

SECRET

25X1

12 February 1982

MEMORANDUM

SUBJECT: Thai Army Disrupts Heroin Trade

1. The Thai forces operating in the Thai corner of the Golden Triangle have seriously disrupted narcotics trafficking in the region, causing significant but probably only temporary decreases in the amounts of opium processed and heroin exported.

25X1

2. The Thais have driven the Shan United Army (SUA) from its headquarters at Ban Hin Tak near the Burmese border. The Thai military presence, which reportedly is to be maintained there for at least six months, is already discouraging drug processing and trafficking in an area considerably greater than that actually occupied.

25X1

3. In 1981, the SUA controlled 50 to 60 percent of the narcotics trafficking in the Golden Triangle and was the principal heroin exporter. Heroin from that region accounted for 15 percent of the heroin smuggled into the US in 1980. A considerable number of opium refineries are located near the region occupied by the Thais, but on the Burmese side of the border. While the Thai forces will not cross the border, their presence eliminates the safehaven the traffickers use when Burmese forces--also active in the region--threaten their activities. Consequently, traffickers on both sides of the border are expected to lie low as long as the Thais remain in the area.

25X1

The Thai action will have little impact on raw opium production, most of which occurs in Burma away from the border region. Production this year is expected to be about 600 tons, the same as last year. Even an extended Thai occupation would probably have little longer run effect on heroin exports from the Golden Triangle, since the profitability of this trade will provide a strong incentive for the SUA or other groups to revive the operations at a safer location.

25X1

25X1
25X1

SECRET