Judge Arthur Curran also attended. Judge Curran was especially aware of the value of the flag. He recently received the flag from \bar{t} he coffin of his son, a marine, who was killed in Japan.

Also present were James O'Grady, commander of the Michalski Post; Joseph Zabuchek, commander of the Pulaski Post; Joseph DeMeis, commander of the Monroe County American Legion Post; and Edmund R. Przysinda, president of Hudson Avenue Area Association.

During the ceremony, I presented a flag which had flown over the Capitol to Mr. Gatz. It was blessed by Father Pictrzykowski and raised by Mr. Gatz. County Commander DeMeis led the Pledge of

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1 5 JUN 1971

Nixon, U.S. Envoys and Top Aides Discuss Curbs

international drug traffic and that some consideration had been given to the possibility of providing more funds to foreign countries to halt or at least diminish the drug supply at its various sources over- by two hours, included Secre-

this morning, are expected to and various memb call for the creation of a new White House staff. government agency or bureau to help fight narcotics with an will unveil this week initial grant of over \$100-mil-lion in Federal funds.

New Directives Expected

There has also been speculation here that Mr. Nixon's an-nouncement would include new directives to the armed forces to deal with the mounting number of servicemen who have become addicted to drugs during their tours of duty in Vietnam. The Senate last week approved an amendment to the draft extension bill that would require the armed forces to identify drug users and to offer them treatment and rehabilitation, and there have been hints that Mr. Nixon would propose similar measures.

The Senate also included a provision that would permit the United States to use its foreign aid program to help countries producing poppies and other narcotic drug sources to sub-sidize alternate crops.

Mr. Ziegler declined to say whether the forthcoming an-nouncement would include new initiatives to restrict the pro-duction of narcotics in nations overseas, but the identity of the participants in this morn-ing's meeting suggested that

Special to The New York TimesMr. Nixon might be preparing
for a series of joint announce-
ments or bilateral programs
with nations where narcotics
are produced or where a
name Dr. Jerome H. Jaffe, di-
rector of the drug abuse pro-
gram in Illinois, to head the
middleman role is played in
gram in Illinois, to head the
the international drug traffic, Mexico; William J. Han-
discussion had concerned the
international drug traffic and
gram failed and Kingdon Gould
jr., Luxembourg, which will Jr., Luxembourg, which will be the site of a forthcoming international conference on

drugs. Government participants in the meeting, which lasted neartary of State William P. Rogers, seas. Mr. Ziegler also disclosed that Mr. Nixon would unveil a "major initiative" later this week, either Wednesday or Thursday, to help deal with the drug problem, which has late-ly become a matter of intense controversy on Capitol Hill. The proposals, which the President outlined to his guets this morning, are expected to Mr. Ziegler also disclosed tary of State William P. Rogers, Attorney General John N. Mitchell, Secretary of the Treas-ury John B. Connally, Jr., and Secretary of Health, Education and Welfare Elliot L. Richard-Helms, Director of Central In-telligence, John Ingersoll, Di-roctor of the Bureau of Nar-cotics and Dangerous Drugs, ury John B. Connally, Jr., and Secretary of Health, Education and Welfare Elliot L. Richardson. Also present were Richard , Helms, Director of Central Inand various members of the

> The program that Mr. Nixon will unveil this week has been the subject of intense private deliberation at the White House for several months. As the issue has gathered political momen-tum on Capitol Hill, however, these deliberations have taken on a new sense of urgency, and Mr. Nixon, through various statements and White House meetings, has gone to some lengths to make his own concern for the problem--which Mr. Ziegler today described as "profound"--a matter of public record.

"He considers it a major problem," Mr. Ziegler said, "which we are moving against."

on Drug Traffic



FLORA LEWIS

noid with fear, suspicion and loathing" is the way he put it to a group of broadcasters convening in the Bahamas.

So it may come as a surprise to the public that Agnew isn't as he poses, a lonely knight on horseback battling single-handed with the fiery dragon of the media. The much broader, much more devastating, much more painful attack is coming from within the news profession itself.

It hasn't made headlines. That privilege has been reserved for Agnew, and he would be right to criticize this sin of omission. But it has become an intense and sometimes stormy battle behind scenes.

TV and radio are somewhat less affected than the press because they depend on federal licensing and therefore are more frightened by sniping from the second-highest U.S. official than by the skirmishing behind the lines. Newspapers are becoming more upset by the argument within the craft. -

AGNEW, EVER QUIXOTIC, tossed a bouquet saying that the United States has "the best, most professional news fraternity in the world," and then he went on to insist that they ought to turn their criticism on themselves "rather than screaming intimidation every time they are criticized by a public official."

The administration's aim, he said, was to get the press to "police itself against excesses that on occasion have been so blatant they have undermined the confidence of the public."

That is exactly what the trouble inside the newsrooms is about. Not only do few believe there is anything but misguided flattery in Agnew's compliment, but many believe it is quite true that it is our own fault that we've been losing trust.

But the insiders' criticism is that the media have far too long and too docilely done what Agnew wants them to do taken officialdom's word without question. To the extent that public confidence has been lost, it is clear in the newsrooms that it is been has been lost, it is clear in the newsrooms

These are the kinds of questions the U.S. media are having to face, mostly from the young reporters who are willing to look about them as well as look at public relations-type handouts.

STATOTHR

They haven't been asked enough yet, or persistently enough. And if what Agnew sees in the responses are indeed signs of "paranoid," it's from having to acknowledge such a bleak record.

that it is because the press has been the sensing toward 1001/08/07 : CIA-RDP80-01601R001000070001-6 men in authority and hasn't poked vigorously enough into
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S 8694

Approved For Release 2001/08/07 : CONGRESSIONAL RECORD — SENATE

June 9, 1971

RESOLUTION NO. 141

Concurrent resolution of the Legislature of the State of New York to memorialize the Congress of the United States to take all necessary steps to persuade the government of Turkey to immediately destroy its optim poppy fields before the 1971 harvest in return for reimbursement to its optim poppy farmers of the damages suffered thereby from funds appropriated for that purpose by the State of New York and the United States Congress

Whereas, Death from an overdose of heroin represents the greatest single cause of death , among the youth of New York City; and

Whereas, All efforts by local, state and federal law enforcement agencies to interdict the smuggling of heroin into the United States and its sale within this state have failed to curb this traffic; and

Whereas, On April 7, 1971, the New York. State Commission of Investigation reported to the governor of this state that "Law enforcement's appreach to this problem has been ineffective. The traffic in heroin has not been curbed. Indeed, it is flourishing"; and

been curbed. Indeed, it is flourishing"; and Whereas, The New York State Legislature has four times in the last twenty years amended the anti-narcotic laws of this state to provide for both more severe and mandatory punishments for heroin traffickers with little effect on the traffic itself; and

Whereas, Despite every effort by New York State to curb the increases in the number of persons addicted to heroin, the number of identified addicts has increased in New York City alone from 52,000 in 1968 to an estimated 103,000 in 1971; and

Whereas, New York State is required to spend over \$100,000.00 annually directly for the care, treatment, rehabilitation and retraining of a small fraction of the narcotic addict population; and

Whereas, The Addiction Services Agency of the City of New York will have spent over \$60 million during the 1970-71 fiscal year to assist 3,500 addicts and would require \$2% billion to treat and care for only 100,000 of the addicts now residing in the City of New York; and

Whereas, There are an estimated 15,000 , narcolics addicts presently receiving welfare assistance from the City of New York at a

direct cost of over \$50 million annually; and Whereas, The major portion of violent and other serious crimes committed in New York City and the other cities of this State results from the tragic need of heroin addicts to obtain funds to pay for the heroin they consume; and Whereas, In 1960, there were 1841 felony

Whereas, In 1960, there were 1841 felony arrests in New York State of persons charged with selling narcotics or possessing narcotics in an amount sufficient to create a presumption of intent to sell and in 1969 there were 18,489 felony arrests in New York State for this same orline, an increase of 1000% and in 1970, in New York City alone, there were 26,799 felony arrests in this category, a 44% increase over the entire state-wide figure for the year previous, so that our law enforcement agencies are being overwhelmed by the sheer numbers of narcotic sellers and addicts being processed through our criminal justice system; and

Whereas, It now appears that the only practical solution to halt the continued flood of heroin into the State of New York is the destruction of the opium poppy at its source; and

Whereas, It would be less expensive and more effective for the State of New York to contribute toward the cost of preventing optum cultivation than to concentrate its resources in treating heroin addicts or combating the huge and profitable traffic in narcotics taking place on the streets of its cities; and

Whereas, Eighty-five percent of all of the heroin sold in the State of New York is re-

fined 'from the sap of the opium poppy (pcpaver somniferum) grown in Turkey; and - Whereas, Opium, unlike other dangerous drugs, cannot be synthetically produced, nor can it be cultivated in any but selected areas within the world; and

Whereas, To date Turkey has falled and neglected to control the diversion of its opium crop to illegal channels; and

Whereas, By the end of 1970, the Turkish government and nation has received in excess of \$5 billion in military and economic assistance from our federal government which monies were raised in substantial part through taxation of the citizens of this state; and

Whereas, The public statements of members of the Turkish Government on the problem of limiting the cultivation of the oplum poppy in Turkey have evidenced an appelling factr of concern about the crisis caused in this state as well as this nation by Turkey's failure to strictly enforce the international treaty binding it to destroy all oplum poppy production not grown for legitimate purposes; and

Whereas, Opium can be harvested only during one twenty-four hour period each year, which period occurs during the last week of June or the first week of July each year; and Whereas, The illegal opium poppy produc-

Whereas, The illegal oplum poppy production in Turkey intended for diversion to the heroin traffic can only be harvested simultaneously and from the same fields as those devoted to the legitimate cultivation of the oplum poppy; and

opium poppy; and Whereas, The world supply of legitimato opium presently in stock is sufficient to satisfy all legitimate needs for the foresceable future; and

Whereas, Eighty-five percent of the heroin supplied to the addicts of this state can be interdicted if all the Turkish opium poppy fields now under cultivation were destroyed prior to the approaching harvest date, which destruction can be accomplished for a fraction of the present cost to this state resulting from the traffic in heroin; now, therefore, be it

Resolved (if the Assembly concur), That the Congress of the United States be and hereby is memorialized to take all necessary steps to persunde the government of Turkey to immediately destroy its oplum poppy fields before the 1971 harvest in return for reimbursement to its oplum poppy farmers of the damages suffered thereby from funds appropriated for that purpose by the State of New York and the United States Congress; and be it further

Resolved (if the Assembly concur), That copies of this resolution be transmitted to the Congress of the United States by forwarding one copy to the Secretary of the Senate and one copy to the Clerk of the House of Representatives, and one copy to each member of the Congress from the State of New York and that the latter be urged to devote themselves to the task of accomplishing the purposes of this resolution.

Mr. HUGHES. Mr. President, will the Senator from New York yield me 2 minutes?

Mr. JAVITCS. I yield.

Mr. HUGHES. Mr. President, I rise in support of the amendment, which I have cosponsored with the Senator from New York. The statements I shall make are not related particularly to the amendment, but to the fact that I do not want the statements I have uttered this afternoon on this floor to imply, either to the Members of this body or to the people of the United States, that we have passed all the legislation that is essential in the field of controlling narcotics addiction and drug dependence in this country.

Twice last year, the Schate cleared a bill or an amendment, once by unanimous vote, which then went to the House of Representatives and was killed. The second time, an amendment was adopted to another bill, went to conference committee, and was ultimately lost.

The field, indeed, is fortile in this country for civilian programs for health, rehabilitation, recovery, and prevention in the fields of narcotics addiction and drug dependence. If statements were inade here today implying that everything has been done that needs to be done, they would be absolutely erroneous, and I know that was not the intent.

It was simply my intent to be sure it is understood that there is much yet to do.

I also want to point out that I attended the Vienna Conference on the Control of Psychotropic Substances. Members of the staff of the subcommittee I chair were there for approximately 3 weeks. Many philosophical differences were represented in the protocol that was eventually adopted. I have great question in my mind to this day about the strength and balance of that protocol or convention. It is my hope that hearings will be held on it prior to the time it is brought up in the Senate for approval.

I simply want to recite that many questions still are unanswered. The Record today should show that.

Mr. JAVITS. I yield myself 1 minute. Mr. President, I think the discussion has borne out the reason why I said what I did—that is, we are not trying, in the same spirit as the amendment dealing with domestic affairs, to meet every situation headon. I hope the amendment will win the support of the Senate, because it is drafted precisely in that sense. I am ready to yield back the remain-

der of my time if Senator STENNIS is. Mr. MANSFIELD, Mr. President, will

the Senator yield me one-half minute? Mr. STENNIS, I yield one-half min-

ute to the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, in the New York Times of last Sunday, an article by Felix Belair, Jr., entitled "CIA Identifies 21 Aslan Optim Refineries," describes in great detail an analysis of the optim refinery operations uncovered ir at least three countries. It is most pertinent to this subject, and I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

C.I.A. IDENTIFIES 21 ASIAN OPTUM REFINERIES (By Felix Belair, Jr.)

WASHINGTON, June 5.-United States intelligence agents have identified at least 21 opium refineries in the border area of Burma, Laos, and Thailand that provides a constant flow of heroin to American troops in South Vistnam.

Operated and protected in Burma and Thalland by insurgent armies and their leaders and in Laos by elements of the royal Laotian armed forces, the refining and distributing have grown until white heroin rated 95 per cent pure is turning up in Pacific coast cities of the Untied States as well as in Salgon.

The Burma-Laos-Thailand border area,



By Irwin Silber - 7

The U.S. Army is many things: an instrument for colonial war, the military extension of American foreign policy, a force for suppressing domestic unrest, a power base for the military elite.

But the several million soldiers, sailors, airmen and marines—and most especially those on duty in Southeast Asia—also comprise another unit of always inordinate interest to American capitalism: a market.

The GI marketplace has long been one of the most lucrative for thousands of enterprising businessmen who are earning fabulous profits on a great variety of products and services ranging from transistor radios and popular records to comic books and love beads.

One of the most profitable deals going in Southeast Asia these days is the marketing of hard drugs-mostly 95% pure heroin-to American GIs. The drug trade has become so big recently that a special congressional investigating committee just returned from Vietnam says, "The problem has reached epidemic proportions." What's an "epidemic?" Conservative estimates con-

What's an "epidemic?" Conservative estimates coacede that 10 to 15 per cent of all American enlisted men in Vietnam regularly use "scag," the popular term for heroin. With some 250,000 GIs still in Vietnam, this averages out to a minimum of 25,000 men. But the "experts"-the specialists in narcotics addiction and drug rehabilitation-assert that the actual figures are much higher. Some of these experts, defying Pentagon pressure to minimize the problem, estimate that some 60,000 American GIs in Vietnam, mostly draftees, are heroin addicts. Various surveys have shown that some field units have a 50% rate of "scag" users.

But it's dollars that tell the real story. The average



price for the unadulterated heroin most common in Vietnam is \$3 a "hit." Many GIs are getting five and six "fixes" a day, but using the most conservative figures, it all adds up to the fact that GI heroin addiction in Vietnam is at least a \$50,000 per day -\$20 million per year-operation. The Army admits to more than 100 deaths from overdoses in 1970. The 1971 rate is already higher, with 35 OD's reported for the first two months alone. These figures do not include what the Pentagon cuphemistically calls "drug-related" fatalities.

The extent of drug addiction in Vietnam has been an open secret for several years. Songs and jokes about the use of marijuana began to crop as early as 1965. It is generally agreed that anywhere from 80 to 90 per cent of American enlisted men in Vietnam had access to and used "grass" with some degree of regularity.

But the switch to the "hard" stuff a couple of years ago has changed the name of the game. Now some 20,000 heroin addicts are being discharged from the armed forces every year. They are returning to civilian life with an expensive and deadly habit. Add to the ex-GU's addiction his familiarity with weapons—and probably a somewhat easier access to them—and it is not difficult to see how this would have an impact on the growth of drug-related crime back home.

Undoubtedly it is this new social fact of tens of thousands of newly made addicts returning to civilian society that has led to congressional concern. But on looking into the situation, various representatives and senators have discovered what GIs and antiwar activists have known for some time. The drug traffic in Southeast Asia is big business. It's organized. It is run by people in the highest echelons of the puppet governments of South Vietnam, Laos and Thailand. And the U.S. military machine itself is, at the least, an active accomplice in the entire operation.

A special subcommittee of the House Foreign Affeirs Committee, headed by Rep. Robert H. Steele (R-Conn.), has concluded that the beroin traffic is protected and in some cases directed—by government and military figures at the highest official levels in Southeast Asia. Among them is the chief of the (Royal) Laotian general staff. High-ranking South Vietnamese officials, both mentbers of the National Assembly and military figures, are also deeply involved.

Vientiane, the administrative capital of the puppet Laotian regime, is apparently the center for heroin production. Utilizing an extensive network of the Saigon regime's customs officials, and with the tacit agreement of people high in the American diplomatic corps, the drug is "smuggled" into Saigon in prodigious quantities. (The word "smuggled" is used advisedly, since until the recent publicity, the traffic was so open that known dealers were personally escorted through immigration by top customs officials.) The key official in the operation is Tran Thien Khoi, chief of the National Customs Investigation Division and a brother of Premier Tran Thien Khiem.

The heroin comes into Saigon by commercial aircraft and also by South Vietnamese and Laotian Air Force planes. Air America, a "special" airline financed by the CiA, has also been utilized as a means of transporting the drug.

Approved For Release 2001/08/07 : CIA-RDP80-01601R00100

SPOKANE, VASH. CHRONICLE E - 70, 410 E - 70, 410

Dirtv

The spotlight has finally turned to the of fum trade of Southeast Asia. Fcr years th emphasis has been on the role of Turkey a the supplier of most of the narcotics reaching the United States. Now the use of opium-de rived narcotics by American troops serving in Victnam has reached scandalous proportions. The Central Intelligence Agency has at last made disclosures of the scope and extent of the disreputable trade that is undermining the vitality and morale of many of our troops.

It would be an easy conclusion that the Communist enemy is encouraging the opium trade for the bad effect it will inevitably bave on our military strength. This may be on unduly complex interpretation. Quite likely it is simple greed on the part of nonpolitical Asians who have exploited the new market created by the presence of many wellpaid Americans in Vietnam. Had the enemy planned it that way, it could not have been more effective for their purposes.

The whole miscrable affair may be charged up as one more item on the long list of bad effects that we have suffered by reason of our prolonged military presence in-Southeast Asia.

Summary: Now that the facts are acknowledged, we have one more urgent reason for early withdrawal from the Asian war.

TUE STATOTH Approved For Release 2001/08/07 : CIA-RDP80-01601R0



EXHAUSTED G.I.S AFTER COMBAT MISSION

New Withdrawal Costs

WiTH the horror of a nightmare, the U.S. is discovering that getting out of Viet Nam has a price that it did not anticipate. One longtime supporter of the American cause--sympathetic enough so that President Nixon granted him a lengthy private interview only last February-is Peregrine Worsthorne, columnist and assistant editor of London's Sunday Telegraph. Now, Worsthorne argues, the U.S. presence in Viet Nam "may have become more a curse than a blessing, may now actually be doing the cause of South Viet Nam's independence more harm than good." The problem, says Worsthorne, is that American troops---once necessary to inspirit the laggard South Vietnamese-have become dangerously demoralized. "Drug-saturated, mutinous, defeatist, incompetent, they constitute more of a threat to the South Victnamese than do the Viet Cong," he contends.

Ominous Mutant. Worsthorne's brutal · · · language is plainly exaggerated, but he has properly pointed to an ominous new mutant of the American tragedy in Viet Nam. The most melancholy statistics to come out of the war are, of course, the casualty figures of dead and wounded. Yet there is another, subtler casualty list that will haunt American society even after the last G.I. has left Viet Nam-the troops who became addicted to heroin while serving in South-east Asia. The number is staggering: between 10% and 15% of U.S. troops in Viet Nam have developed a heroin habit. That represents from 26,000 to 39,000 Americans hooked. Some estimates are even higher-20% or more, which means upwards of 50,000 G.I. adnesty-rehabilitation program since the first of the year.

These figures are not the work of antiwar propagandists. They were brought back by retiring Army Secretary Stanley Resor from a recent visit to Viet Nam, and repeated last week in a study conducted for the House Foreign Affairs Committee by Connecticut Republican Robert H. Steele. Steele made this chilling observation: "The soldier going to South Viet Nam today runs a far greater risk of becoming a heroin addict than a combat casualty." In all seriousness, he recommended that the President order all Americans home unless the governments of South Viet Nam, Laos and Thailand put an end to the traffic in illegal drugs. Corruption is so in-grained in Viet Nam, however, that stamping out the heroin trade would be a monumental task (see THE WORLD).

One reason for widespread G.I. addiction is the high quality of the "No. 4" crystalline white heroin distributed in Vict Nam. In the U.S., where most heroin is diluted with milk sugar or quinine to 5% strength or less, the drug is usually mainlined with a needle, a process that not only is unpleasant but also carries a considerable social taboo. In Vict Nam, by contrast, the heroin is so pure-95% or better---that it can be smoked with an equally powerful effect. Many G.I.s long since caught up in the pervasive marijuana culture have fallen prey to the myth that heroin is not addictive if smoked. Now a joint of heroin is passed around a group of soldiers in exactly the same manner as a joint of marijuana.

Off Limits. Under pressure from the U.S., the Saigon government is trying to curb the narcotics traffic and other smuggling. Several arrests were made dicts. Only a small nuApproved For Release 200 1/08/07: CARDP 80-04601 Rep 100007000108 sions of drug ad-have enrolled in the Army's drug-am- America, an airline that operates wide- diction among American troops offer ly out of Laos and is often used by the CIA, were fired for carrying narcotics



into Viet Nam. The U.S. command declared all Vietnamese drugstores off limits to U.S. servicemen in order to discourage the buying of amphetamines and barbiturates. The Army followed suit by banning troops from bars, hotels and other businesses where drugs are known to be sold. But such measures have no effect on the thousands of other outlets, where most of the heroin is bought. A member of TIME's Saigon bureau asked a pedicab driver outside the U.S.O. club for "skag." After perfunctory hesitation ("You cop?"), the driver took the correspondent to a heroin source ten minutes away.

Palliative. No one can reckon the moral and emotional coin that the U.S. must eventually expend for the war in Viet Nam. General Creighton Abrams, the U.S. commander in Viet Nam, felt it necessary last week to warn against any form of "laxity" among the remaining G.I.s as the American pullout continues. Said Abrams: "It requires a herculean effort to keep alertness up." President Nixon acknowledges that heroin addiction in the military has become a serious problem; he is about to announce an ambitious federal program to combat the narcotics crisis through a new Government agency. It would confront the national drug problem generally, and would have specific authority to take over all cases of addiction in the armed forces and among veterans who became hooked while in uniform. That is at least a palliative gesture. Still, the President has often cautioned his countrymen against the hazards of a premature American withdrawal from one more heart-rending reason why the

U.S. should get out as rapidly as possible.

NEW 2012 FILE

Approved For Release 2001/08/07 77 CIA-RDP80-0160 STATOTHR

C. I. A. Identifies 21 Asian Opium Kennerics

By FELIX BELAIR Jr. Speelal to The New York Times WASHINGTON, June 5-

States intelligence United agents have identified at least 21 opium refineries in the horder area of Burma, Laos, and Thailand that provide a con-stant flow of heroin to American troops in South Vietnam.

Operated and protected in Burma and Thailand by insurgent armies and their leaders and in Laos by clements of the roval Laotian armed forces, the royal Laotan armed forces, the refining and distributing have grown until white heroin rated 90 per cent pure is turning up in Pacific coast cities of the United States as well as in Seigon Saigon.

large and relatively affluent market in South Vietnam." G"Most of the narcotics buy-ers in the tri-border area are thnic Chinese who pool their purchases, but no large syndi-cate appears to be involved. The opium, morphine base and heroin purchased in this area eventually finds its way to Bangkok, Vientiane and Luang

from northeast Burma Thailand was smuggled into Asia is growing in importance Bangkok and sent from there as a producer of heroin."



Prabang, where additional pro-cessing may take place before delivery to Saigon, Hong Kong and other international mar-kets." kets." Idicating that heroin traffic be opium into refined opium, mor-dicating that heroin traffic be opium into refined opium, mor-a "considerable quantity" of tween Southeast Asia and the phine base and heroin. Taw opium and morphine base United States may also be in-

and creasing suggest that Southeast

U.S. Policy Criticized Shan, Wa and Kokang area is STATOTHR This growth has been aided, picked by caravans that are put according to one Congressional logether by the major insurgent according to one Congressional together by the major histigent authority, by the lack—until re-leaders in these areas," the cently—of a firm United States C.I.A. study said. "The cara-policy on heroin in Southeast vans, which can include up to Asia. The United States—which 600 horses and donkeys and provides billions of dollars in 300 to 400 men, take the opium provides billions of dollars in 300 to 400 men, take the oplum military and economic foreign on the southeasterly journey to aid to Laos, Thailand and Cam-the processing plants that lie bodia—has directed its efforts along the Mekong River in the intercepting the traffic at the Tachilek-Mae Sai, Thailand-Ban Saigon end of the line rather than to stamping out produc-tion at the source, Representa-tive Robert M. Steele, Republic can of Connecticut, said today. A metric ton is about 2,200 Mr. Steele is the principal pounds.

author of a recent report esti-

7 Important Refineries mating the numbers of heroin addicts among American serv-icemen in South Vietnam at were described in the report as

to Hong Kong in fishing travel-ers from Jan. 1 to May 1. Capproved For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6

Approved For Release 2001/08/07 : CIA-RDP80-0

RASILLNGTON -STAR

GIS Heroin Travels Lo STATOTHR

Route

By TAMMY ARBUCKLE Special to The Star

MANY GROUPS PROFIT

VIENTIANE, Laos - The . herein r c a c h i n g American troops in Vietnam gets there by way of many countries and collitical groupings, Commu-nist and non-Communist.

Laotian military leaders have been accused of being deeply involved in the drug traffic, but a c c o r d i ng to sources here, so are China, North Vielnam and the Viet Cong.

And while opium grown in government-controlled areas of Laos is the source of some of the heroin that gets to Vietnam and perhaps even to the United States, source here said much of the opium is grown in sections of northern Laos controlled by Communist forces.

Burmese Source

Another major source is the Shan State area of northeast Burma which is controlled by Shan rebels aided by the remnants of Chinese Nationalist troops who have been there since the days of World War п.

The role of the Lao generals, sources said, primarily is to oversee the transport of opium and heroin. Relatively little tured under their control.

Sources offered some statistics to showthat government controlled areas of Laos were not a primary source of heroin.

All of Laos, they said, is capable of producing 170 tons of opium yearly. Communist-controlled areas of northern Laos, they said, produce 120 tons of this, including choic-est quality of opium that comes from pro-Communist Mco poppy growers in Sam Neua Province. Opium from Sam Neua is said to bring twice the price of opium grown by pro-government Meo tribesmen in governmentcontrolled areas of Laos.

A CARACTER AND A CARACTER

400-paned Yield

Sources said the crop from the Communist-controlled area results in about 400 pounds of beroin annually, and that vir-tually all of this goes to Vietnam.

Of the 50 tons a year grown in government areas, some 20 tons is used in Loos itself, where opium smoking is legal, The other 30 tons is said to get processed into heroin for shipment to South Vietnam.

Vientiane has 79 licensed orium dens and about 200 unlicensed, according to police.

Most dens are run by opium addicts who pay for their own addiction with their profits. A pipe of opium in Vientiane costs 10 cents and addicts need

about 100 pipes daily. Smokers also receive licenses which cost \$1,00 for a three-month period and specify the amount of the drug needed.

Heroin licenses are also available, but the demand is almost non-existent, police said.

From here on information gets still hazier. Do the Lao process opium to heroin or is it all done in Shan State and do the Lao then transport the heroin to the outside world? Or do the Lao transport only black, (unrefined opium and is it then processed in Saigon?

The answer seems to be a

ine answer seems to be a bit of everything. "After all," said one U.S. official, \$2,000 and a Chinese chemist and you're in the her-oin processing business."

Answers are obfuscated further by sources close to the opium trade. They will talk

about past practices, but not about today's. And too many questions can get a person killed in Laos where, outside the major cities, the gun is the law.

Some opium in its black or unrefined state has been flown by Lao aircraft to Saigon.

Either heroin or morphine bases were, or still are, being manufactured in Laotian sawmills. Some likely locations for some of these "factories" include a sawmill north of Ban Houei Sai near the Burma-Thai border. Another is about 8 miles south of the royal capital of Luang Prabang. A third is in the town of Sayaboury, just off the main street.

One other is somewhere in Vientiane province, either in a sawmill just south of the village of Houay Khona or per-haps just below Phou Khao Kwai mountain ridge 35 miles

Most of the poppy juice which concerns the Lao military is grown on the slopes of a series of valleys in the north-ern portion of Burmas' Shan state and parts of Chinas' Yuunan Province.

These growers are Shans in rebellion against the Burmese government of Gen. Ne Win. The valleys reportedly are guarded by .50 caliber ma-

chine guns against low-flying snooper aircraft.

The mechanics of the trade are complex and involve Shans, Chinese, Haw tribes, Nationalist Chinese (two separate groups of these, Thais, Laos (both Communists and non-Communists), Yau tribes and various other people.

Perhaps a simplified version of the "opium war of 1957" gives some idea of the complexities.

This war started over an opium caravan guarded by 200 Haw tribesmen, fierce fighters who make their living as op-ium guards when not indulging in their favorite pastime of killing Yao tribespeople.

This particular caravan of tiny Asian horses carrying opium was supposed to pay a tax for a right of way to remnants of the Nationalist Chinese 93rd Army left from World War II days.

The caravan was to travel from the tri-border area where China Laes and Burma jein, down the Burma side of the Laos-Burma border as far as the Thai-Laos-Burma border with the tax collected at the halfway point.

One opportunistic Nationalist Chinese general decided to double the fax. This angered the Haws and Shans who de-

cided to cross into Laos to escape the Chinese,

Lao Attack

The Lao National Army was overjoyed and promptly attacked the caravan, copturing 45 bags of black opium.

The tough Haws, however, were not to be outdone. They captured a sawmill north of Ban Houei Sai belonging to Gen. Quane Rattikhoune, where more poppy juice was stored.

Gen. Quane retaliated by calling out Lao Air Force dive bombers which flattened the sawmill and quite a few Haws.

The Chinese tax collectors, meanwhile, also crossed into Laos to attack the Haws. The Thais, who were supposed to receive the caravan in turn, attacked the Lao and the Chinese.

The war ended only when all parties concerned met to solve the tax problem.

Ban Houei Sai, the old French Fort Carnot on the Lao-Thair border in northwest Laos, long has been an opium caravan terminus.

Here the opium is packaged in its black state into blocks and stamped with a brand name — "pig" brand and "hen" brand are two top quality names.

From there some is transported via Thailand to Bangkok and the outside world.

Much of it is shipped in Royal Lao Air Force transports to Saigon.

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editorials

Strong indictment

Long after the last American has been withdrawn from Indochina, the United States will still be facing the conse-quences of its participation in that theater in terms of human misery. Hundreds of thousands of wounded, many with per-manently crippling injuries, will remind generations yet un-born of the cost America paid. Perhaps more destructive, in terms of human lives, are the thousands returning from Indochina with sound limbs but bodies hooked on narcotics. Reports of drug usage by American servicemen serving in Vietnam have appeared al-most from the beginning of the involvement. But the full ex-

most from the beginning of the involvement. But the full extent of addiction on drugs such as heroin has not been revealed until recently.

A report prepared by two congressmen who toured Indo-china and prepared their findings on drug usage for the House Foreign Affairs Committee reveals how widespread the problem has become. The study by Rep. Robert Steele of Connecticut and Rep. Morgan F. Murphy of Illinois backs up earlier allegations by the House Armed Services Commit-tee on widespread corruption among Asian officials in drugtraffic.

"In Laos, government armed forces are major wholesalers of opium and heroin and have been directly involved in large scale smuggling activity," the two congressmen reported.

"Reliable sources report that at least two highranking Laotian officials, military and governmental, including the chief of the Laotian general staff, are deeply involved in smuggling activity," they said. "In Thailand, a former diplomat and member of one of the most respected Thai families is reported to be one of the key firmer in the column morphine and herein experiations

the key figures in the opium, morphine and heroin operations in that country and throughout Southeast Asia." South Vietnamese and Laotian Air Force planes are

used to move the illicit cargo into South Vietnam, Steele and Murphy charged. They also said there is evidence some of the narcotics are being shipped by diplomatic pouch on Air America, a CIA-backed airline.

Steele estimates as many as 20 per cent of Americans in Vietnam have used heroin. If only half the charges made by this latest study are true-and thus far no part of the report has been refuted-it is a damaging indictment of the allies American has paid such a high price to defend in Southeast Asia.

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LOS ANGELES TIMES Approved For Release 2001/08/07 : CIA-RDP80-01601R00 3 JUN 1971

Asian Officials Protect Heroin Sale, Panel Told They May Profit From Supplying Drugs to U.S. Soldiers, Narcotics Chief Says

BY THOMAS J. FOLEY Timos Staff Writer

WASHINGTON - The government's chief narcotics enforcement officer said Wednesday that offi-cials of friendly Southeast Asjan governments are protecting and may even have an interest in heroiu traffic to American servicemen in Vietnam. In testimony before the House Crime Committee, John E. Ingersoll, director of the Bureau of Narcotics and Dangerous Drugs, also. said heroin had been unwittingly smuggled into South Vietnam on airplanes of the CLA-operated Air America.

Committee Chairman Claude Pepper (D-Fla.) and other members urged the Administration to take a stronger stand with foreign friendly governments to force a halt to illicit drug traffic.

These included Turkey and France, which respec-tively grow and process the overwhelming amount of the opium smuggled into the United States as heroin.

; Right to Ask Aid

"We're committed to risk our own cities in a nuclear war if any French city is attacked by the Communists," Pepper said, "and we have the right not only to ask but to demand that the French take emergency action to help us."

; Ingersoll, who recently returned from discussions with Southeast Asia leaders on the heroin problem, said he doubted that any policy-making officials of the countries -- Thailand, Laos and South Vietnam -are involved in the illicit drug traffic.

\$0% of the world's opium production, he said.



John E. Ingersoll (A Wirepholo

But he told newsmen after the hearing that many lower-lavel officials, in-cluding members of the Bouth Vietnamese Legislature, deal in opium. He said some ingislators have ftiends in President Nguy-on Van Thieu's cabinet.

Ingersell told the committee that heroin refineriez were under control of insurgents in Burma and Thailand but that those in Laos "are protected by elements of the royal Laotian firmsd forces."

Ramports Disclosures

He said that while management and ownership of the Laotian refineries appear to be primarily in the hands of ethnic Chinese citizens of that nation, "some reports sug-gest" that a senior Laotian air force officer may have an ownership interest in some of the plants.

When Rep. Jerome R./ Waldie (D.Calif.) noted that Ramparts magazine had identified the official Burma, Thailand and as Gen. Ouane Rathi- leverage over the Burma Laos account for Approved For, Release 2009/08/07 gclAvRDR86-01601601800070001-6 that "general speculation" **c**onceded this.

Ingersoll denied one contention of the Ramparts article. It maintained that remnants of Chiang Kai-shek's Kuom-intang army left in the area are involved in heroin production and are in the employ of the CIA for operations on the China mainland.

But Ingersoll conceded that Air America planes had been used in the past for smuggling heroinjust as regular commercial airliners have been used to smuggle it into the United States.

He told newsmen later that 80 kilograms were seized on an Air America plane at the huge Tan Son Hut Air Base outside Saigon only three or four weeks ago.

During the hearing, Waldie also asked Ingersoll about a Ramparts report that the secret CIA base of Long Cheng, used to support the U.S.-paid Meo tribesmen, was a dis-tribution point for heroin to be shipped into South Vietnam.

Ingersoll said he had not heard of that. However, he later said he had discussed the general illicit drug problem with CIA Director Richard Helms. He (said Helms denied the CIA was involved in any way, and that he believed him.

"The Mco tribesmen are something else," Ingersolfsaid, "but I don't blame the CIA for what the tribesmen do."

Foor CIA Security

Waldie said CIA securily was apparently "abysmally poor, since those in the CIA employ used the base and facilities for the illicit traffic."

The narcotics chief sought to allay criticism by congressmen of U.S. efforts to get the cooperation of the Asian governments to crack down on the drug traffic.

He said the United States had virtually no

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ing phased out. The opium-growing area in Thailand is in the hands of insurgents, Ingersoll said, but the Bangkok government is taking steps to try to control it.

He said Laotian officials were "most responsive" even though some highranking officials were involved

Vietnam Smuggling

Ingersoll said the Saigon government had taken several steps to crack down on the smuggling, including a shakeup of its customs officials, an in-crease in the size of its central police force dealing with the problem and the appointment of a special task force by President Thieu.

He also said he was assigning three additional agents to the Far East and that the Defense Department had placed off limits areas of open heroin deal-



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existing aid program is be-

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U.S. Moves Against Asia Drug Trade

Reuter

In the wake of a presidential press conference pledge of "highest priority attention" to drug problems, a federal narcotics official told the House yesterday that measures were under consideration for stoffping traffic at the source in Asia. John E. Ingersoll, director of the Bureau of Narcotles and Dangerous Drugs, told the Rouse Select Committee on Crime that proposals under study include strengthening Thailand's ability to controthe rising flow from there, Ingersoll, recently returned

from Southeast Asia, was asked whether pressure could be put on Laos to restrain optum traffic. "I can report to you that

"I can report to you that pressure is being put on," ha replied. He confirmed reports that the drug traffic in Laos is protected by elements of the royal Laotian forces. Questioned about reports

Questioned about reports that Air America, a CIA-financed airline in Laos, has been used to transport oplum, Ingersoll said "in the past; Air America planes have been used unvittingly just as TWA has been used unwittingly to smuggle drugs into the United States.

"But I can say it has not been the policy of the management to provide transport," he added.

June 2, 19Approved For Releases 2001/08/07 CCIA-RDP 80-01601R00/1000070001-6

The objective of the new policy is to induce foreign concerns to take the Antidumping Act into account *before* they engage insales to the United States.

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The 25 Percent Rule

The Antidumping Act provides that in normal situations fair value shall be determined by comparing the ex factory home market price of the merchandise under investigation with the ex factory price at which the merchandise is sold in the United States. If the price in the United States is less than the home market price, then there are "sales at less than fair value" within the meaning of the statute.

The Act also states that in situations where the quantity of merchandise sold in the home market is so small in relation to the quantity sold for exportation to countries other than the United States as to form an inadequate basis for comparison, then third country price should be used as the basis for comparison.

The Antidumping Regulations provide that generally for purposes of determining what constitutes an "inadequate basis of comparison" for fair value purposes, home market sales will be considered to be inadequate if less than 25 percent of the non-U.S. sales of the merchandisc are sold in the home market.

The selection of home market or third country price for fair value comparison can easily be crucial to the results of antidumping investigations, for frequently home market price tends to be higher than third country price. This is particularly true where merchandise is sold in a protected home market and, when sold in third countries, is exposed to the vagaries of world competition.

It has been Treasury's experience that cases arise where sales in the home marketare adequate as a basis for fair value comparison, even though less than 25 percent of the non-U.S. sales are sold in the home market. From a technical standpoint, the existing regulations provide for this situation, since the 25 percent rule is introduced by the adverb "Generally." Examination of the precedents, however, revealed that the Treasury has not, in recent years at least, made an exception in applying the 25 percent rule.

an exception in applying the 25 percent rule. This left the Treasury with two alternatives. It could have ignored the previous interpretations of the Antidumping Regulations which had, in effect, applied the regulations which had, in effect, applied the regulations as if the word "Generally" were not there, or it coud propose a change in the Antidumping Regulations to eliminate the 25 percent rule. We chose the latter course. The proposal was published in the Federal Register of April 27, and is currently open for comment by interested persons. Any comments received will be carefully considered before we take final action on this proposal.

A LOOK INTO THE FUTURE

In my judgment, we have only come to the end of the beginning of the rejuvenation process. But, I believe we have made a solid start.

Let me take a final brief moment to touch upon what I see happening in the future. We have taken steps to initiate a fresh examination of the Trensury's antidumping procedures and regulations to see what more can be done. The regulations were substantially revised in mid-1968 after a broad review, with the dual objectives of conforming the Treasury's procedures to the requirements of the International Anti-Dumping Code, and also of having the regulations implement in clear and precise language the objectives of the Antidumping Act. With almost three additional years of experience under the regulations, as then revised, it is now appropriate to stop and take a new look to see whether additional chauges may be appropriate. A Notice of Proposed Rule Making to this effect was published in the Federal Register of April 13, 1971. Sixty days are being allowed for the submission of comments. I would assume that many persons present here today—if you are not already aware of the Treasury's invitation to submit comments—may wish to do so.

Let me emphasize that the Treasury Department continues, as always, to adhere to its policy of equitable administration of the Antiduuping Act. With the increased personnel assigned to this field and modernized procedures and policies, we shall speed up antidumping investigations, thereby making administration of the law more effective—all this without sacrificing equity.

Let me also emphasize that the Treasury Department and the Administration are strongly opposed to having the Antidumping Act transformed into an instrument of protectionism. On the other hand, we are equally strongly opposed to allowing foreign firms to injure U.S. industry by unfair price discrimination. It is with the latter objective in mind that the Treasury Department introduced the changes in the administration of the Antidumping law, which I have discussed with you today. To the extent that we succeed in our objective, the Treasury's rejuvenation of the Antidumping Act will become an increasingly important influence in favor of a freer international trade policy.

In favor of a free international trade policy. In conclusion, I would like to repeat a statement made by Secretary Connally on May 17 before the Subcommittee on International Trade of the Senate Committee on Finance:

"The efforts to foster increased competitiveness in our economy must be actively pursued in the context of fair and liberal trading arrangements."

RAMPARTS MAGAZINE MISREPRE-SENTS ROLE OF CENTRAL INTEL-LIGENCE AGENCY IN FIGHTING AGAINST IMPORTATION OF DAN-GEROUS DRUGS

HON. CHARLES S. GUBSER OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES Wednesday, June 2, 1971

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Mr. CUBSER. Mr. Speaker, recently Ramparts magazine published an article which, like so many other articles which appear in new left publications, attempted to discredit established agencies of the Government, including the Central Intelligence Agency. Unfortunately, the Stanford Daily, the newspaper published by students at Stanford University, saw fit-to lend credibility to this article by reprinting it.

A tearsheet from the Stanford Daily was sent to me by a constituent and I submitted it to the Eureau of Narcotics and Dangerous Drugs with a request for comment. Under date of May 27 I received a reply from Mr. John E. Ingersoll, \checkmark director of the Eureau of Narcotics and Dangerous Drugs. His letter should be brought to the attention of all responsible Members of Congress and the press since it certainly contradicts the implications contained in the Ramparts magazine article. Mr. Ingersoll's response follows: Hon. CHARLES S. GUESER

U.S. House of Representatives Washington, D.C.

DEAR CONGRESSMAN GUBSER: This is in response to your letter of May 21, 1971, which enclosed a tearsheet from the "Standard Daily" (a publication of Stanford University) of the article entitled, "The New Opium War," as reprinted from "Ramparts Magagine."

Charges made in the article appear to be a part of a continuing effort to discredit agencies of the U.S. Government, such as the U.S. Military, the FBI, the CIA, and the Department of State, all of which are, in point of fact, working actively with the Bureau of Narcotics and Dangerous Drugs (BNDD) in our worldwide effort to curtail international drug traffic.

Actually, CIA has for sometime been this' Eureau's strongest partner in identifying foreign sources and routes of illegal trade in narcotics. Their help has included both direct support in intelligence collection, as well as in intelligence analysis and production. Liaison between our two agencies is close and constant in matters of mutual interest. Much of the progress we are now making in identifying overseas narcotics traffic can, in fact, be attributed to CIA cooperation.

In Burma, Leos, and Thailand, opium is produced by tribal peoples, some of whom lead a marginal existence beyond the political reach of their national governments. Since the 1950's, this Southeast Asian area has become a massive producer of illicit opium and is the source of 500 to 700 metric tons annually, which is about half of the world's illegal supply. Up to now, however, less than ten percent of the heroin entering the United States comes from Far Eastern preduction,

The dimensions of the drug problem and the absence of any strong political base for control purposes has been a dilemma for United Nations optium control bodies operating in Southeast Asia for many years, Drug traffic, use, and addiction appears to have become accepted as a fact of life in this area and, on the whole, public attitudes are not conducive to change.

The U.S. Government has been concerned that Southeast Asia could become the major source of illicit nureotics for U.S. addicts after the Turkish production is brought under control. The Bureau of Narcotics and Dangerous Drugs, with the help of GIA, DOD, and the Department of State, has been working to define and characterize the problem so that suitable programs to suppress the illicit traffic and eliminate illegal opium production, such as the proposed United Nations pilot project in Thailand, can be implemented.

It is probable that opium production in Southeast Asia will be brought under effective control only with further political development in these countries. Nevertheless, in consideration of U.S. Military personnel in the area, as well as the possibility that opium from this area may become a source for domestic consumption, concerned U.S. Agencies, including CIA, Bureau of Customs, DoD, and State, are cooperating with BNDD to work out programs to meet the immediate problem as well as provide longer term solutions.

Since the subject matter of your letter concerns CIA, I have taken the liberty of furnishing a copy along with my reply to Director Richard Helms. Sincerely.

JOHN E. INGERSOLL, Director.

As an enclosure to his letter, Mr. Ingersoll included a paper entitled "Recent Trends in the Illicit Narcotics Market in Southeast Asia." This should also be of interest to every person who is concerned about this problem and I therefore include the text herewith:

RECENT TRENDS IN THE ILLICIT NARCOTICS MARKET IN SOUTHEAST ASTA

1. The reported increasing incidence of heroin addiction among U.S. servicemen in Vietnam and recent intelligence indicating that heroin traffic between Southeast Asia Approved For Release 2001/08/07 : CIA-RDP80-01601R0

AUGUSTA, ME. • KENNEBEC JOURNAL M - 15,952

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Strong indictment

Long after the last American has been withdrawn from Indochina, the United States will still be facing the consequences of its participation in that theater in terms of human misery. Hundreds of thousands of wounded, many with permanently crippling injuries, will remind generations yet unborn of the cost America paid.

Perhaps more destructive, in terms of human lives, are the thousands returning from Indochina with sound limbs but bodies hooked on narcotics. Reports of drug usage by American servicemen serving in Vietnam have appeared almost from the beginning of the involvement. But the full extent of addiction on drugs such as heroin has not been revealed until recently.

A report prepared by two congressmen who toured Indochina and prepared their findings on drug usage for the House Foreign Affairs C o m m it tee reveals how widespread the problem has become. The study by Rep. Robert Steele of Connecticut and Rep. Morgan F. Murphy of Illinois backs up earlier allegations by the House A r m e d Services Committee on widespread corruption among Asian officials in drug traffic.

"In Laos, government armed forces

are major wholesalers of opium and heroin and have been directly involved in largescale smuggling activity," the two congressmen reported.

"Reliable sources report that at least two highranking Laotian officials, military and governmental, including the chief of the Laotian general staff, are deeply involved in smuggling activity," they said.

"In Thailand, a former diplemat and member of one of the most respected Thai families is reported to be one of the key figures in the opium, morphine base and heroin operations in that country and throughout Southeast Asia."

South Vietnamese and Laotian Air Force planes are used to move the illicit cargo into South Vietnam, Steele and Murphy charged. They also said there is evidence some of the narcotics are being shipped by diplomatic pouch on Air America, a CIA-backed airline.

rt Steele estimates as many as 20 per en cent of Americans in Vietnam have used er heroin. If only half the charges made d by this latest study are true — and thus far no part of the report has been refuted — it is a damaging indictment of the allies America has paid such es a high price to defend in Southeast Asia.

DAILY WORLD Approved For Release 2091/08/071:901A-RDP80-0160

Drugs in Vietnam cifed in plea for end to draft

By TIM WHEELER - Daily World Washington Bureau

WASHINGTON. June 1-Leaders of the movement to dump the military draft have declared that 40.000 heroin addicted GI's in Vietnam should convince the U.S. Senate to let conscription die on June 30.

Their statement was a reaction to a report last week by two congressmen that 30-40,000 U.S. GIs in Vietnam have been hooked on heroin.

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Chris Sayer, organizer of a nationsvide citizen lobby to back Senate efforts to repeal the draft, declared, "The fact is, the draft it is shipped to the U.S." he takes people against their will. It exposes them to a double danger. They are 50 percent of the casualties and 65 percent of the army deaths are draftees. It is a clear and present danger."

And now, he added, there is the danger of drugs.

He said the authorities in sounding the alarm about heroin addiction have talked only about Turkey and Marseilles.

"But the vast bulk of the heroin is produced in Laos and then processed in South Vietnam and Singapore and Hong Kong before said.

The drug epidemic in the U.S., he argued, is one of the poisonous by-products of the Vietnam

"What is the role of the CIA if ithe drugs are being flown openly in Air America planes?" he

asked.

He linked the entire problem to the Selective Service System and the recruiting of people for the military.

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Senate vote due Friday

The drive against the draft is centered in the U.S. Senate, where a vote is scheduled this Friday on a measure by Sen. Mark O. Hatfield (R-Ore) to repeal the draft law.

Sayer, a coordinator of a group called Endraft, is bringing citizens in a steady stream to visit Senate offices to demand a vote for the Hatfield measure.

Senator Mike Gravel's plan to filibuster against the draft until draft authority expires June 30 is backed by Senators George McGovern (D-SD), Harold Hughes (D-Iowa), Vance Hartke (D-Ind), Allen Cranston (D-Calif), William Proximire (D-Wis) and Marlow Cook (R-Ky). They will join the Senator from Alaska for the round-the-clock showdown on the Senate floor.

Endraft is not discouraged by the 42-31 vote against a pay increase for first term troopstaken by some observers as an indication of weakness in the "dove" ranks.

"People will be coming in and then the pressure will build," Sayers said.

BALLYIMORE SEM Approved For Release 2001/08/07@CIA-RDP80-01601



United Press International REPORT ON HEROIN USE BY GLAS IN VIETNAM: Representatives Morgan F. Eurphy, Democrat of Illinois, at left, and Robert H. Steele, a Connecticut Republican, at a Washington news conference yesterday. Representative Steele was holding a small yial that he said contained herein when it was sold to him in South Vietnem.

Author of Study on G.I. Addicts Robert Hampton Steele

Election Day, Nov. 3, 1970, the 32d birthday of Robert Hampton Steele, also marked the beginning of his third career. He was elected to Congress, on the Republican ticket, from the Second Dis-trict of Connecticut. In his first and second carcers, Mr. Steele was a Soviet-affairs

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analyst with the Travelers Insur-ance Company. In his third career, he has attracted pub-lic notice in recent days as the principal author of a Con-gressional report on wide-spread heroin addiction among American servicemen in South Victnam in South Vietnam.

Representative Steele, born in Hartford, grew up in student Wethersfield, Conn., and was Union.

graduated from high school there in 1956. In high school, he began dating Ann Eliza-beth (Betsy) Truex, daughter of the chief surgeon at Hart-ford Hospital. He married her in 1961.

Amherst and Columbia

a Soviet-affairs He was graduated from becialist in the Amherst College, where he Central Intelli- majored in English, in 1960. gence Agency Then followed three years of graduate work at Columbia unalyst with the University, where he earned a master's degree in govern-ment and the certificate of the Russian Institute

the Russian Institute. At Columbia, he served as research assistant to Zbig-niew Brzezinski, a prominent outboutty on the Societ authority on the Soviet Union. And in 1960 he was spokesman for one of the first groups of American students to visit the Soviet

After Columbia came five years with the Central Intelligence Agency, three years in Washington and two in Mexico. Although this serv-Mickieo. Although this serv-ice is mentioned in his offi-cial biography in the Con-gressional Directory, he re-fuses to elaborate on his C.I.A. assignments beyond saying that he was a "Soviet specialist." His wife acknowl-edged vestorday that she had edged yesterday that she had almost no idea of what he had been doing in Washing-ton and Mexico.

Has 3 Children

But it was during the Mexican assignment, she said, that he began getting the grounding for his second career. He started studying the stock market, rather casually at first and then intensively.

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When he left the C.I.A., he returned to Connecticut and joined The Travelers Insurance Company in Hartford as

ance Company in Hartford as an investment expert. Today, the Steeles live in a nine-room white colonial house in Vernon, a commu-nity of 26,000 not far from Hartford. They have three children: Kristen, 8; Alison, 5; and Jeffrey, 2. A fourth child is due in mid-July. When people in central Connecticut are asked about

Bob Steele, though, many tell you not about the Congress-man but about his father, a popular radio-television per-sonality for the last 35 years. The elder Bob Steele has an early morning program of music, news and chatter on radio station WTIC in Hartford. After the son's election in November, unhappy Democrats complained that many voters had thought they were voting for the father.

Representative Steele en-joys, seniority over every Congressman who was elected to a first term last No-vember. Technically, he is not a freshman at all.

His name appeared in two places on the voting ma-chines: first, to fill a vacancy in the 91st Congress caused by the death of Representa-

tive William L. St. Onge, a Democrat, and second, for a full term in the 92d Con-

gress. He was sworn in Nov. 16. By virtue of this seniority By virtue of this sculority over other newcomers, he gained a seat on the House Foreign Affairs Committee, to which he presented the report on drug addiction among troops in Vietnam. His wife, asked how he spends his leisure time, re-plied

spends his leisure time, re-plied: "He doesn't really have any special activities to relax with. He's usually so tired he just takes a nap." She quickly amended this, though, to say that he is a fond father who enjoys play-ing Parcheesi with their daughters or kicking a ball around the yard with their son. son,

Approved For Release 200%08/07 PG/ARDP80 Congressmen Pogressmen Congressmen By TIM WHITELER

WASHINGTON, May 27-Two U.S. Congressmen revealed today that President Nixon's allies in Saigon, including vice-dictator Nguyen Cao Ky, are drug pushers who have hooked 30,000 to 40,000 U.S. troops in Vietnam on heroin.

Also implicated in the dope pushing racket is "Air America," the Central Intelligence Agency's air supply wing. The report declares that CIA planes have been used to fly dope into Vietnam.

Rep. Thomas E. Morgan, (D-Ill), and Rep. Robert H. Steele, (R-Conn), were the 'two Congressmen who released a 46page report titled "The World Heroin Problem," at a press conference today.

The report contains findings of a 21-day trip the two took through Southeast Asia on which they found rampant drug addiction of "epidemic" proportions among U.S. troops.

They reported that drug pushers in Saigon "are so blatant that several attempts were made to sell herein to members of the study mission as they walked the streets of Saigon accomparied by a uniformed member of the United States Army."

Withdrawal "only solutiou"

They warned that unless the "Allies" curb the soaring traffic in heroin "the only solution is to withdraw all American servicemen from Southeast Asia."

"We are not optimistic," they said, "that the government is either willing or able "to curb the drug traffic."

The report states that heroin is smuggled into Vietnam aboard aircraft of the Laotian and South Vietnamese air forces, and in rented and commercial aircraft.

"Heroin," it added, "has also been smuggled in Air America aircraft although there is no evidence that any official of the U.S. agency has ever been involved in the smugglirApproved F into South Vietnam." "The U.S. agency," which the two House members found themselves unable to identify by name, is the CIA.

Both House members have been supporters of President Nixon's war policies, but today Rep. Steele told reporters, "The bleak prognosis is that thousands upon thousands of junkie Johnays will come marching home hooked on heroin."

The report declares, "It is assumed by the U.S. military that this activity reaches high levels of command, to include politicians, both in Laos and in South Vietnam. In Thailand a former diplomat and member of one of the most respected Thai families is reputed to be one of the key figures in the opium, morphine base and heroin operations in that country and throughout southeast Asia.

"There have also been reports that Vice-President Ky is implicated in the current heroin traffic."

Deaths zooming

Drug addiction in some U.S. units in Vietnam has reached 25 percent, the report continues. Between August - and December, 1970, 90 deaths were suspected to have been drug-related. Autopsies confirmed 59 were from heroin overdose.

Last January, the rate shot up: 17 for that mouth alone were lrug deaths and in February it rose again to 19.

"Figures for March and April are not yet available, but if this rend continues, over 200 young Americans will die of heroin addiction in 1971," the report warns. Most of the opium is grown in Laos, but the major exporter of the drug to Vietuam and the U.S. is Thailand, the staunchest anti-Communist ally of the U.S. in Southeast Asia.

Heroin from Thailand, says the report, "is snuggled to the U.S. by couriers on commercial or military aircraft. Some is mailed to the U.S. by U.S. military personnel using both commercial and military postal services."

The disastrous impact of this drug flow from Indochina to the U.S. is reflected in the estimated 250,000 heroin addicts in the U.S., the report states. One half of these are in New York City, where 1,154 persons died from drug overdose in 1970, and one half of these fatalities were below the age of 23. In the nation's capital, heroin addiction rose from 10,400 in 1970 to 16,880 at present, a 60 percent increase.

"Five years ago," the report says, "the heroin problem was restricted to the ghetto areas of our major cities. Now it is spreading to the suburbs and is found among the children of the wealthy and well-to-do as well as among the poor."

The report charges the U.S. military command supplied U.S. Saigon ambassador Ellsworth Bunker "with the names of highranking Vietnamese officials it suspects of involvement in the heroin trade." To date, Bunker has remained silent on the subject. STATOTHR

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eam Asks Army to (Jure Ac House

By FELIX BELAIR Jr. Special to The New York Times

Congressional investigating tea tive duty were free from drug The Illinois Congress said urged in areport made public addiction. It would establish a it was "a national disgrace" ican heroin addicts in South to enforce its provisions. Vietnam before returning them | One of the Congressional reto civilian life.

The report to the House For-eign Affairs Committee—parts of which became known carlier this week—said that so many G.I.'s in South Vietnam were becoming addicted to heroin that President Nixon should or-der all troops home unless au-thorities in that country, as well as in Laos and Thailand, halted the drug traffic. Representatives Morgan F. Murphy, Democrat of Illinois, and Robert H. Steele, Repub-lican of Connecticut, suggested that corruption at the highest the Military of the three coun-the Military of the three coun-

ure would require all branches of the Veterans Administration of the service to certify that because of the nature of his WASHINGTON, May 27 .-- A men being discharged from ac- illness."

port's

quired to identify and rehabili-quired to identify and rehabili-tate the 26,000 to 39,000 Amer-each branch with responsibility tion was not equipped to rehabilitate addicts.

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The report estimated that 19 recommendations heroin addicts in the United

and Robert R. Greec, Reput - acute care and decommentation in some cases onneal states in the fighest as well as basic rehabilitation in some cases onneal states planes and diplomatic pouches services" for addicts.
a Years' Treatment Urged "

b treatment services" for addicts.

a Years' Treatment Urged "

a report recommended that if military rehabilitation efforts proved unsuccessful, an addict's commanding officer "be required, prior to the addict's case smugging activity," the report said. "Reliable sources the veterans Administration for clusing Laotian officials, including the chief of the Laotian officials, including the chief of the Laotian officials, including the chief of the Laotian officials of those countries and the United States. South Visitar today runs a target ar tisk of becoming the veteral states were applied to the states of optimal and member of one of the second proved in smuggling activity. "In Thailand a former diplomatic officials of those countries and the United States. South Visitar today runs a far greater risk of becoming the report said that South Visitar the addict than a combat far greater were and the optimal and heroin and h

days. Legislation requiring all armed services to retain addict-ed servicemen in active status the House recently by Repre-sentative John M. Monagan, Democrat of Connecticut. Known as the Drug Abuse Control Bill of 1971, the meas-ciexy and discharged and returned to so-the the service in the service in the service in the service in addiction is service until restored to health, but one suffering from the snuggled in on Air America, is chness of heroin addiction is an airline fluanced by the Cen-tral Intelligence Agency, it control Bill of 1971, the meas-ciexy and denied the facilities added.

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DAYTON, OHIO JOURNAL HERALD MAY 26 1977 M - 111,867

The disclosure by U.S. congressmen of the involvement of high-ranking Southeast Asian officials in illegal narcotics traffic lends special irony to the growing drug abuse problem among U.S. forces in South Vietnam.

Of particular concern is the accusation by U.S. Reps. Morgan F. Murphy, D-III., and Robert H. Steele, R-Conn., that the Central Intelligence Agency is an accomplice and that some of the opium produced by the Meo tribesmen in an area that includes portions of Laos, Thailand and Burma is flown out of the area in U.S. aircraft.

The Meos make up the irregular army trained and supported by the CIA in Laos. Opium is the cash crop of the Meos, and it is from opium that heroin is derived. The Meos have been so engaged for many

A second s

. U.S. allies in Asia, CIA implicated

ugfraffic

years, but the market has grown substantially in recent years, in part because of the rising use of heroin by U.S. troops.

There is considerable doubt that the United States will be any more successful in supressing narcotics traffic in Southeast Asia than it has been in New York City, or Dayton, Ohio. But Congress should undertake an immediate inquiry into the alleged CIA complicity in this traffic, and should re-examine the basis of U.S. support for governments and individuals whose business enterprise poses such a threat to the well being of U.S. servicemen stationed in these countries and to the health and stability of U.S. society.

The unhappy turth is that the principal world market for illegal narcotics is the United States, whether the poppies are gown in Mexico, Turkey or Laos.

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Addict Warning U.S. Faces GI Heroim Peril

WASHINGTON - (CST) - edge of U.S. officials and by Two congressmen have found the air forces of Laos, Thai-Vietnam and they will report high-level officials in those \$150 a day to buy \$50 worth officially next week that the countries. implications for U.S. society are ominous.

addicts.

One of the congressmen, Rep. Morgan Murphy (D-III.), said in an interview, however, that addiction may run as high as 30 percent.

With U.S. forces currently . at a level of 262,500, the num- several attempts were made bers involved range from a to sell neroin to (the con-low of 26,000 men to a possi- gressmen) as they walked ble high of 78,000. The National Institute of Mental Health estimates the total number of addicts in the United States at 250,000.

Many Involved

Murphy and Rep. Robert H. Steele reported a bizarre array of interests involved in the Southeast Asian drug trade, including hill tribesmen aided by the Central Intelligence Agency, a division of Nationalist Chinese troops, prominent families in Thailand and U.S. veterans and deserters.

According to Murphy and Steele, heroin is transported. in aircraft owned by CIA and the U.S. Air Force, apr . parently without the knowl-,

that a heroin epidemic is land and Vietnam, apparentraging among U.S. troops in ly with the full knowledge of

Murphy said he made an re ominous. Their report, a draft copy, ports the CIA and Vietna heroin problem after a estimates that between 10 mese Vice President Ngu/ three-week 10-nation trip and 15 percent of all U.S. yen Cao Ky are actively in- that included visits to the troops in Vietnam are beroin volved in the opium-heroin. major poppy-growing 'areas' trade, but could find no evidence that they were.

According to the report, "the possession and sale of heroin in South Vietnam is illegal. Yet sales on the streets .1 of Saigon are so blatant that to sell heroin to (the conthe streets of Saigon, accompanied by a uniformed member of the U.S. Army."

rt for pu Heroin that is sniffed, smoked or injected by the servicemen, Murphy reported, is 94 to 97 percent pure, unlike the product sold in the United States which has been diluted to a purity of 4 to 6 percent.

According to the report, "The ominous implications are obvious" that unrehabilitated servicemen addicts will have to inject heroin when they return.

Murphy said that "men who have acquired an appetite for the Vietnamese product are going to have to have more fixes a day back here. When you're talking about fixes, you're talking about money and that means you're talking about crime."

The congressman said estimates are that an addict

Murphy and Steele prepared of Turkey and Southeast Asia and the heroin-refining centers of Marseilles, France, and Hong Kong.

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DENVER: LLEN GINSBERG, the poet, made a bet this month with Central Intelligence Agency chief Richard Helms, that he (Ginsberg) would soon present incontrovertible evidence of CIA involvement in international opium smuggling. The Helms-Ginsberg exchange comes at the early stages of what may yet be one of the year's big political furors. For months rumors of government dope privateering have circu-lated in underground press

and political channels. Ginsberg is among the principal figures behind the speculation.

The first in-depth investigation was "The New Opium War," an article published in the May issue of Ramparts' magazine. The authors are Frank Browning and Banning Garrett.

For centuries, write the investigators, opium has been a staple cash erop of the Meo tribesmen living in northern Laos, Burma and Thailand.

Originally exported solely for intra-Asian use, it has, since World War II, become a salable commodity on the world market. For a time Sicilian Mafiosi purchased it directly from local warlord smugglers, but the politicization of Indochina has brought in competition.

The opium trade is now in the hands of Chinese mercenaries, Vietnamese, Laotian and Thai racketeers and the CIA, say Browning and Garrett. During the Dulles period, it was decided that the opium growing area was of strategic importance, demanding clandestine American involvement. This involvement took the form of equipping and training certain prominent military factions in the region as anti-Chinese counterinsurgents. The Meos, the Thai border patrol police and the Kuomingtang, the 93d division of Chiang Kai-shek's army now exiled in northern Laos, all come under the protective and supportive wing of the CIA. The oil that keeps everything in this alliance running smoothly is opium money. With the Thai border patrol police looking the other way the Meos grow the stuff, the KMT deals it to smugglers who, in turn, deal it to the Viet, Lao and Thai gangsters who process it either as straight smoking opium or injectible smacks, and export it to Taiwan or Hong Kong from whence it proceeds to the United States.

According to Garrett and Browning, 80 percent of the American heroin supply comes in through these channels. They charge that the CIA lends technical and logistical support, alleging that harvested opium collected at Long Cheny in Laos is flown to processing and dealing installations in Laos, Thaifland and Vietnam in Air America and U.S. military planes. All the parties to the action are equipped with CIA supplied ordnance.

If ever there was a public issue which commands a full airing and immediate action commensurate with what that sairing brings to light, I would submit, this is the issue. We

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Steven Levine, 18

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MILWAUKEE, WISC. COURIER

WEEKLY - 17,000

MAY 2 2 1971 Looking for smack? CIA

' You can salute an officer with your right hand and take a 'hit' in your left," an enlisted man in Vietnam is quoted as saying in "The New Opium War' in the May issue of Ramparts magazinė.

Anyone who claims to be concerned about snack, junkies and teenage (and younger) overdose deaths should consider the Ramparts article required reading.

The mind blowing theme of . the story suggests that well meaning citizens who talk of "offing pushers, ' methadone clinics, et cetra should take a cooler look at what's happening. According to co-authors Frank Browning and Banning Garrett, what's bappening is that the Indochina opium trade- which grosses an estimated \$500 million a year - has the tacit approval of the U.S. government and the active involvement of the Central Intelligence Agency.

'At the same time the government starts crash programs to rehabilitate drugusers among its young people, the young soldiers it is sending to Vietnam are getting hooked and dying of overdoses at the rate of one a day. While the President is declaring war on narcotics and on crime in the streets, he is widening the war in Laos, whose principal product is opium and which has now become the funnel for nearly half 'the world's supply of the narcotic, for which the U.S. is the

chief consumer."

For the Meos hill tribespeople in Laos, opium is their only cash crop. A kilo which goes for \$50 in the hills is \$200 in Saigon and \$2,000- the article says- in San Francisco.

A large part of the crop is simply dropped off in Saigon for the 'convenience' of U.S. army addicts. ' Probably a fifth of the men in his unit have at least tried jank,' the authors said of rehabilitated addict August Schultz. "But the big thing, as his buddy Ronnie McSheifrey adds, was that most of the officers in his company - including the MP's- knew about it. McSheffrey saw MP's in his own division (6th Battalion, 31st Infantry, 9th Division) at Tan An shoot up, just as he says they saw him. He and his buddles even watched the unit's sergeant major receive payoffs at a hearby whorehouse where every kind of drug imaginable was available."

One opium lord described in the article utilizes an army of 1,000- 2,000 armed men with : mile long mule drawn caravans which move from 15 to 20 tons of opium-worth about a million dollars- out of Burma to syndicate men in Laos and Thailand in one journey from the hills.

To get to his destination, however, the opium lord must pay about \$80,000 a trip in protection money to the 93rd division of Chiang Kai-chek's Taiwan

La companya and a second a second a second s

since the end of World War II when most of his troops fled the mainland for the island of Taiwan.

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These Knominglang (KMT) troops are said to be responsible to Shiang's son, Chiang Ching-Kuo, who is the head of the Taiwan secret police. The authors claim that the KMT supports itself by exacting such tribute, by buying opium direct. ly from the Meos and reselling it, and by making occasional forays into Chipa and Burma for the Central Intelligence Agency.

The Ramparts article documents the involvement of U.S. planes and helicopters in the cope operation, in some instances overtly and sometimes under the guise of the Royal Laos Air Force which uses donated U.S. aircraft.

The role of the ' China Lobby" in the U.S. opium trade is also described. Involved are such patriotic stalwarts as J. Edgar Hogver and Nixon's State Department intelligence chief, Ray Cline. Instrumental is Governor Warren Knowles' sometime romantic interest Madame Chennault (who helped raise a quarter million dollars for Nixon's campaign). Her deceased husband, General Claire Chennault of World War II ' flying boxcar" notoriety, founded the Civil Air Transport just after W.W. II. In the 1950 s it was army which has remained in renamed "Air America" and

Burma- up to 9,000 strong- now- as a CIA front- it keeps busy transporting opium as the "official ' Indochina airline.

The U.S. government -operation presided over by General Ky-has squeezed out the Corsican Mafia, former holders of . the southeast Asia heroin in-Custry.

The Ramparts authors suggest that when Richard Nixonin his recent ' state of the. world' speech- rapped about drying up world drug iraffic, the Indochinese opium business was intentionally overlooked. The President commented, "We have worked closely with a large are often unable to get any refund, and at the same time, they are told that they cannot receive the "free" wig without paying an additional \$8 or \$9 styling charge.

This practice is both time consuming and frustrating to the consumer, Warren said.

Warren urged consumers who have knowledge of this scheme to contact his Office of Coustmer Protection or the postal. Authorities.

STATOTHR WASHINGTON POST Approved For Release 2001/08/07 : CIA-RDP80-01601R001

The CIA's Contribution

I am moved to respond to your editorial "Taking the CIA on Faith" (April 18). The editorial contained some interpretations of statements made by CIA Director Richard States in the sensitive area of international Helms with which I must take exception.

The editorial repeated Mr. Helms' statement that the public cannot judge the value or the efficiency of the operations of the agency because of the secrecy requirements which surround it. This fact is unassailable and was stressed by Mr. Helms; however, the editorial ignored the common sense of this statement and continued to bemoan the lack of public scrutiny. While secrecy is an important component of the operations of an intelligence organization, a dearth of information does exist concerning the general theory and practice of intelligence operations; this information is available-without the need for a security clearance---to the interested individual. Furthermore, public information is available, often to the chagrin of CIA officials, concerning more specific details of certain agency operations, witness the operations of the Meo tribesmen in Laos and the U-2 operations over the U.S.S.R. (which was highly successful by all accounts until May 1960): Therefore, while much of its daily operations are necessarily veiled in secrecy, the agency is not the ultra secret "invisible government" as some would have us believe.

Mr. Helms' statement that the CIA is not involved in drug traffic seem to me to be as definitive as he could make it. The nature of intelligence operations, however, often necessitates the conduct of business with certain individuals who may have connections with the traffic of drugs. So long as the operations of the agency do not promote the worldwide traffic of drugs, it must be accepted that we will occasionally have to deal with these individuals so long as they can be of value to these operations.

Finally, the editorial questions, "how

much intelligence is enough?" The obvious answer is that there can never be too much knowledge. The policy planners and decision makers who are charged with the responsibility for charting the course of the United affairs must be provided with, as Mr. Helms stated, "a broad and detailed base of foreign intelligence." The need for objectivity in the production of intelligence is paramount, as Mr. Helms stated in his speech. This objectivity is required in order to preclude the agency from becoming ambitious, and either making its own policy or inducing "policy makers to posit an American interest. . ."

The CIA continuously makes a great contribution to the security of this nation and to the well-being of its citizens. Mr. Helms' speech has served to inform the American public just a bit more as to the extent of that contribution. PAUL D. WARREN SR.

Glen Burnie.

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Approved For Release 2001/06/07 3014 RDP80-01601R001 11 MAY 1971

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CIA planes 'used to carry drugs'

Vientiane. May 10.-Mr. John Ingersoll, the head of the United States Justice Department's narcotics bureau, has said on his arrival here that one of the possibilities for wiping out drugs traffic in south-east Asia was the purchase of opium produced in Laos by the American Government.

Mr. Ingersoll, who is investigating the sources of marijuana and opium derivitives which are being used by American soldiers in South Vietnam, said the communist-controlled parts of Laos were one of the principal sources of drugs sent to South Vietnam.

Other important sources of opium were Thailand, Burma and China. Varieties of Indian hemp or marijuana, were grown nearly everywhere, he said.

Mr. Ingersoll said that opium grown in north Laos had been transported by aircraft belonging to the private American companies Air America and Continental Services which were under contract to the (Central Intelligence Agency). STATOTHR WASHINGTON POST Approved For Release 2001/08/07-CIA-RDP80-



ton is trying to bring upon drives me up the well." drug producing countries to Another U.S. diplomat in each other, tipping the bal-cut off the flow of heroin Thailand told Steele with a ance of power in whatever into this country at the straight face, "I had no idea direction is most beneficial to source apparently isn't being there was such a problem in Washington at the moment. applied by our uninterested the U.S." diplomats.

Reps. Bob Steele (R-Conn.) into the United States. Steele and Morgan Murphy (D-III.), was told by a federal U.S. just back from a 24-day world narcotics agent, stationed in drug tour, who will report to Rome, that he receives little the House Foreign Affairs cooperation from the Italian Committee that our embas- police. sies aren't using their diplo- Yet matic leverage on their host uty chief of mission, told countries. Steele with a snift: "There is countries.

ceived a far better hearing to be overly concerned about. on his drug views at the regarding Italian cooperation White House and State De. or commitment in checkin3 partment than at our embassies in the opium-producing traffic." lands. He found "bored non-chalance" about the drug problem among the striped-pants set from Ankara to Bangkok.

Most heroin in the U.S. underworld market comes out of Turkey. Stern orders Asian Rivals have gone out from Washington to our embassy in Ankara the National Security Counto place all possible pressure upon Turkey to control its production. Only recently, anproduction. Only recently, an policy, indicate that the other federal narcotics agent United States will withdraw was dispatched to Turkey to from Southeast Asia and help discover how the stuff is

being smuggled. But all this has brought only pained reactions in the embassies. Grumped one diplomat: "What do they think partment?"

Thailand has now become the second biggest supplier States. Indeed, federal agents have confiscated as much becoming a Thai heroin in the last six United States. months as they did in the previous six years.

Newman confessed to Steele:

In Italy, the Maila directs This is the conclusion of much of the drug smuggling

Yet Wells Stabler, the dep-Steele told us he had re- not really anything we have the international narcotic

> Steele and Murphy are highly concerned about U.S. embassy cooperation and are preparing a blistering report to House Foreign Affairs Chairman Thomas Morgan (D-Pa).

THE SECRET STUDIES of , cil, if they should be con-verted into official foreign leave those strategic countries to the mercy of the great Communist powers.

The secret assessment is that the United States, movwe're running, a police de. ing cautiously of course, can safely cut bait in the warm waters of Southeast Asia. The rivalry between Russia or heroin to the the United and China, it is suggested, States. Indeed, federal agents will prevent the area from becoming a threat to the

In other words, the United States increasingly will be Yet in Bangkok, Deputy able to play the role of spec-Chief of Mission George struggle for proceedings Newman confessed to Steele: Studget for provintence in "Every time I see one of Southeast Asia. The secret as-those cables from Washing- eventually the nations of ton about getting action on Southeast Asia may have to Approved For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6

choose between Moscow and Peling.

Washington can continue to encourage these nations at least to remain neutral. But as American power is with-drawn from the area, these nations will be tempted to side with one of the great Communist powers that will dominate Southeast Asia.

The United States, according to the secret studies, THE PRESSURE Washing the narcotics problem it should be able to play off China and Russia against

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LOS ANGELES TIMES SYNDICATE in association with \bot

THE FLORA LEWIS COLUMN

RELEASE DATE: Saturday, May 8, 1971 Sunday, May 9, 1971

THE QUESTION OF CIA AND DRUC

by Flora Levis



NEW YORK--Richard Helms, director of the CIA, is evidently much upset at charges that the CIA is involved in the flourishing drug traffic in Indochina, which is making a very substantial contribution to addiction among Americans.

Helms says flatly that the CIA is "not involved in the drug trade anywhere in the world." In the literal, organizational sense, he is probably right, although almost any EX-CIA man will testify that the field doesn't always tell the home office everything it knows. There is a tendency to protect headquarters from embarrassing insights and information.

Certainly, Helms is right when he says that drug control is not the CIA's responsibility. But two facts are inescapable.

1--Drugs are flowing into Vietnam and out of Indochina into the world underground network in dramatically increasing quantity. Not only is there a fearful growth in the amount of opium produced and exported from Southeast Asia. Alongside the traditional opium trade, heroin is being produced there now. This is new. The proof that it is true is the ready availability of heroin to GIs in Vietnam. Their powder doesn't come all the way from Turkey or France.

-more -

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CHICAGO, ILL. NEWS

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Cappitall cappers: CIA chief in odd bet

By Lynn Langway Of Our Washington Bureau

WASHINGTON — It's a sure bet that one of the world's wildest wagers was made this week at a Washington cocktail party.

Poet Allen Ginsberg informed CIA Director Richard Helms that he was doing an "under-

cover investigation" of the CIA and hoped to publish it soon.

Ginsberg told the startled Helms that, he intended to prove that CIA agents "are helping to smuggle in opium from Southeast Asia."

When Helms challenged the poet, saying he'd never prove the charge, Ginsberg made a bet:



give his prized Tibetan amulet to Helms but if Helms was wrong, the CIA director would have to promise to meditate "in the lotus po-

Ginsberg

sition for one hour every day, thinking about love and peace."

The bet was accepted, although Helms said he didn't know where he'd wear the amulet.



New York—A weird series of incidents is bringing into focus the question of the CIA's relation to the booming Indochina traffic in heroin and the opium from which it is made.

Ramparts magazine has published a study of the drug trade in Indochina, pulling together many details of the widely but only vaguely known story and making a series of specific charges against top South Vietnamese, Laotian and Thai officials. Further, Ramparts charged that it is CIA operations and subsidies in the area which have made possible the big increase in the supply of heroin from Indochina.

Sen. George McGovern (D-N.D.) wrote a letter to CIA Director Richard Helms on April 13 asking six questions about it. One inquired whether the opium production in Laos was conducted with the knowledge of CIA officials, particularly around the CIA's secret army base at Long Cheng in Laos, and if the effect of CIA operations is to "protect the supplies (of opium) and facilitate their movement."

On April 29, CIA legislative counsel Jack Maury called on McGovern to give oral answers to the questions. He referred to a sheaf of legal-size papers for his information, indicating that the CIA has made a new investigation, but he didn't give McGovern the papers. He denied some of the charges, but said the CIA has been trying to convince the local people not to be in the drug traffic, which obviously implies that the CIA knows about it.

McGovern's query wasn't the first challenge to Helms on the subject. On March 4, Helms went with 8/0 his wife to an evening event at the Corcoran Gallery

in Washington. The star happened to be Allen Ginsberg, the tousle-haired mystic poet. They met at a reception before the poetry reading, and Ginsberg took after Helms for what he says is CIA support of the dope trade.

The poet has been investigating drug traffic for seven years, and he has on the tip of his tongue a lot of precise names and places and figures. For one thing, he said, Long Cheng is a central collecting market for the opium flowing from northern Burma, northeastern Thailand and Laos (the fertile triangle) down into Vietnam and Bangkok and out around the world back to the United States.

Helms said it wasn't true, so Ginsberg said "I'll make you a wager." If he lost, Ginsberg promised to give Helms his "vajra" which he describes as "a Buddhist-Hindu ritual implement of brass symbolizing the lightning-bolt doctrine of sudden illumination." Helms was to meditate one hour a day for the rest of his life if he lost.

Some time later, Ginsberg sent Helms a clipping from the Far East Economic Review saying that a number of correspondents who sneaked into Long Cheng over the years saw raw opium openly piled up for sale in the market there, in full view of CIA armed agents. He also sent a note offering Helms suggestions about how to keep a straight back while meditating, the best sitting position and proper breathing.

He has had no acknowledgement from the CIA chief, but says "I have been tender toward him. 71 GARBB80001601R803C0007000166 improved mind-consciousness. Anything that might help save

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The Washington Merry-Go-Round

Ladians Accused in Heroin Trathc

By Jack Anderson

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the Laotian Army commander have now been identified 33 Sai, with former Nationalist channels. The congressman the principal traffickers in the Chinese soldiers-turned-drug identifies South Vietnamese "He expressed interest in heroin used by U.S. troops in smugglers riding shotgun on Premier Tran Thien Kheim as MEFR (Mutual Balance Force South Vietnam.

sional investigation has con- Ouan Rathikoun, takes over an outright trafficker. firmed our earlier allegations He supervises the shipment of that the Central Intelligence the opium into Vientiane, Steele's draft report is re-litation Talks). Agency is involved in the Laotian heroin operations.

The investigation was made supplied arms. by Reps. Robert Sicele (R-Conn.) and Morgan Murphy (D-III.), both members of the House Foreign Affairs Committee.

that will allege CIA Air Amer. turning it out especially for the United States. ica aircraft have been used to transport the drug from northern Laos into the capital city of Vientiane.

evidence that the CIA had any official policy of letting its planes be used to move the is flown into South Vietnam drugs. Furthermore, it adds aboard military and civilian that the agency has now aircraft from both Laos and to the State Department from cracked down on the practice. South Vietnam.

House Foreign Affairs Chair- white powder are air-dropped this account of the discussion character of his visit and fact man Tom Morgan (D-Pa.), the near U.S. troop emplacements on disarmament: he carried_no message and deadly drug is transported in the fields. Others reach the "Mickie began by talking was not negotiating any agreefrom opium fields in Laos to troops after being landed at about desire to reduce mili-inent." the battlefields of South Viet- outlying air strips or flown di- tary expenditures. He said in 1 . 1 1811. Bell-Mcclure Syndicate, Inc.

nam in the following manner: rectly into Saigon's Tansonn past two years. Senate had First the raw opium is hut airport. subjected defense budget to

the shipments.

using planes and protecting the have failed to use their leversmuggled cargoes with U.S.- age against such men as Rathi-

Once it reaches Vientiane, the morphine base is processed in Gen. Rathikoun's labs into "Number Four" heroin, a Turkey some progress has pure grade of the deadly drug been made, although slowly, almost unknown in Southeast though diplomatic channels to Steele is preparing a report Asia until traffickers began cut off the flow of heroin to American troops.

Protection and Payroll

Throughout Laos, the heroin operation is protected and It says, however, there is no abetted by Prince Boun Oun, idence that the CIA had any Inspector General of the realm.

Once processed, the heroin

American supplied served for U.S. diplomats who koun and Prince Boun Oun to get the drug traffic cut off at lits source.

Steele points out that in

In a future column, we will detail how American ex-GIs and deserters, assisted by corrupt Thai officials, are beginning to move huge quantities of heroin into the United closely,' said Kosygin. Specifi-States to replace the Turkish supply.

Kosygin on Arms

The U.S. embassy, reporting Moscow on Sen. Ed Muskie's

A Royal Laotian prince and hauled from deep in Northern With Vietnamese custom of great scrutiny. As result, ad-

the man behind the corruption Reduction) in Europe as part At Ban Bouci Sai, the Lao of the customs agents, but of desire to reduce arma-Furthermore, a congres- tian Army commander, Gen. they stop short of calling him ments. He also advocated n outright trafficker. The angriest language in at SALT (Strategic Arms Lim-

> "Kosygin responded that U.S.S.R. has always favored disarmanient. He asserted that Soviet military budget was 25-27 per cent of U.S. military budget, and nothing was hidden in other parts of budget.

> "He said Soviet noticed and 'appreciated' Senate's action in cutting military expenditures by six billion dollars. Soviet also noticed President's statement that military budget might have to be larger next year.

> "Soviets 'follow these events cally on SALT, Kosygin said both sides are approaching question differently, with 'great wariness and care' but with great desire of finding a solution in limiting strategic armaments.' "

Footnote: The hush-hush re-According to the draft re- Some of the carefully confidential conversations port noted that Muskie had port, prepared by Steele for wrapped packages of the with Kremlin leaders, gave emphasized the "unofficial



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Drugs and the CIA

In her last two Viewpoints columns—the second of which appears today—Flora Lewis has reported some shocking revelations about the heroin trade in Indochina; shocking in part because they suggest a tacit tolerance if not connivance on the part of the CIA. At the same time she quotes CIA Director Richard Helms as indignantly denying the implication that his agency is engaged in smuggling dope.

We believe they are both right—though they appear to be contradicting each other. Flora Lewis is a serious and responsible journalist and Richard Helms is an honorable man doing a sometimes distasteful but necessary job (given the reality of international power politics).

We believe that heroin *is* going into Vietnam from Laos and Thailand but we also believe Mr. Helms when he says his people are not directly involved in this rotten business.

The problem, as Miss Lewis rightly concludes, "isn't whether to blame the CIA for the drug traffic." The problem stems from an immoral war that for too long has been punishing innocent Asians and corrupting well-intentioned Americans.



by Frank Browning and Banning Garrett

"R. PRESIDENT, THE SPECTER OF heroin addiction is haunting nearly every community in the 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 percent 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 percent 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 the Saturday barbecue. This has 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 teenagers 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 eruption 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 U.S. At the same time the government starts crash programs to rehabilitate drug users

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among its young people, the young soldiers' it is containing to Vietnam are getting hooked and dying of overdoses at the rate of one a day. While the President is declaring war on narcotics and on crime in the streets, he is widening the war in Laos, whose principal product is opium and which has now become the funnel for nearly half the world's supply of the narcotic, for which the U.S. is the chief consumer.

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 and 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.

" OST 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 snakes 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-bladed knife. The pod exudes a 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 rolled 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.

s There are hundreds of routes, and certainly as many methods of transport by which the smugglers ship opium—

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Some U.S. Allies Found Wanting To the Editor:

There is a law to the effect that anyone aiding another in the act of a crime is equally guilty as an accessory. On this basis Uncle Sam has quite a few points against him. Ac-cording to an article in the May issue of Ramparts, Marshall Ky, vice president of S. Vietnam is the biggest pusher of dope in that country. We have supported Ky for over six years with billions of dollars and over 40,000 of our boys have dicd in his cause. While President Nixon is declaring war on narcotics and on crime in the streets he is widening the war in Laos whose chief product is opium.

The Central Intelligence Agency (CFA)-not only protects the opium in Long Cheng and various other pick up points, but has also given clearance and protection to opium laden air craft laden with dope in fiying it out to sea drops.

One holds his breath when contemplating all the brigands, dictators and pirates that Uncle Sam has protected and dealt with. To name a few: Chiang Kai-shek whose lobby in Washington is one of the largest; the former dictator of Cuba, Batista who made a fortune on Cuban peasants and then forced into exile. Syngman Rhee of Korea (ousted by his own people); Franco of Spain, whom we have spread the red, carpet to for 30 years for allowing us to build fortifications in his country. Trujillo of the Dominican

Repubic, murderer of thousands of his people and who built a mansion on a hill top surrounded by high walls upon which were built pill boxes armed with guards and whose private army guarded his many ships, at sea — this man was on good terms with the United States and was dined and wined on one of his trips to Washington.

When a country, the richest in the world becomes a mecca for brigands and pirates such as the above we may question the entire picture. Good citizens do not make bosom friends out of robbers and thugs and generally one can get a good idea of one's character by the company he keeps.

V. P. MOCK Chippewa Falls



reasons: they have helped in the counterinsurgency efforts of the Thai and U.S. governments against the hill tribespeople in Thailand; they have aided the training and recruiting of Burmese guerrilla armies for the CIA; and they offer a payoff to the Border Patrol Police (BPP), and through them to the second most powerful man in Thailand, Minister of the Interior Gen. Prapasx Charusasthira, The BPP were trained in the '50's by the CIA are now are financed and advised by AID and are flown from border village to border village by Air America. The BPP act as middlemen in the opium trade between the KMT in the remote regions of Thailand and the Chinese merchants in Bangkok. These relationships, of course, are flexible and changing, with each group wanting to maximize profits and minimize antagonisms and dangers. But the established routes vary, and sometimes doublecrosses are intentional.

In the summer of 1967 Chan Chi-foo set out from Burma through the KMT's territory with 300 men and 200 packhorses carrying nine tons of opium, with no intention of paying the usual fee of \$80,000 protection money. But troops cut off the group near the Laotian village of Ban Houei Sai in an ambush that turned into a pitched battle. Neither group, however, had counted on the involvement of the kingpin of the area's opium trade: the CIA-backed Royal Lao Government Army and Air Force, under the command of General Ouane Rathikoune. Hearing of the skirmish, the general pulled his armed forces out of the Plain of Jars in northeastern Laos where they were supposed to be fighting the Pathet Lao guerrillas, and engaged two companies and his entire air force in a battle of extermination against both sides. The result was nearly 30 KMT and Burmese dead and a half-ton windfall of oplum for the Royal Lao Government,

In a moment of revealing frankness shortly after

the battle, General Rathikoune, far from denying the to it he will simply put an end to it.

Morphine Refineries

It is unlikely that Rathkoune, one of the chief

refineries-called "cookers"--which manufacture crude morphine (which is refined into heroin at a later transport point) under the supervision of professional pharmacists imported from Bangkok, Rathikoune also has "cookers" in the nearby villages of Ban Khwan, Phan Phung, and Ban Khueng (the latter for opium grown by the Yao. tribe.) Most of the opium he procures comes from Burma in the caravans such Chan Chi-foo's; the rest comes from Thailand or from the hill tribespeople (Meo and Yao) in the area near Ban Houei Sai. Rathikoune flies the dope from the Ben Houei Sai area to Luang Prabang, the Royalist capital, in helicopters given the United States military aid program.

Others in the Lao elite and government own refineries. There are cookers for heroin in Vientiane, two blocks from the King's residence; near Luang Prabang; on Khong Island in the Mekong River on the Lao-Cambodian border; and one recently built by Kouprasith Abhay (head of the military region around Vientiane, but also from the powerful Abhay family of Khong Island) at Phou Khao Khouai, just north of Vientiane. Other lords of the trade are Prince Boun Oum of Southern Laos, and the Sananikone family, called the "Rockefellers of Laos." Phoui Sananikone, the clan patriarch, headed a U.S. backed coup in 1959 and is presently President of the National Assembly. Two other Sananikones are deputies in the Assembly, two are generals (one is Chief of Staff for Rathikoune), one is Minister of Public Works, and a host of others are to be found at lower levels of the political, military and civil service structure. And the Sananikones' airline, Veha Akhat, leases with opium-growing tribespeople. But the opium trade is polular with the rest of the elite, who rest RLG aircraft or create fly-by-night airlines (such as Laos Air Charter to Lao United Airlines) to do their own direct dealing.

CIA Protects Opium Traders

Control of the opium trade has not always been inrole that opium had played, told several reporters the hands of the Lao elite, although the U.S. has been that the opium trade was "not bad for Laos." The at least peripherally involved in who the beneficiaries trade provides cash income for the Meo hill tribes, he were since John Foster Dulles's famous 1954 argued, who would otherwise be penniless and commitment to maintain an anti-communist Laos. therefore a threat to Laos' political stability. He also The major source of opium in Laos has always been argued hat the trade gives the Lao elite (which the Meo growers, who were selected by the CIA as its includes government officials) a chance to accumulate counterinsurgency bulwark against the Pathet Lao capital to ultimately invest in legitimate enterprises, guerillas. The Meos' mountain bastion is Long Cheng, thus building up Laos' economy. But if these a secret base 80 miles northeast of Vientiane, built by rationalizations seemed weak, far less convincing was the CIA during the 1962 Geneva Accords period. By the general's assertion that, since he is in total control 1964 Long Cheng's population was nearly 50,000, of the trade now, when the time comes to put an end comprised largely of refugees who had come to escape the war and who were kept busy growing poppies in the hills surrounding the base.

The secrecy surrounding Long Cheng has hidden the trade from reporters. But security has not been warlords of the opium dynapproved For Release 2001/08/07 CaCle TBDR 80 91601 R091009070001-6 trade soon. Right outside the village of Ban Houei Eastern Economic Review, "Over the crews loading Sai, hidden in the jungle, are several of his

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THE CIA: WE TOO ARE HONORABLE MEN'

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In his first public address since appointment as director of the Central Intelligence Agency, Richard Helms had several points he wished to make to the American people via the forum provided by the American Society of Newspaper Editors:

"We do not target on Item: American citizens."

Item: "We not only have no stake in policy debates but we cannot and must not take sides."

Item: "The elected officials of the U.S. Government watch over (the Central Intelligence Agency) extensively, intensively and continuously."

Item: "We understand as well as anyone the difficulties and the contradictions of conducting foreign intelligence operations on behalf of a free society."

Item: Finally, "The nation must to a degree take it on faith that we too are honorable men devoted to her service."

Mr. Helms, one of our more impressive civil servants, one reminis-· cent in several respects of a young **J.** Edgar Hoover striving diligently to invest his sector of the Federal bureaucracy with a degree of excellence second to none, essayed to counter what he characterized as a "persistent and growing body of criticism which questions the need and the propriety for a democratic society to have a Central Intelligence Agency.

He recognized at the outset that there is extant an "inherent American distaste for peacetime gathering of intelligence." Be that as it may, we have come a long way from the age of our innocence between World Wars I and II. The stars in our eyes no longer twinkle as Approved For Release 2001/08/07: CIA-RDP

if we had never heard of the dirty business of spying, much less engaged in it. We undertake it because it is from stern reality, not fun and games. a very necessary business to our survival.

this. is a "fearsome" world, and to live in it we must know not only who the tigers are, but where they lurk, quire a broad and detailed base of what lengths their fangs and claws foreign intelligence for the policyare, and if they are likely to ambush makers." The director emphasized us, to attack frontally, or merely to that neither he nor the CIA makes growł.

have it because Pearl Harbor finally United States perform that task. But proved to us that if we kept bungling the CIA does gather and correlate inthe intelligence bit, we might soon formation — factually, objectively, not have a country. The fact that painstakingly - on which current Army Intelligence didn't let Navy In- and future policy must be based. telligence in on what it knew in those days, and vice versa, and the State must "take it on faith" that his agen-Department didn't communicate with cy is reliable, steadfast, devoted and either and perhaps the White House honorable. That is difficult in a free didn't hear from anyone at all, society, accustomed to the exercises brought the CIA into being by act of of checks and balances upon all gav-Congress at the urgent behest of an ernmental authority. But, whatever alarmed and Truman.

It has been in business since.

its successes. That is in the nature ally in their hands. of the cloak-and-dagger business. To publish information is to "blow the cover" on individuals and organisms, rendering them useless for the future. We do hear of its many duds --abortive coups and invasions and incidents (some of which, doubtless, the CIA may never have heard of at all, but of course cannot say one way or the other).

We do, in the necessary aura of mystery that envelopes the agency, suspect any and every thing of having CIA sponsorship. Some of the

CIA is somehow involved in the world drug traffic. We are not." Ah, well, it was a great tale while it lasted, and the ramifications were endless. As with drugs, we daresay, so with a great many other issues and areas.

But the CIA's raison d'etre stems In Mr. Helms' words, "the United States, as a world power, either is Or, as Mr. Helms put it pithily, involved or may with little warning find itself involved in a wide range and variety of problems which repolicy. The elected and appointed That is why we have a CIA. We representatives of the people of the

As Director Helms counsels, we aroused President the railings against reality, we have

no alternative other than to trust the CIA, the President, the Congress and We seldom, almost never, hear of the Government. Our lives are liter-

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SPYING AND A FREE SOCIETY-CIA CHIEF SPEAKS OUT

A rare glimpse inside this nation's most secret agency. That's what the CIA Director provides in this defense of his organization against recurrent attacks. He tells what the CIA does-and reassures Americans as to what it does not do.

Following are excerpts from an address by Richard Helms, Director of Central Intelligence, to the American Society of Newspaper Editors, Washington, D. C., April 14, 1971:

I welcome this opportunity to speak to you today about the place of an intelligence service in a democratic government. In doing so, I recognize that there is a paradox which I hope can be dispelled:

On the one hand, I can assure you that the quality of foreign intelligence available to the United States Government in 1971 is better than it has ever been before.

On the other hand, at a time when it seems to me to be self-evident that our Covernment must be kept fully informed on foreign developments, there is a persistent and growing body of criticism which questions the need and the propriety for a democratic society to have a Central Intelligence Agency.

I am not referring to the occasional criticism of CIA's performance-the question of whether we gave advance warning of this coup or that revolt, or how accurately we forecast the outcome of an election or a military operation. By necessity, intelligence organizations do not publish the extent of their knowledge, and we neither confirm nor deny challenges of this nature. We answer to those we serve in the Government.

What I am referring to are the assertions that the Central Intelligence Agency is an "invisible government"-a law unto itself-engaged in provocative, covert activities repugnant to a democratic society and subject to no controls.

This is an outgrowth, I suppose, of an inherent American distaste for the peacetime gathering of intelligence. Our mission, in the eyes of many thoughtful Americans, may appear to be in conflict with some of the traditions and ideals of our free society. It is difficult for me to agree with this view, but I respect it. It is quite another matter when some of our critics-taking advantage of the traditional silence of those engaged in intelligence-say things that are either vicious or just plain silly.

There is the charge, for example, that the Central Intelligence Agency is somehow involved in the world drug traffic. We are not. As fathers, we are concerned about the lives of our children and grandchildren, as are all of you. As an agency, in fact, we are heavily engaged in tracing the foreign roots of the drug traffic for the Bureau of Narcotics and Dangerous Drugs, and this arrant nonsense helps not at all.

As a general rule we are silent, because we must maintain the security of our intelligence operations, but we also recognize that the people of the United States have a legitimate interest in every arm of their Government. There is, fortunately, enough fact in the set that public interest. CIA-RDP80-016017001000070001-6 In matters directly affecting the set

I propose, therefore, to discuss with you the legislative

charter of the CIA, the unique functions of a central intelligence organization, and finally-in order to reconcile our security requirements with the democratic society we servethe role of intelligence in policy formulation, and the controls, checks and balances under which we operate. . . .

Our charter, the National Security Act of 1947, provides that in the interest of national security the Central Intelli-gence Agency will advise the National Security Council on intelligence activities of the Government, make recommendations to the National Security Council for the co-ordination of such activities, correlate and evaluate foreign intelligence, perform additional services of common concern



Mr. Helms to editors: "Statute forbids the CIA to have any police powers. . . . We do not target on American citizens.'

and such other functions and duties relating to intelligence as the National Security Council may direct.

This latter language was designed to enable us to conduct such foreign activities as the National Government may find it convenient to assign to a "secret service." These activities have always been secondary to the production of intelligence, and under direct control by the executive branch. Obviously, I cannot go into any detail with you on such matters, and I do not intend to.

And may I emphasize at this point that the statute specifically forbids the Central Intelligence Agency to have any police, subpoena or law-enforcement powers, or any domestic-security functions. I can assure you that except for the normal responsibilities for protecting the physical security of our own personnel, our facilities and our classified information, we do not have any such powers and functions; we have never sought my; we do not exercise any. In short, we

In matters directly affecting the security of the United States, the President and his National Security Council want what we call "national" intelligence-evaluations which reflect the considered and agreed judgment of all of the intelligence components of the United States Government. The production and dissemination of this national intelligence is the responsibility and the primary function of the Central Intelligence Agency. We can produce these agreed evaluations, of course, only by consulting and co-ordinating the views of the entire intelligence community.

There is nothing arcane or mysterious about this term, "the intelligence community." It is simply a name for all of the intelligence assets at the disposal of the United States: the CIA, the Defense Intelligence Agency, the intelligence components of the various armed services, the National Security Agency, the intelligence elements of the Department of State, and, when appropriate, those of the Federal Bureau of Investigation and the Atomic Energy Commission. They are all represented on the United States Intelligence Board. This board is chaired by the Director of Central Intelligence, not as the head of CIA but as the principal intelligence adviser to the President and the National Security Council.

The United States Intelligence Board co-ordinates the assets of the United States for foreign-intelligence collection and sees to it that there are neither gaps nor unnecessary duplication in filling the information requirements of the nation's policy makers.

Just what are these national requirements for foreign intelligence? There are the obvious ones, of course, in the era of



Russian missiles quit Cuba. "Our files included a wealth of information on Soviet missiles. We knew what to look for."

thermonuclear deterrence: What is the scope of the strategic threat to U.S. security? What are current Soviet intentions? How soon will Communist China have an intercontinental ballistic missile?

America's intelligence assets, however, do not exist solely because of the Soviet and Chinese threats, or against the contingency of a new global conflict. The United States as a world power either is involved or may with little warning find itself involved in a wide range and variety of problems which require a broad and detailed base of foreign intelligence for the policy makers.

What, for instance, caused the fighting between Honduras and El Salvador, and what can be done to ease the situation?

What are the implications of impending British withdrawal from the Persian Gulf for the world's petroleum supplies?

Where are the pitfalls for the United States in the confrontation between black African nationalism and so-called white southern Africa?...

A mass of detailed knowledge is required, of course, for gence sources. One report, for example the planning of military operations, but I would like to stress the planning of military operations. But I would like to stress

that accurate intelligence is equally essential to the planning and implementation α actions taken to forestall conflict... Ŷ,

Certainly a potential aggressor is deterred if he finds that timely intelligence has enabled his prospective victim to take countermeasure. And when it comes to waging peace, it would be unthinkible to conclude a strategic-arms-limitation agreement with the Soviet Union without the means for monitoring compliance.

The potential besefits of an arms-limitation agreement are self-evident in terms of reduced threat, eased tension and economy-but only if they can be achieved without endangering national sceurity. That, in turn, requires that the agreement should be honored by each side, and the Soviets have traditionally rejected international on-site inspection. The United States, then, can safely undertake such an agreement, however desirable, only if it has adequate intelligence assets to assure itseli that the Soviets are living up to their part...

Every year at budget time there is a debate over what portion of our national wealth we must assign to defense and survival—what weapons must we buy, and how many?

The United States and the Soviet Union each have a wide variety of cheices among systems to be developed, and these choices interact. The key to choice is knowledge -knowledge of the accuracy, reliability and numbers of Soviet ICBM's, knowledge of Soviet progress in advanced radars for ABM's-knowledge, if you will, of Soviet knowledge of our own progress.

Whatever the semantics of first strike, mutual deterrence, assured-destruction capability or equivalent megatonnage, the answers must come from an accurate measurement of Soviet offense against our defense-Soviet defense against our offensive capabilities....

Even in this day of the information explosion, we read everything that comes into Washington-Department of State cables, Department of Defense traffic, our own reports, and the American and foreign information media. Then we bring to bear on that information every last bit of expert analysis at the service of the United States Government.

From the time this agency was created, we have had to deal with the fact that some of our most important intelligence targets lie in totalitarian countries where collection is impeded by the security defenses of a police state—for example, Communist China.

In the face of such limitations, the analytical process can often extract meaningful conclusions from a volume of fragmentary information. To do so requires ingenious minds and much painstaking work....

The Cuban missile crisis of 1962 affords a good example of how this across-the-board analysis-comprehensive in its scope and intensive in its concentration-serves the policy maker.

In the early '60s, thousands of Cubans fled their country. Many brought valuable information. Many, in good faith, brought misinformation. Some purposefully told stories intended to provoke U.S. action against Castro. And a few were Castro's agents, planted to mislead us.

It was obvious at the time-from shipping intelligence alone-that the Soviets were engaged in a substantial military-aid program in Cuba, but the crucial question was whether there were any strategic offensive weapons on the island that threatened the continental United States.

The intelligence community established a joint interrogation center in Florida to sift and winnow and evaluate thesethousands of reports centrally. It was a mammoth undertaking, but where possible we checked every weapon report against U-2 photography of Cuba, and against other intelligence sources. One report, for example, claimed there were

continued

underground submarine pens at Matanzas. Our analysts had the facts to disprove this, given the geological structure of the shoreline and the crucial inshore depths in the bay.

Another report alleged that light bombers were being stored in a particular cave. We have a comprehensive spelcological survey of Cuba, which showed that this particular cave curved sharply a few yards inside its entrance-too sharply to admit a vehicle, let alone an aircraft. We also had the photography to show that there had been no work to alter the shape of that cave.

A merchant seaman gave us a detailed description of what he thought might be a rounded concrete dome covering missiles—complete with range and bearing from the pier where his ship had docked. A map of Havana and a recent city directory established that it was a relatively new movie theater.

The watch for missiles, however, was complicated by the fact that there were defensive surface-to-air missiles in Cuba, and to the untrained observer one missile looks pretty much like another.

In fact, some of these "missile" reports we checked turned out to be torpedoes, fuel tanks and even industrial pipe and mooring buoys.

Our intelligence files in Washington, however-thanks to U-2 photography of the Soviet Union and to a number of well-placed and courageous Russians who helped us-included a wealth of information on Soviet missile systems. We had descriptions or photographs of the missiles, their transporters and other associated equipment, and characteristic sites in the Soviet Union. We knew what to look for.

Guided by this background, the interrogators were able to sort out from the flood of reports the ones which established the arrival of MRBM and IRBM [medium-range and intermediate-range ballistic missile] equipment in Cuba. We were then able to locate the sites under construction by reconnaissance and tell President Kennedy the exact scope of the threat.

There remained the question-for the policy makers-of what to do. This required a determination, among other essentials, of whether the Soviets would be able to strike at the United States with their weapons in Cuba in the event of a U.S. ultimatum.

Again, thanks to all our collection sources and to the central analytical process, we were able to inform the President precisely how long it would take to make the missile sites in Cuba operational. The rest of the Cuban missile crisis is history.

On Tap: a Vast Army of Experts

The intelligence analysts who participate in reaching these conclusions, of course, run the gamut from some who have just begun an intelligence career to others who have devoted a lifetime of study to their speciality. To strike a more typical mean, one of the experts who enabled us to give President Johnson a correct appreciation of the Middle Eastern situation in May, 1967-just before the start of the June warheld a doctorate in Near Eastern studies, had lived for several years in Arab villages and at the time had spent 12 years with CIA. . . .

About half of our substantive analysts have graduate degrees. Almost 1 in 3 has his doctorate. We have capabilities in 113 foreign languages and dialects. We can call on the expertise of anthropologists, chemists, metallurgists, medical doctors, psychiatrists, botanists, geologists, engineers of every variety, statisticians, mathematicians, archaeologists and foresters. Our people have academic degrees in 298 major fields of specialization from accounting to zoology....

Ironically, our efforts to obtain foreign intelligence in thiscountry have generated some of the more virulent criticism of the Central Intelligence Agency. It is a fact that we have, as I said, no domestic security role, but if there is a chance that a private American citizen traveling abroad has acquired foreign information that can be useful to the American policy malter, we are certainly going to try to interview him. If there is a competent young graduate student who is interested in working for the United States Government, we may well try to hire him.

The trouble is that to those who insist on seeing us as a pernicious and pervasive secret government, our words "interview" and "hire" translate into "suborn," "subvert" and "seduce"-or something worse.

We use no compulsion. If a possible source of information does not want to talk to us, we go away quietly. If some student groups object to our recruiting on campus, we fall back to the nearest federal office building. Similarly, we welcome the opportunity to place research contracts with the universities, but, again, these are strictly voluntary.

When an Agency "Wraps lisali in Secrecy"--

And so I come to the fundamental question of reconciling the security needs of an intelligence service with the basic principles of our democratic society. At the root of the problem is secrecy, because it is axiomatic that an intelligence service—whatever type of government it serves—must wrap itself in as much secrecy as possible in order to operate effectively....

We have made it our practice not to answer criticism. Former Senator Saltonstall summed it up pretty well when he said that in an open society like ours it is impossible to inform the public without informing our enemies.

I cannot, then, give you an easy answer to the objections raised by those who consider intelligence work incompatible with democratic principles. The nation must, to a degree, take it on faith that we, too, are honorable men devoted to her service. I can assure you that we are, but I am precluded from demonstrating it to the public.

I can assure you that what I have asked you to take on faith the elected officials of the United States Government watch over extensively, intensively and continuously.

Starting with the executive branch, the Central Intelligence Agency operates under the constant supervision and direction of the National Security Council. No significant foreign program of any kind is undertaken without the prior approval of an NSC subcommittee which includes representatives of the President, the Secretary of State and the Secretary of Defense.

In addition, we report periodically and in detail on the whole range of foreign-intelligence activities to the President's Foreign Intelligence Advisory Board, a group of men who have distinguished themselves in government, industry, education and the professions. This board, originally created in 1956 under the chairmanship of Dr. James Killian of M.I.T., has been headed by Gen. John E. Hull, Mr. Clark Clifford, Gen. Maxwell D. Taylor, and currently by retired Adm. George W. Anderson.

Our budget is gone over line for line by the Office of Management and Budget-and by the appropriate committees of the Congress as well....

In short, the Central Intelligence Agency is not and cannot be its own master. It is the servant of the United States Government, undertaking what that Government asks it to do, under the directives and controls the Government has es-

variety, statisticians, mathematicians, archaeologistical 2001/08/07 : CIA-RDP80-01601R001000070001-6

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Approved For Release 2001/08/07 CIA-RDP80-0160 25 ABRIL 1971

Helms of the CIA

By Benjamin Welles

Mr. Welles covers national security affairs as a correspondent in the Washington Bureau of the New York Times.

WASHINGTON-"I can tell when he walks in the door what sort of a day it's been," said his wife, Cynthia. "Some days, he has on what I call his 'Oriental look'-totally inscrutable. I know better than to ask what's happened. He'll talk when he's ready, not before, but even when he talks he's terribly discreet."

The director of the Central Intelligence Agency, Richard Helms, apparently brings his problems home from the office like any other husband-at least to hear Cynthia Helms tell it. And these days Helms' job is definitely one of the möst problem-ridden in Washington.

Successive budget cuis, balance-ofpayments restrictions, burocratic rivalries, and press disclosures that have hurt the CIA's public image have all reduced its operations considerably. President Nixon has recently ordered a fiscal and management investigation into the intelligence "community," a task which may take longer and prove more difficult than even Nixon suspects because of the capacity of the intelligence agencies to hide in the burocratic thickets.

A Mixed Blessing, Perhaps

Both Nixon and his principal foreign affairs adviser, Henry Kissinger, are said to regard the community as a inixed blessing: intrinsically important to the United States but far too big and too prone to obscure differences of opinion-or, sometimes, no opinion-behind a screen of words.

Considered a cold-blooded necessity in the Cold War days, the agency now seems to many students, liberal intellectuals, and congressmen, to be undemocratic, conspiratorial, sinister.

The revelations in recent years that have made the agency suspect include its activities in Southeast Asia, the Congo, Guatemala, the Bay of Pigs; the



Richard Helms

U-2 flights; its secret funding thru "front" foundations of the National . Student Association plus private cultural, women's and lawyers' groups; and, finally, two years ago, the Green Berets affair.

The 53-year-old Helms knows all this better than most. As the first career intelligence officer to reach the top since the CIA was created in 1947, his goal has been to professionalize the agency and restore it to respectability. One of his chief preoccupations has been to erase the image of the director as a man who moves in lavish mystery. If Helms rules an "invisible empire," as the CIA has sometimes been called, he is a very visible emperor.

as director of central intelligence, he is the senior intelligence adviser to the President and Congress. Second, he is the President's representative [and chairman] on the United States Intelligence.Board, a losse conglomeration of agencies handling high-grade intelligence and spending, between them, more than \$4 billion yearly. Third, he is director of the CIA.

In some ways, the CIA is the tail that wags the intelligence dog. Under the National Security Act of 1947 which created it, the CIA alone carries out services "common" to the other intelligence agencies.

This is its charter for such "black tricks" as the National Security Council may order it to perform, from bugging

Helms wears three official hats. First,

THE NEW YORK TIMES BOOK REVIEW Approved For Release 22004 1/08/071-9CIA-RDP80-0160

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his lethal powder—the "white death"—has spread to all levels of American society, with the syringe becoming smuch a part of suburbia as the Saturday afternoon barbecue. There are half a million addicts walking streets right now. They will spend \$15 million today feeding their habit. They'll get more than half this money om crimes they'll commit in the big cities. One of every four of these addicts is a teenager, and for the 18-35 ge group, heroin overdoses have become a major cause of death.

his is terrifying. But it isn't news. Every time you turn on the TV or pick up the newspaper you hear about heroin. enators rise regularly to read grim statistics into the Congressional Record. President Nixon himself has poken somberly about the way heroin is stalking our streets with "pandemic virulence."

ut all this talk isn't going to change things. Neither is sending Henry Kissinger to Turkey to see what can be done bout the Middle East opium field. And the President probably knows it. The heroin problem is going to get orse, with more young people becoming addicted and dying, until the U.S. gets out of Southeast Asia. Heroin and the War are connected with a horrible symbiosis.

■ its May issue, Ramparts magazine tells the shocking story of the New Opium War:

- how clandestine CIA involvement in the parapolitics of Southeast Asia has allowed this area to produce 80% of the world's opium, replacing the Middle East as the major source of heroin.
- how a U.S.-sponsored network of anti-communists—Meo tribesmen in Laos, nationalist Chinese guerrillas and Burmese border police—participate in the opium harvest, in its processing into heroin and transportation to checkpoints throughout Indochina and finally to the U.S.
- how the major figures in South Vietnam's government—from Diem and Madame Nhu in the past to Nguyen Cao Ky today—have profited from the heroin traffic with tacit American support.
- how Saigon has become a major stop along this new heroin route, with up to 20% of some American Gl platoons coming home addicts and at least one soldier a day dying from overdoses.

The New Opium War'' is another example of how the war comes home, wrapped in lies and distortions and ringing chaos with it. It is also another page in Ramparts coverage of the ever-deepening U.S. involvement in outheast Asia. We began in 1966 (before opposition to the war was fashionable) with the expose of the joint forts of Michigan State University and the CIA to set up the Diem regime. We will continue until the killing is over.

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STATOTHF HIMAN STREAM Approved For Release 2001/08/07 16/4-RDP80-01601R0

"Chicago 7" Veterans Ready Radio Series for Hanoi

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"Chicago 7" member Rennie Davis, a leading figure in the upcoming pro-Hanoi demonstrations in the Nation's Capital, is supporting a new anti-American project. The pro-Communist revolutionary has joined with Abbie Hoffman, another "Chicago 7" member, and others to form radio WPAX in New York. The group is preparing a series of programs for use by Radio Hanoi as an "alternative to the programming of the Armed Forces Network."

Davis and his gang have already delivered fourand-a-half hours of taped music and commentary to the North Vietnamese delegation to the Paris peace talks. The programs are scheduled to be

broadcast in half-hour segments from Hanoi three times daily.

In a letter to persons considered sympathetic to WPAX, Hoffman said "the Armed Forces Network is the voice of the Pentagon. In addition to censored news, any music with references to peace, black liberation, alternative culture or other 'controversial' material is also banned."

"We have an obligation to fill this void," the letter continued, "and assure that GIs have the opportunity to hear another opinion and have the proper perspective."

WPAX will also have an advisory panel of some 50 persons, including' Dwight McDonald, literary critic and staff writer for the New Yorker. Mc-Donald, who teaches English at the University of Massachusetts, told the Washington Evening Starwhich initially published the WPAX story-that he was "definitely" a member of the panel.

According to John Giorno, a leader of WPAX, the North Vietnamese approved the idea of the broadcasts several months ago, after which WPAX was organized to produce the programs. "They totally dug it," Giorno said. "We got together the first programs and Abbie flew over with them. He arrived back March 24 and said we can do anything we want to, as much as we want."

Giorno said in the first program, the "People's Peace Treaty"-a "treaty" that calls for the U.S. to capitulate to Hanoi-was read and that Viet Nam veterans signed it. That show was followed by Allen Ginsberg's poetry. Giorno stressed Ginsberg's poetry consisted of his contention that the CIA sponsored much of the opium traffic out of Laos as a means of controlling certain segments of the American popula-•tion.

Other programs include such subjects as Women's

in the United States, legal advice for GIs, black news and ex-GIs discussing the Army. Giorno maintains that Hanoi will broadcast the programs in both AM and shortwave and will cable the WPAX group when the shows start running.

At WPAX meetings, notes the Star reporter, there is discussion of the Federal Treason Act and the Trading With the Enemy Act, but the group feels it can elude these laws since WPAX interprets them to apply only to "declared wars."

"The way we've set up WPAX," Giorno says, "if they go after us for treason, they're going to have to do it on the grounds of free speech. If they go after us it will be a bigger trial than the [Chicago 7] conspiracy trial."

An atmosphere of intrigue at these meetings is created by such legal speculation and by the level of contact with the Communists. The pro-Hanoi revolutionaries say their latest talks have been with Mrs. Nguyen Thi Binh, head of the Viet Cong delegation in Paris, who is their principal contact.

Giorno commented that some unnamed American radio stations have expressed interest in broadcasting the shows and the group hopes that the shows "will eventually be able to reach all of the three million members of the armed forces."

Something akin to treason is, of course, afoot, and one wonders what Robert Mardian, head of the Internal Security division in the Justice Department, plans to do about it-if anything. Mardian, it is recalled, did virtually nothing to prevent revolutionary groups from using HEW facilities when he served as its general counsel.

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AMARILLO, TEX. NEWS M - 48,935 NEWS-GLOBE S - 75,677R 22 1971

Security Unheralded

Any public official who can serve as the director of a government agency for five years — and keep his mouth shut, is deserving of a meritorious award. But Richard Helms, head of the Central Intelligence Agency deserves an award not only for minding his own business — our international security — but for doing it in the face of mountainous vilification from all about him.

Last week he talked to a convention of newspaper editors in Washington, D. C., his first public speech since 1966 when he became head of CIA. He made some very potent points. His address drew little notice, nor many headlines. But what he said has meaning for the frightened folk who insist that their conversations are bugged, their telephones tapped, their privacy invaded. In fact, the CIA "does not target on American citizens," Helms asserted.

Helms said the CIA is not an "invisible government." It is not "involved in world drug traffic."

International espionage is a fact of international life. It must be so long as there are enemies. For instance, Helms said that it would

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The United States "must have the means of detecting new developments which might convert one of the regular Soviet air defense missile systems into an ABM network," Helms said. "We make no foreign policy," he

"We make no foreign policy," he said. "The nation must to a degree take it on faith that we too are honorable men devoted to her service. I can assure you that we are but I am precluded from demonstrating it to the public," he added.

"We not only have no stake in policy debates" within the administration "but we cannot and must not take sides. The role of intelligence in policy formulation is limited to providing facts — the agreed facts — and the whole known range of facts — relevant to the problem under consideration."

The faint hearts, the guilt-torn cannot see the world as it is. And as it is, national survival depends on accurate intelligence information.

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UNIVERSITY OF MISSOURI, KAHSAS CITY, MISSOURI Approved For Release 2001/08/07/3 1944-RDR 80-01601R001000070

22 APRIL 1971



by Frank Browning and Banning Garrett

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(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 vorld'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.

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 teenagers 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 iCIA-RDR80-01601R001000070001-6 U.S. At the same time the government starts

THE CHICAGO SUI-TIMES

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Inside the CIA

For the first time, the director of the Central Intelligence Agency has made a public speech about this most secret government operation. In telling of the work of his operatives, Richard Helms noted that other countries are even more secret about gathering intelligence—what the man on the street calls spying. In Great Britain, for example, it is not even public knowledge who is in charge of such activity.

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When he had finished his talk to the American Society of Newspaper Editors, Helms had uncovered only the top of the CIA iceberg. He gave an inkling of the enormous store of information in its books and files' and photos (some from U-2s). But of sinister activities obviously no word.

In the James Bond world of interhational spying many things obviously are done that no nation dedicated to righteous and ethical practices could own up to. One charge Helms did deny — that the CIA is somehow involved in the world drug traffic. Helm's speech to the editors was intended to dispel such suspicions and his appearance did much to explain why he has been enjoying a greater confidence in his integrity, honesty and judgment on Capitol Hill.

He insisted that the CIA has no policy axes to grind, that it merely digs up information for the policy-makers to act on.' And, he said, "We do not target on American citizens." He might have added, but did not, "unlike the FBI and the Army." In the end, however, Helms conceded that the American public must take his word for it that his agents do not overstep the boundaries of morality.

"The nation must to a degree," he said, "take it on faith that we too are honorable men devoted to her (America's) service."

It's frustrating in a government of, by and for the people to be asked to take anything on faith. But Helms' assurances are better than none and he himself appears to be the kind of official Washington, particularly agencies like the FBI, could use more of.

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PHILADFLPHIA, PA. BULLETIN

E - 640,783 s - 681,830 1971

case for spying

For all his reputation as the Nation's Chief espionage agent, Richard McGarrah Helms, of St. Davids, Pa., would cut a poor figure in a spy thriller.

No flair for the dramatic, just a quiet-spoken man in a dark gray business suit, to match the federal agency he has headed the last five years - the Central Intelligence Agency.

In his first public address as CIA director, Mr. Helms also showed himself recently to be a man with a passion for logic and precision, in articulating ideas and in making distinctions.

His topic was spying itself, its role in "fearsome" world. Spying was not, a said Mr. Helms, an optional activity, to be curtailed or abandoned, under pressure of critics who take advantage of the CIA's "traditional" silence to make "vicious and just plain silly charges . . ." In the last violence-ridden quarter of the 20th Century, Mr. Helms asserted, it argument the public is disposed to accept.

was an absolute necessity - despite the fact that the CIA's mission, to help keep the President informed of international developments, may "appear in conflict with some of the traditions and ideals of our society . . ."

The problem posed by the CIA was not eliminating it but "to adapt intelligence work to American society." And in this, Mr. Helms said, the American public would have to accept, "on faith," that he and his CIA associates are "honorable men," devoted to the nation's service and subject to intense scrutiny by the elected leaders of the Federal Government.

It was a persuasive argument Mr. Helms outlined for the American Society of Newspaper Editors meeting in_ Washington, D.C. And, granted the intense scrutiny Mr. Helms cites, it is an

LAOS: ANATOMY OF AN AMERICAN INVOLVEMENT

By Roland A. Paul

WHEN President Kennedy came to office in 1961, he was startled to learn that almost 700 American soldiers, more than half of whom were members of the Special Forces, were in Laos, while about 500 Soviet troops were there providing logistics support to the local communist forces, the Pathet Lao and their North Vietnamese allies.

Fearing the possible consequences of such a confrontation and considering American interests in Laos to be small, President Kennedy sought to disengage. Negotiations ensued at Vienna, at Geneva; in Laos and elsewhere. The result was the ambiguous compromise set forth in rather unambiguous language in the Declaration on the Neutrality of Laos and the Protocol to that Declaration, signed by 13 communist and non-communist countries in July 1962, commonly known as the Geneva Accords of 1962.

Under the mantle of this agreement, the Laotians themselves established a tripartite government composed of right-wing royalist elements under General Phoumi Nosavan, neutralist elements under Prince Souvanna Phouma and communist elements whose nominal leader was Prince Souphanouvong (Souvanna Phouma's half brother). The balance of power in the government was given to the neutralists, and their leader Souvanna Phouma became Prime Minister, a post he holds today.

The Geneva Accords, themselves required Laos to disassociate herself front all military alliances, including SEATO, prohibited the introduction of foreign military personnel and civilians performing quasi-military functions (except for a small French training mission), precluded the establishment of any foreign nucleary installations in Laos and forbade the use of Laotian territory to interfere with the internal affairs of another country. Pursuant to the agreement the Americans and Soviets withdrew their military personnel. The North Viel amese, however, failed to withdraw most of their 6,000-mian force that ", then in Laos.

Neve theless, à relative peace settled over this somnolent "Land of the Million Elephanes" for about one year, to be shattered in 1963 by an excharge of assassinations. The non-communist officer Colonel Ketsana was murdered and shortly thereafter the pro-Chinese Foreign Minister Quinim Pholsema Vol. killed. These sparked a renewal of the fighting in Laos, which has raged ever since.

To understand the nature of the hostilities in Laos, one must bear three points in mind. First is the fact that the Laotians are a very peaceful, in some cases indolent, people. Accordingly, they generally make poor soldiers. This is true whether they march, or walk, under the red flag of communism or the white elephant and parasol emblem of the neutralist government. They are no match for the well-trained soldiers of North Vietnam. Until recently, this was evidenced all too frequently by the flight of government forces apon whether they were facing an opposing force composed of North Vietnamese.

There is one exception to this behavior, however. The 250-300,000 Meo tribesmen (no one knows precisely how many there are) and the other smaller Montagnard tribes come from different stock and have been hardened

by centuries of nomadic life, slash-and-burn farming, principally opium poppies, and oppression at the hands of their neighbors, historically the Chinese. Sustained and supported by the U.S. Central Intelligence Agency,

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ATLANTA, GA. CONSTITUTION

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Rey Marrison . The Spy Who Talked

WASHINGTON, D. C. - Richard Helms had not made a public speech in five years. By all things right he

should have been nervous; e d g y, itchy. For he had to defend his organization, the C entral Intelligence A ganey, nefore a state of the toughest a u d iences in the country, the American Society of Newspaper Editors.

Helms came to the podium assured, quiet, reserved and totally compotent to discuss the philosophy behind the spy system he runs.

First, he looks like a spy--spare figure, dork blue suit, quiet striped tie, white shirt, graying hair combed straight back. Second, he speaks like a spy, restrained and understated.

His agency has been under sharp attack. It has not defended itself publicly. It has felt that it must not blow either its cover or its cool. Now, however, it is clear that the CIA is beginning to feel it must defend itself in an overheated situation.

Some of the criticism has been "viclous, and some just silly" he said. One silly illustration: The charge that CIA is deeply involved in the world drug traffic. "We are not," he declared.

A more difficult question is whether the CIA is spying on its own constituency or requiring Americans to act as spies for it. "We do not target on American citizens," Helms said. Rather, he insisted that the intelligence organization is involved in the massive collection of sometimes miscellaneous information—the depth of the ocean alongside the dock in Somaliland, the sharp turns in caves in Cuba—which can be pieced together to mean something in the long run. For example, the CIA had a report that Cuba was storing fighter planes in a large cave. Helms' agency was able to discount the report because spelutkers knew there is a very sharp turn several yards inside the cave which would make it impossible to store any vehicle there.

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Basically, though, Helms came to maintain that his agency must be in an objective, cradible position. It will not work if he or his agency take sides in strategy decisions. "It we did," he said, "the officials involved would suspect that we stacked the evidence," to bolster Helms' own position.

"We must have credibility... an intelligence organization without credibility is of no use," ne added.

So in its zeal to protect its credibility with the elected officials, the CIA may have let down its defenses with the public at large. There is wide spread, and growing, public criticism of the agency.

In his understated way, Helms conceded that his agents sometimes "chafe" under this criticism. Yet he must continue to coordinate the data from the entire intelligence community — the CIA, National Security Agency, State Department, military intelligence units, Federal Bureau of Investigation, Atomic Energy Commission and others.

So now he had come to declare the agency's worth — not beg for indulgence. He had come to say that his associates are dedicated, professional and human. He had decided to drop the cloak long enough to explain that even in England the identity of the security agency's director was a state secret.

Helms has his hands full trying to convince the public his agency is not a shadow government. But he convinced me. This is a firm resolve not to make fun of the CIA next time it tries to assemble data to save my neck.

Taking the CIA on Faith

Welcome indeed are CIA director Richard Helms' assurances that the quality of his agency's work "is better than it has ever been before," that "we do not target on American citizens," that "we not only have no stake in policy debates but we cannot and must not take sides," that "the elected officials of the U.S. Government watch over (CIA) extensively, intensively and continuously," and that "we understand as well as anyone the difficulties and the contradictions of conducting foreign intelligence operations on behalf of a free society." Whether his assurances are based on fact or feather-fluffing is, of course, another matter, and one which he conceded the public cannot judge. "The nation must to a degree take it on faith," he told the American Society of Newspaper Editors, "that we too are honorable men devoted to her service."

In all due respect to Mr. Helms, no one questions his honor or devotion, or that of his agency's staff. Moreover, on the basis of what little independent knowledge is available to us, we suspect that the high marks Mr. Helms gave the CIA are generally quite deserved. But that is not the point. The point is that the public has no firm or reliable basis on which to make any satisfactory judgment of the CIA at all. It is a secret agency. Mr. Helms is surely aware of the irony implicit in his plea that the nation accept on faith the CIA's devotion to democracy. For it is the essence of a democracy that matters of public policy be examined in public, not taken on faith.

Take, for instance, the one specific charge that Mr. Helms defended the agency against in his ASNE speech—that "the CIA is somehow involved in the world drug traffic." He said: "We are not." But does the CIA have connections with others involved in drug traffic? If it does, would it not have double reason—the dirtiness of drugs and the protection of a particular intelligence operation—to deny the charge? For that matter, would a CIA confession have any more objective validity than a CIA denial?

The core of the matter lies, we believe, in Mr. Helms' observation that "the United States, as a world power, either is involved or may with little warning find itself involved in a wide range and variety of problems which require a broad and detailed base of foreign intelligence for the policy makers." As a general proposition, this is unassailable: nobody in his right mind would contend the United States does not need to collect foreign intelligence. In the specific application, however, questions arise: How much intelligence is enough? Does an able and ambitious intelligence agency's anticipation of contingencies in a given place or situation induce policy makers to posit an American interest there? Does the CIA's perception of the world as "fearsome," in Mr. Helms' word, affect its judgment of what contingencies it ought to prepare for and of what information it ought to pass on to the President?

To be sure, it is no more reasonable to expect the director of Central Intelligence to question publicly the premises of American global policy than to expect him to denounce the CIA as incompetent, imperial and anti-democratic. It is always going to be unsettling in our society, nonetheless, to be asked to take the CIA—or any other agency or operation of government—on nothing more than faith.

RICHMOND, VA. NEWS LEADER

E - 119,238

APR 1 7 1971

Keep the Cloak:

any response to their accusations as least-attention. satisfactory, the bureaucracy-baiters revel in a self-perpetuating business. President Nixon surely knows this fact of political life, but occasionally he makes one doubt.

The other day Mr. Nixon allowed Richard Helms, the director of the Central Intelligence Agency, to speak before the American Society of Newspaper Editors. Given that Helms never has made a similar address in his five years as director of the CIA, it was apparent that Mr. Nixon, rather than Helms, wanted to bring a few things out from the shadows as a counter to ever-mounting criticism. So Helms dutifully told the editors —and by extension, the American people—that the CIA really isn't filled with bogeymen, but rather with honorable men seeking to aid the nation's defense. Helms explained that the CIA has neither the power nor the inclination to use police-state tactics, and that the Agency is closely monitored by high-ranking government officials who insure that it can't get out of hand.

Such was the tenor of Helms' speech, and a reasonable man would be hard-pressed to argue with it. Unfortunately, that is the point: Reason-

able men realize that the CIA is not about to turn into Nixon's Gestapo; Those who make their living beard- unreasonable men believe the CIA is ing the government, find that one of incapable of becoming anything else. their greatest advantages is the un- Helms therefore made a speech that ending list of targets available to probably changed no minds, but inthem. And because they never regard stead brought the CIA what it needs

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Mr. Nixon thus handed the anti-CIA (and anti-Administration) forces more fodder for their verbal cannon. New attacks on the CIA were inevitable, of course. But there is no reason why Mr. Nixon should have encouraged them. It would have been far better to let Helms keep wearing the same cloak of near-anonymity he donned five years ago.

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Reg Elurylig The Spy Who Talked

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His agency has been under sharp attack. It has not defended itself publicly. It has felt that it must not blow either its cover or its cool. Now, however, it is clear that the CIA is beginning to feel it must defend itself in an overheated situation.

Some of the criticism has been "viclous, and some just silly" he said. One silly illustration: The charge that CIA is deeply involved in the world drug traffic. "We are not," he declared.

A more difficult question is whether the CIA is spying on its own constituency or requiring Americans to act as spies for it. "We do not target on American citizens," Helms said. Rather, he insisted that the intelligence organization is involved in the massive collection of sometimes miscellaneous information—the depth of the ocean alongside the dock in Somaliland, the sharp turns in caves in Cuba—which can be pieced together to mean something in the long run.

For example, the CIA had a report that Cuba was storing fighter planes in a large cave. Helms' agency was able to discount the report because spelunkers knew there is a very sharp turn several yards inside the cave which would make it impossible to store any

Basically, though, Helms came to maintain that his agency must be in an objective, credible position. It will not work if he or his agency take sides in strategy decisions. "If we did," he said, "the officials involved would suspect that we stacked the evidence," to bolster Helms' own position.

"We must have credibility... an intelligence organization without credibility is of no use," he added.

So in its zeal to protect its credibility with the elected officials, the CIA may have let down its defenses with the public at large. There is wide spread, and growing, public criticism of the agency.

In his understated way, Helms conceded that his agents sometimes "chafe" under this criticism. Yet he must continue to coordinate the data from the entire intelligence community -- the CIA, National Security Agency, State Department, military intelligence units, Federal Bureau of Investigation, Atomic Energy Commission and others.

So now he had come to declare the agency's worth — not beg for indulgence. He had come to say that his associates are dedicated, professional and human. He had decided to drop the cloak long enough to explain that even in England the identity of the security agency's director was a state secret.

Helms has his hands full trying to convince the public his agency is not a shadow government. But he convinced me. This is a firm resolve not to make fun of the CIA next time it tries to assemble data to save my neck.

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THE MIMIESOTA DAILY Approved For Release 2001#08/07 1@1A-RDP80-01601R

CIA footnotes

In his first public address since he became director of the Central Intelligence Agency (CIA) five years ago, Richard Helms defended his organization before a luncheon meeting of newspaper editors Wednesday, and said that the CIA is necessary for the survival of a democratic society. He asked the country "to take it on faith that we, too, are honorable men devoted to her service."

Helms did not attempt to clarify any foundation for that faith, although he did note that CIA intelligence played an important part in determining the American success in the 1962 Cuban missile crisis (thanks to "a number of well-placed and courageous Russians who helped us").

Elsewhere in Washington on the same day, Sen. George McGovern asked Helms to comment on published reports that South Vietnamese Vice-President Nguyen Cao Ky may be involved in the opium trade in Southeast Asia. He cited a recent article in Ramparts magazine implicating the CIA in an international opium business. The Ramparts article contended that opium production and distribution in the Fertile Triangle region of Burma, Northern Thailand, and Laos is conducted with the knowledge of the CIA, and that CIA operations there actually serve to protect opium supplies and facilitate their movement.

Helms did not comment on the allegations; apparently an admonition from the director every five years that Americans must accept the CIA "on faith" should be sufficient.

There might be more to it: that Helms should offer a footnote to American diplomatic history almost ten years after the incident happened suggests a possible precedent. Perhaps, in another five years or so, the CIA director will emerge from his office once more, and renew his request for an extension of public faith in his agency. And then he might add another footnote about how the CIA almost won that Vietnam War all by itself. STATOTHR

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ons such as the E-1 bomber and the MET 70 initiatives which have been undertaken to end the yeast production of snium in

OTHER ISSUES

There are other issues as well. Why do we need over 400 major and some 3,000 minor bases scal red in some 31 countries around the work. If need for these bases, many of them reduct on the bathed since World War II, should be reviewed.

Why, a quarter of a century after World War II, should the United States be providing over 300,000 troops and \$14 billion a year to the NATO alliance? Our European allles have a larger population than we do. They are now as wealthy rs we are. They are shouldering none of the costs of the Asian war. Yet we continue with this tremendous outlay of military expenditures for the defense of Europe.

We should cut our forces in NATO in half. We should continue to provide the nuclear umbrella for the defense of Europe. But the Europeans should provide most of the manpower. It is time to Europeanize NATO as it is time to Vietnamize the Asian War. If the Europeans are unwilling to defend themselves against a Russian attack in the center of Europe, then there is no reason why we should hear the major share of that burden.

How does it weaken us to review our bases and to question why NATO should not be Europeanized when their economic strength is as great as ours?

CONCLUSION

By reforming procurement, by reviewing our comunitments, by taking a realistic view of the Russian and Chinose threat, by doing away with unneeded and overlapping weapons, and by limiting the expansion of our nuclear strategic terror, we could make great. savings in the defense budget without endangering our security.

And as real security is based on a balance between military and domestic needs, and between the strength of our weapons and the strength of our economy, in my view we would in fact enhance our overall security.

If we persist in the present military excesses we will weaken this country rather than strengthen it.

We should reduce our military expenditures rather than to increase them as our military needs in Asia decrease.

The charge of "nco-isolationism" hurled at those who advocate reform is body misplaced. In fact, if the military fails to reform, it may so endanger its own credibility as to bring about the very nco-isolationism it claims to oppose.

Claims to oppose. Instead of hurling epithets at those who would reform the system, those who really want us to remain strong and free should urge the Peniagon to provide this country with a leaner, stronger, and far less costly, more efficient military force.

DRUG TRAFFIC IN SOUTHEAST ASIA

Mr. McGOVERN. Mr. President, I am increasingly concerned about reports that members of U.S. Armed Forces serving in Indochina are being afflicted with hard drug addiction on an alarming scale, and that Southeast Asian growers and smugglers not only supply these drugs but a lion's share of the illicit world supply as well.

In light of the grave implications for our own society, I have written to Secretary of State William Rogers and Central Intelligence Agency Director Richard Helms, asking for a thorough investigation of this matter. In addition, I have asked for a report on diplomatic initiatives which have been undertaken to end the vast production of opium in the Fertile Triangle region encompassing parts of Eurma, northern Thailand, and Laos.

I ask unanimous consent that the letter to which I have referred; a recent report by Giovia Emerson in the New York Times on the availability of heroin in Vietnam; and a report in the current issue of Ramparts magazine on the Southeast Asian opium' market be printed in the RECORD.

There being no objection, the items were ordered to be printed in the Rec-ORD, as follows:

U.S. SENATE, COMMITTEE ON

ACCICULTURE AND FORESTRY, Washington, D.C., April 13, 1971.

Hon. WILLIAM ROGERS,

Secretary of State,

U.S. Department of State,

Washington, D.C.

DEAR MR. SECRETARY: The traffic in hard narcotics, the opium derivatives, is among the most insidious and deadly threats to our domestic saliety and well-boing.

These drugs destroy hundreds of thousands of lives each year, and the number is growing rapidly. Beyond that, hard drug addiction authors a vast proportion of all other crime—as much as 90 percent in New York City, for example—which is committed by users seeking funds to sustain their habits. A recent study in the District of Columbia found that 45 percent of a sampling of the D.C. Jail population was addicted to heroin.

This general grave concern is now coupled with the more recent problem of hard drug addiction acquired by United States servicemen returning from Indochina. The Commissioner of New York's Addiction Services Agency has, written to me that,

"Most recent reports on drug addiction and drug abuse do indicate that there is an increase in these phenomena among American servicemen and there is very little doubt that a significantly greater part of New York servicemen returning to civilian life have been or are addicted, or have developed a propensity to addiction."

Dr. Robert DuPont, director of Washington, D.C.'s Narcotics Treatment Administration, reports that his agoncy has undertaken a systematic study of the relationship between military service and heroin use. He told me recently that,

"Our earlier investigations showed that about 25 percent of the heroin addict patients in treatment with the Narcotics Treatment Administration, and about 25 percent of the heroin addicts admitted to the D.C. jail, are veterans."

Last year the Veterans Administration established the treatment of drug dependence as a special medical program, including plans for 30 specialized units for the rehabilitation of drug dependent veterans. V.A. Administrator Donald Johnson has advised me that his agency is not in a position to assess the true magnitude of this problem.

In his State of the World Message, President Nixon quite properly singled out plans to deal with the international sources of supply of heroin as an essential, central element in any serious effort to control this vicious drug. He indicated that the Administration has worked closely with a number of governments, particularly Turkey, France, and Mexico, to szek an end to illicit production and smuggling of narcotics.

On the basis of this background, I am deeply disturbed by reports, including those contained in the current issue of *Famparts Magazine*, that the vast majority of all heroin production comes not from Turkey, not from France or Mexico, but from Southeast Asia, and that U.S. policy and personnial, instead of discouraging this tradio, have beginnly assisted its growth.

I would very much appreciate your conments on the following points raised in the enclosed article:

(1) The report that, according to the United Nations Commission on Drugs and Narrotics, at least 80 percent of the workd's 1200 tons of illicit opium comes from Southexit Asia. According to an Iranian report to a Enited Nations seminar on the subject, some 83 percent of the world's illegal supply originates in the Fertile Triangle region which includes parts of Burna, northern Thailand and Laos.

(2) The report that Nationalist Chinese or Knomingtang forces operating in that region control and profit from the opium trade, that these forces supplement their income by performing missions for the United States, and this activity both to the United States and this activity both to the United States and the United Nations.

(3) The report that oplum is the basic source of income for Meo tribesmen in Laos, and that General Vang aPo, commander of Lar counterinsurgercy forces made up of Meo tribesmen and supported by the United Stutes, uses alreraft supplied by this country to transport oplum from the surrounding area to the base of Long Chang.

(4) The report that General Ouane Rathikome of the Royal Laotian Army exercises bread control over the opium traffic in Laos, induding ownership of several "cookers" for relning it, and that he and other interested paties transport raw opium in equipment supplied by the United States military assistance program.

(5) The implication that optum productian and collection in Laos is conducted with the knowledge of Central Intelligence Agency officials, particularly in the area surrounding Lang Cheng, and that CIA operations there acually serve to protect these supplies and fadilitate their movement.

(6) The report that high Vietnamese off-cids, including Vice President Ky, have been and may currently be involved in the transpat of oplum from the Fertile Triangle regim to Saigon and in its distribution there. Certainly these reports, along with others in the article, warrant a thorough investiguinn. Indeed, considering our determina-tim to end the menace of heroin addiction in this country, I will be surprised if such an investigation has not already been complated and if we are not currently involved invigorous diplomatic efforts to close of this source. Considering the number of independent sources which have reported knowledge of vast opium production in the Fertile Triangle region, it seems to me that it would be impossible for it to escape the attention of U.S. agencies operating there.

Along with your comments on the points litted above I would, therefore, very much appreciate a report on initiatives the United Suites has undertaken to cut off this major source of oplum supply, including any resulctions on military assistance aimed at preventing the use of American equipment in cellecting and transporting this treacherous commodity.

Sincerely,

GEORGE MCGOVERN.

[From the New York Times, Feb. 25, 1971] GI's IN VIETNAM GET HEROIM EASILY

(By Gloria Emerson)

BAIGON, SOUTH VIETNAM, February 24.—It is so easy to buy heroin from peddlers in Vibian wherever there are American troops or convoys that a tiny plastic vial can be purchased for \$3 outside the headquarters of an American general.

On the 15-mile Bienhon highway, which

BALTIMORE, MD. NEWS AMERICAN APR 15 1971 E - 219,140

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Editors Told Key Russians Serve as Spies for

- Chicago Sun Times

WASHINGTON - The Central Intelligence Agency says it has penetrated the Soviet government with a "number of well-placed" Russian spies.

Richard M. Helms, in his first public speech in five years as director of the CIA, Wednesday cited the spics' key role in the 1962 Cuban missile crisis and implied

that some of them are still operating in the Soviet Union.

By surfacing the claim at this of its operations at this time. time, Helms apparently sought to serve notice to The Kremlin that the United States has secret ways of checking on its good faith in current negotiations on strategic weapons, the Middle East and the CIA has "no domestic security other critical issues.

HELMS SAID THE CIA was citizens," he said. able to detect Russian missiles in Cuba in 1962 "thanks to U-2photography of the Soviet Union and to a number of well-placed and courageous Russians" who provided crucial details on Soviet missile systems.

Helms was asked later if he was referring to Col. Oleg V. Penkovsky, the Soviet military intelligence official who served as a double agent for both the CLA and British intelligence. Helmis replied that his remarks covered Penkovsky and "others."

Penkovsky was arrested Oct. 22, 1962, at the height of the Cuban missile crisis, and executed May 16, 1963. But the Soviet government has made no public mention of additional spies in the case.

HELMS' SPEECH thus left the

implication that "other" CIA tacilitates the movement of opium agents remain in place inside the out of Southeast Asia.

Soviet Union. President Nixon before accepting of many thoughtful Americans, annual convention of the some of the traditions and ideals

But Helms' speech created a no controls . . . But Helms' speech created a "it is difficult for me to agree considerable stir in view of the current clamor over Army and with this view, but I respect it." FBI "syping" on civilians. He went to great lengths to insist that role."

"We do not target on American

HE DENIED AS "vicious" a charge that the CIA is involved in the world drug traffic. Sen, George McGovern, D-S.C. demanded Wednesday that the CI and the State Departmen investigate allegations by Ramparts magazine that the CIA

Helms conceded, on the other Helms obtained clearance from hand: "Our mission, in the eyes the invitation to speak before the may appear to be in conflict with American Society of Newspaper of a free society . . . assertions Editors. Herbert G. Klein, the Agency is an 'invisible President's communications government' — a law unto itself, director, saw nothing unusual in engaged in provocative covert the CIA making a public defense activities repugnant to a democratic society and subject to

CHICAGO, ILL. SUN-TIMES

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APR 1 5 1971

CIA director tells of spy net in Russia

By Thomas B. Ross

Sun-Times Bureau

WASHINGTON - The Central Intelligence Agency stated Wednesday that it has penetrated the Soviet government with a "number of wellplaced" Russian spies.

Richard M. Helms, in his first public speech in five years as director of the CIA, cited the spies' key role in the 1962 Cuban missile crisis and implied that some of them are still operating in the Soviet Union.

By surfacing the statement at this time, Helms apparently sought to serve notice to the Kremlin that the United States has secret ways of checking on Soviet good faith in current negotiations on strategic weapons, the Middle East and other critical issues.

Speaking to the American Society of Newspaper Editors, Helms said the CIA was able to detect Russian missiles in Cuba in 1962 "thanks to U-2 photography of the Soviet Union and to a number of wellplaced and courageous Russians" who provided crucial details on Soviet missile systems.

Refers to Penkovsky?

Helms was asked later if he was referring to Col. Oleg V. Penkovsky, the Soviet military intelligence official, who served as a double agent for both the CIA and British Intelligence. Helms replied that FBI "spying" on civilians. his remarks covered Penkovsky and "others."

Penkovsky was arrested Oct. 22, 1962, at the height of the Cuban missile crisis, and exe- . cuted May 16, 1963. But the Soviet government has made no public mention of additional sples in the case.

Helms' speech thus left the

CIA director Richard Helms addresses annual convention of the American Society of Newspaper Editors in Washington. (AP)

the Soviet Union.

Helms obtained clearance from President Nixon before accepting the invitation to speak before the annual convention of ASNE.

Herbert G. Klein, the President's communications director, saw nothing unusual in the CIA making a public defense of its operations at this time.

Don't target on Americans But Helms' speech created a considerable stir in view of the current clamor over Army and Helms went to great lengths to insist that the CIA has "no domestic security role."

"We do not target on American citizens," he said.

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Helms acknowledged that the CIA collects "foreign intelligence in this country" by tapping university experts and interviewing persons who travel to Communist countries.

"The trouble," he lamented, "is that to those who insist on seeing us as a pernicious and pervasive secret government, our words 'interview' and 'hire' translate into suborn, subvert and seduce or something worse."

Calls charge vicious

He denied as "vicious" a charge that the CIA is involved in the world drug traffic.

Sen. George S. McGovern (D-S.D.) demanded Wednesday that the CIA and the State Department investigate allegations by Ramparts Magazine that the CIA facilitates the movement of opium out of Southeast Asia.

Helms conceded, on the other hand:

"Our mission, in the eyes of many thoughtful Americans, may appear to be in conflict with some of the traditions and ideals of a free society . . . assertions that the Central Intelligence Agency is an 'invisible government, a law unto itself, engaged in provocative covert activities repugnant to a democratic society and subject to no controls....

"It is difficult for me to agree with this view, but I re-

spect it."

implication that "othapproved For Release 2001/08/07 : CIA-RDP80-01601R001000070001-6 agents remain in place inside



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IN DEFENSE OF THE CIA: Richard Helms, director of the Central Intelligence, arms build-up threatened the Agency, addressing the annual convention of the American Society of Newspaper Editors in Washington. Newbold Noyes of the Washington Star, the society's president, is at left. (AP Wirephoto)

Helms Says CIA Is Necessary To Survival Of Democratic Society

director of the Central Intelli- 1962 Cuban missile crisis was gence Agency says his agency due in part to "a number of is necessary to the survival of a well-placed and courageous democratic society and asks the Russians who helped us." nation "to take it on faith that we, too, are honorable men de he was referring to persons

public address since he became head of the agency in 1966, said have "a major and vital role in yesterday, "We propose to any international agreement to adapt intelligence work to limit strategic arms," Helms American society, not vice ver- said in his speech. sa."

Society of Newspaper Editors.

From Post-Dispatch Wire Services Helms said that the success WASHINGTON, April 15-The of American intelligence in the

He told reporters later that voted to her service." who provided inform Richard Helms, in his first Soviet missile systems. who provided information on

American intelligence would

He said that the Soviet Union He spoke with the approval of continually has rejected propos Approved Forh Release 2001/08/07 : iGle RDP 80+01 601 R001000070001-6 States could undertake an agreement to limit such arms

"only if it has adequate intelligence to assure itself that the Soviets are living up to their part."

Helms said: "There is a persistent and growing body of criticism which questions the need and the propriety for a democratic society to have a Central Intelligence Agency.

"It is difficult for me to agree with this view, but I respect it. It is quite another matter when some of our critics-taking advantage of the traditional silence of those engaged in intelligence - say things that are either vicious or just plain silly." Helms said that the CIA had no domestic security functions and had never sought any. "In short," he said, "we do not tar-

get on American citizens." He denied as vicious a charge that the CLA was involved in the world drug traffic.

Senator George S. McGovern (Dem.), South Dakota, demanded yesterday that the CIA and the Department of State investigate allegations by Ramparts magazine that the CIA facilitated the movement of opium out of Southeast Asia.

In a speech today, Senator Henry M. Jackson (Dem.), Washington, told the newspaper . editors that a relentless Soviet survival of the American nuclear deterrent force.

Jackson said popular opinion, which holds that the military balance leans heavily in the favor of the United States, was wrong.

Jackson said the arms race must be brought under control at the Strategic Arms Limitation Talks. He repeated his proposal that the United States. should buy more time and should consider a partial, interim agreement - for an initial) period of one year - with the Soviet Union.

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Associated Press

CIA Director Helms addresses newspaper editors.

By Chalmers M. Roberts Washington Post Staff Writer

Confirmed by CIA

Russians'1962Aid

In his first public speech as CIA director, Richard Helms yesterday declared that "a number of well-placed and courageous Russians" helped the United States in identification of Soviet weapons in Cuba during the 1962 missile crisis.

He mentioned no names, but the reference clearly appeared to be to Col. Oleg Penkovsky, the Soviet intelligence officer who brought much information out during visits to London in the 16 months prior to the missile crisis. He was arrested that October and subequently executed for treason.

"The Penkovsky Papers," published as a book in 1965, were widely believed to be based on CIA interrogations, and the claim was made in the introduction that Penkovsky's information was invaluable during the Cuba crisis. Talking to newsmen after the speech, Helms acknowledged that the Russians he mentioned included Penkovsky.

However, not until Helms' eon of the American Society of Newspaper Editors had an American official in a position to know come so close to crediting Penkovsky openly.

Helms detailed the kind of work the CIA and other U.S. intelligence agencies did at am precluded from demonthe time, trying to separate strating it to the public," he fact from fiction about what added. Soviet Premier Nikita S. Khrushchev was doing in Cuba. He then included this paragraph:

"Our intelligence files in Washington, however-thanks to U-2 photography of the Soviet Union and to a number of well-placed and courageous Russians who helped us-in-cluded a wealth of information on Soviet missile systems. We had descriptions or photographs of the missiles, their transporters and other assoclated equipment, and characteristic sites in the Soviet Union."

This enabled specialists, with the help of pictures Approved For Release 2001/08 Ment Renned the sates of probe of the Bay of Pigs that

of the threat," Helms said.

Much of Helms' speech was a defense of the CIA against charges it is an "invisible government." He denied reports the CIA is "somehow involved in the world drug traffic.' Without mentioning recent against the FBI, charges Helms said that "we do not target on American citizens."

The closest Helms came to discussing the CIA's role in current policy issues was his reference to the ongoing strategic arms limitation talks. He said it would be "unthinkable" to conclude a SALT agree-ment with the Soviet Union "without the means for monitoring compliance."

He mentioned checking on both offensive and defensive missile systems with a special ~reference to the possibility raised in the Pentagon that the Soviets might upgrade certain surface-to-air missile systems.

The United States "must have the means of detecting new developments which might convert one of the speech yesterday at a lunch aregular Soviet air defense missile systems into an ABM network," Helms said.

> "We make no foreign policy," he said. "The nation must to a degree take it on faith that we too are honorable men devoted to her service. I can assure you that we are but I added.

Helms, who has been with CIA since its creation in 1947 and has been its director since mid-1966, declared that "we not only have no stake in policy debates" within the admin-Istration "but we cannot and must not take sides. The role of intelligence in policy formulation is limited to providing facts-the agreed factsand the whole known range of facts—relevant to the problem under consideration.'

The CIA under one of Helms' predecessors, Allen Dulles, was widely charged with advocacy in the Bay of Pigs debacle and in other covert activities. This was said to

set up the guidelines listed by Helms.

WASHINGTON STAR

Approved For Releases 20091/08/07 : CIA-RDP80T0/1601R



CIA Director Richard Helms (left) talks with Newbold Noyes Jr., president of the American

Society of Newspaper Editors and editor of The Star, during the editors' conference yesterday.



Spies Are Well-Placed, to insist that the CIA has no ideals of a free society ... As-domestic security role. Helms acknowledged that the trail Intelligence Agency is an CIA collects "foreign intelli-"invisible government" - a law Helms Tells Newsmen

By THOMAS B. ROSS Chicago Sun-Times Service

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Semantic Troubles

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