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| TO | NAME AND ADDRESS | DATE | INITIALS |
| 1 | The Director | 11 MAY 1971 | <i>mt</i> |
| 2 | Mr. John Maury | | <i>jm</i> |
| 3 | Mr. Larry Houston | | <i>lh</i> |
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| <p>To 2 and 3:</p> <p>Let's meet this afternoon to talk about this.</p> <p><i>mt</i></p> <p><i>Have the following up - jm</i></p> | | | |
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Westside Community Mental Health Center, Inc.

ADMINISTRATIVE OFFICES

2201 Sutter Street • San Francisco, California 94115 • Telephone 563-7710

April 28th, 1971

The Honorable Alan Cranston
The Honorable John Tunney
The United States Senate
Capitol Building
Washington, D. C. 20005

Gentlemen:

The burden of this letter is to call your attention to the leading article in the May, 1971, issue of Ramparts magazine, "The New Opium War," a copy of which is enclosed for your convenience.

The authors of this letter are members of the Westside Drug Planning Council, an advisory body to the Westside Community Mental Health Center, Inc. Individually, we are directing or otherwise deeply involved operationally with four (4) drug-abuse programs in the Westside catchment area of San Francisco, of which the Fillmore and the Haight-Ashbury are principal constituencies. These programs are member-agencies in the Westside Community Mental Health Center's Consortium. Collectively, we are attempting to meet the challenge of drug-abuse in San Francisco with policies and programs commensurate with the problem. That we are not succeeding is self-evident. The reasons for our failure are less clear.

"The New Opium War" raises questions that are so distressing and so fundamental to our attempts to deal with persons involved in drug-abuse, which today in San Francisco means heroin-abuse (except for junior high and high school barbiturate abuse), that we genuinely wonder whether our programs should continue.

That a very large number of American military personnel are getting "strung-out" on high grade heroin in Southeast Asia is not the discovery of Congressman Murphy and Steel (see enclosed clipping from the San Francisco Chronicle, April 20th, 1971). Veterans of Vietnam, etc. have been appearing in our facilities for a long time; and while the number of overdoses (O.D.'s) has not skyrocketed, it has increased due to the introduction of high-quality heroin in the prevailing 5% maximum street-supply.

But what has us nearly paralyzed is the apparently ludicrous position we are in. If the allegations made by Ramparts concerning the vast personnel and logistical support given to the Southeast Asian opium traffic by the C.I.A. and the American military (not to mention higher-level political sanctions) are true, why should we (or, indeed, any drug programs) be funded by such public monies as are available for this purpose through the National Institute for Mental Health, "Safe Streets Act" (in California, the California Council on Criminal Justice), the Office of Economic Opportunity, etc.

If the Ramparts case is factually true, and we would very much welcome an official (Senatorial) opinion on this question; then there is no way financially that Americans at home in the drug-treatment and abuse-prevention business can compete with those American activities in Southeast Asia that develop and expand the "pandemic virulence" of heroin traffic and addiction.

The Honorable John Tunney

April 28th, 1971

Page Two

Therefore, flying in the face of our own self-interest as employees of the burgeoning "drug-treatment business," we would actively support thoughtful legislators at either the State or Federal levels who seriously proposed legislation banning public funding of drug treatment programs until such time as an accurate report of federally funded drug-addiction and international trade programs was compiled. Understandably, we are dismayed, bewildered, appalled, and angered by the Ramparts article.

We appeal to you for investigation, clarification, and action. The repetitive meaninglessness of a Sisyphean labor faces us starkly. We can't cope, and we believe the tax-payer deserves a better return on his dollar.

Looking forward to your response, we are

Sincerely yours,

WESTSIDE DRUG PLANNING COUNCIL

cc: The Honorable J. William Fulbright, Senator
The Honorable William Rogers, Secretary of State
The Honorable Melvin Laird, Secretary of Defense
The Honorable Richard Helms, Director of the C.I.A.
The Honorable Philip Burton, Congressman
The Honorable Willie Brown, Assemblyman
The Honorable John Vasconcellos, Assemblyman
The Honorable Nicholas Petris, Senator

Tues., Apr. 20, 1971 San Francisco Chronicle 17

Congressmen Find a Global Heroin 'Epidemic'

Saigon

Two U.S. congressmen said yesterday 10 to 15 percent of American troops in Vietnam—30,000 to 40,000 men—use high-grade heroin and addiction is of epidemic proportions.

They are Representatives Morgan Murphy (Dem-Ill.) and Robert H. Steel (Rep-Conn.) sent out by the House Foreign Affairs Committee to look into the drug problem around the world.

They have visited Turkey, chief supplier of opium for the illicit U.S. market; Iran, and Laos and Thailand, the latter two a major source of heroin supplies in Vietnam.

Murphy and Steel blamed corrupt Vietnamese officials and said the South Vietnamese government has done little about the problem.

They quoted the heroin use figures given them by the U.S. Command and added that 60 to 90 U.S. soldiers

died from overdoses last year.

The drug is so easy to obtain in Vietnam that the U.S. Command is almost powerless in trying to control addiction, they reported. They praised the recent amnesty program of the U.S. Command. Under this plan servicemen who turn themselves in for treatment are not prosecuted.

"The problem has reached epidemic proportions," Steel

said. "Efforts to meet the problem have only begun and so far are ineffective."

Murphy said he and Steel were approached by Vietnamese heroin dealers in Saigon. About a gram of the drug sells for \$1.80-\$2.10, he said.

"These boys will need a lot of money to support their habit in the States," Murphy observed.

"Unless the problem is checked," added Steel, "it

will provide a compelling reason to speed up the withdrawal of troops from Vietnam."

Associated Press

Train Derailed

Catanzaro, Italy

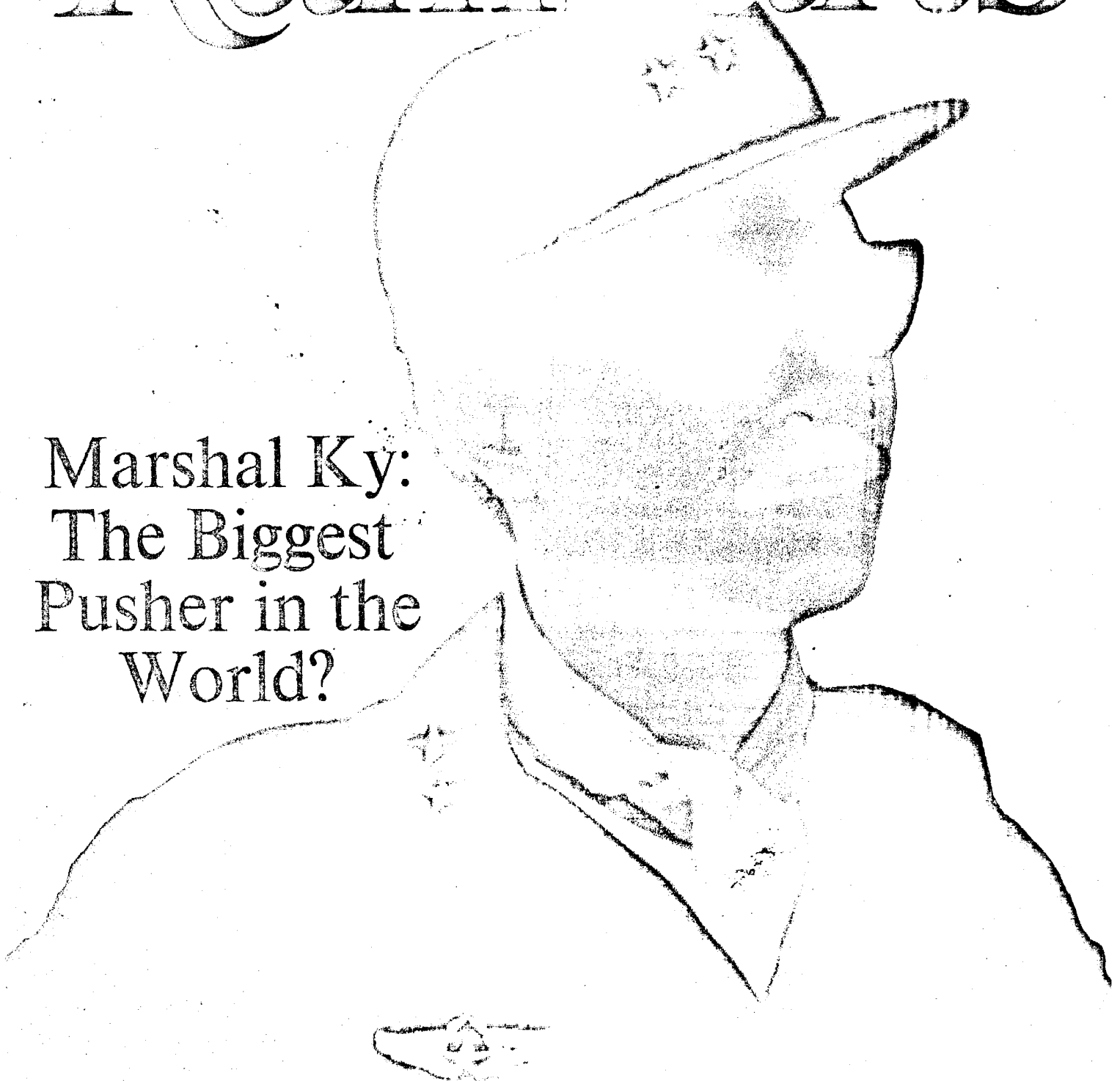
The Milan-Syracuse Express was derailed 25 miles north of here yesterday and police said one person was killed and about 39 others injured.

Reuters

The New Opium War: A Special Report on the Heroin Epidemic & the New Nixon Doctrine; A Ginsberg Poem; Bankers' Lobby; Blue Cross Boondoggle; Bo Diddley; Anais Nin: An Interview 75c

Ramparts®

Marshal Ky:
The Biggest
Pusher in the
World?





The

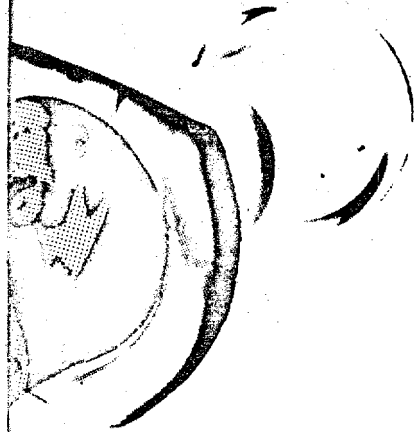
MR. PRESIDENT, THE SPECTER OF heroin addiction is haunting nearly every community in the nation." With these urgent words, Senator Vance Hartke spoke up on March 2 in support of a resolution on drug control being considered in the U.S. Senate. Estimating that there are 500,000 heroin addicts in the U.S., 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

by Frank Browning and Banning Garrett



New Opium War

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.

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.

MOST OF THE OPIUM IN Southeast Asia is grown in a region known as the "Fertile Triangle," an area covering northwestern Burma, northern Thailand, and Laos. It is a mountainous jungle inhabited by tigers, elephants, and some of the most poisonous 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.

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

One of the most successful of the opium entrepreneurs who travel these routes, a Time reporter wrote in 1967, is Chan Chi-foo, a half-Chinese, half-Shan (Burmese) modern-day warlord who might have stepped out of a Joseph Conrad adventure yarn. Chan is a soft-spoken, mild-mannered man in his late thirties who, it is said, is totally ruthless. He has tremendous knowledge of the geography and people of northwestern Burma and is said to move easily among them, conversing in several dialects. Yet he is also able to deal comfortably with the bankers and other businessmen who finance his operations from such centers as Bangkok and Vientiane. Under Chan Chi-foo's command are from 1000-2000 well-armed men, with the feudal hierarchy spreading down to encompass another 3000 hill tribesmen, porters, hunters and opium growers who pay him fealty and whom he regards about the same as the more than 500 small mules he uses for transport.

Moving the opium from Burma to Thailand or Laos is a big and dangerous operation. One of Chan's caravans, says one awe-struck observer, may stretch in single file for well

over a mile, and may include 200 mules, 200 porters, 200 cooks and camp attendants, and about 400 armed guards. Such a caravan can easily carry 15 to 20 tons of opium, worth nearly a million dollars when delivered to syndicate men in Laos or Thailand.

To get his caravans to market, however, Chan must pay a price, for the crucial part of his route is heavily patrolled not by Thais or Laotians but by nomadic Nationalist Chinese or Kuomintang (KMT) troops. Still supported by the ruling KMT on Taiwan, Generalissimo Chiang Kai-shek's 93rd Division controls a major part of the opium flowing out of Burma and Thailand. Roving bands of mercenary bandits, they fled to northern Burma in 1949 as Chiang's armies were being routed on the Chinese mainland, and have maintained themselves since by buying opium from the nearby Meo tribesmen which they then resell, or by exacting tribute payments from entrepreneurs like Chan Chi-foo. As travellers to the area attest, these troops also supplement their income by running Intelligence operations into China and Burma for the U.S.

THE BURMESE GOVERNMENT regularly complained about all this activity to the United Nations, the Taiwan government and the United States, charging the Americans and Taiwanese with actively supplying and supporting the KMT, which in turn has organized anti-government guerrillas. In 1959 Burmese ground troops seized three opium processing plants set up by the KMT guerrillas at Wanton; the troops also took an airstrip the Chinese had used to fly in reinforcements. By February 1961 the Burmese had pushed the KMT troops southeast into the Thai-Burmese and Thai-Laotian border areas, where they now hold at least eight village bases. Just last year a reporter who was at Chiang Mai, Thailand, saw Thai troops and American advisors as well as military supplies provided by the Taiwan government. The Taiwan government, he noted, maintains an information office there and regularly accompanies the KMT troops on their forays into China to proselytize among the peasants of Yunnan province. These sorties are coordinated by the CIA (which is feverishly active if not wholly successful in this area), and the United States even provides its own backwater R&R for the weary KMT, flying its helicopters from hilltop to hilltop to pick up the Chinese (and the Establishment reporter who supplied this information) for organized basketball tournaments.

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

The KMT are tolerated by the Thais for several 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 Charusathira. The BPP were trained in the '50s by the CIA and 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 of 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 double-crosses are intentional.

In the summer of 1967 Chan Chi-foo set out from Burma through the KMT's territory with 300 men and 200 pack-horses 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 north-eastern 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 opium for the Royal Lao Government.

IN A MOMENT OF revealing frankness shortly after the battle, General Rathikoune, far from denying the role that opium had played, told several reporters that the opium trade was "not bad for Laos." The trade provides cash income for the Meo hill tribes, he argued, who would otherwise be penniless and therefore a threat to Laos's political stability. He also argued that the trade gives the Lao elite (which includes government officials) a chance to accumulate capital to ultimately invest in legitimate enterprises, thus building up Laos's economy. But if these rationalizations seemed weak, far less convincing was the general's assertion that, since he is in total control of the trade now, when the time comes to put an end to it he will simply put an end to it.

It is unlikely that Rathikoune, one of the chief warlords of the opium dynasty, will decide to end the trade soon. Right outside the village of Ban Houei Sai, hidden in the jungle, are several of his 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 Kheung (the latter for opium grown by the Yao tribe). Most of the opium he procures comes from Burma in caravans such as 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 Ban Houei Sai area to Luang Prabang, the Royalist capital, in helicopters given by 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, Vcha Akhat, leases planes and pilots from Taiwan for paramilitary operations which lend themselves easily to commerce with opium-growing tribespeople. But the opium trade is popular with the rest of the elite, who rent RLG aircraft or create fly-by-night airlines (such as Laos Air Charter or Lao United Airlines) to do their own direct dealing.

CONTROL OF THE OPIUM TRADE has not always been in the hands of the Lao elite, although the U.S. has been at least peripherally involved in who the beneficiaries were since John Foster Dulles's famous 1954 commitment to maintain an anti-communist Laos. The major source of the opium in Laos has always been the Meo growers, who were selected by the CIA as its counterinsurgency bulwark against the Pathet Lao guerrillas. The Meos' mountain bastion is Long Cheng, a secret base 80 miles northeast of Vientiane, built by the CIA during the 1962 Geneva Accords period. By 1964 Long Cheng's population was nearly 50,000, 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 complete: Carl Strock reported in the January 30 *Far Eastern Economic Review*, "Over the years eight journalists, including myself, have slipped into Long Cheng and have seen American crews loading T-28 bombers while armed CIA agents chatted with uniformed Thai soldiers and piles of raw opium stood for sale in the market (a kilo for \$52). It's old hat by now, but Long Cheng is still so secret that in the past year both the U.S. embassy press attaché and the director of USAID's training center were denied clearance to visit the mountain redoubt." The CIA not only protects the opium in Long Cheng and various other pick-up points, but also gives clearance and protection to opium-laden aircraft flying out.

For some time, the primary middle-men in the opium traffic had been elements of the Corsican Mafia, identified in a 1966 United Nations report as a pivotal organization in the flow of narcotics. In a part of the world where transportation is a major problem and where air transport is a solution, the Corsicans were able to parlay their vintage World War II airplanes (called "the butterfly fleet" or, according to "Pop" Buell, U.S. citizen-at-large in the area, "Air Opi-

um") into a position of control. But as the Laotian civil war intensified in the period following 1963, it became increasingly difficult for the Corsicans to operate, and the Meos started to have trouble getting their crop out of the hills in safety.

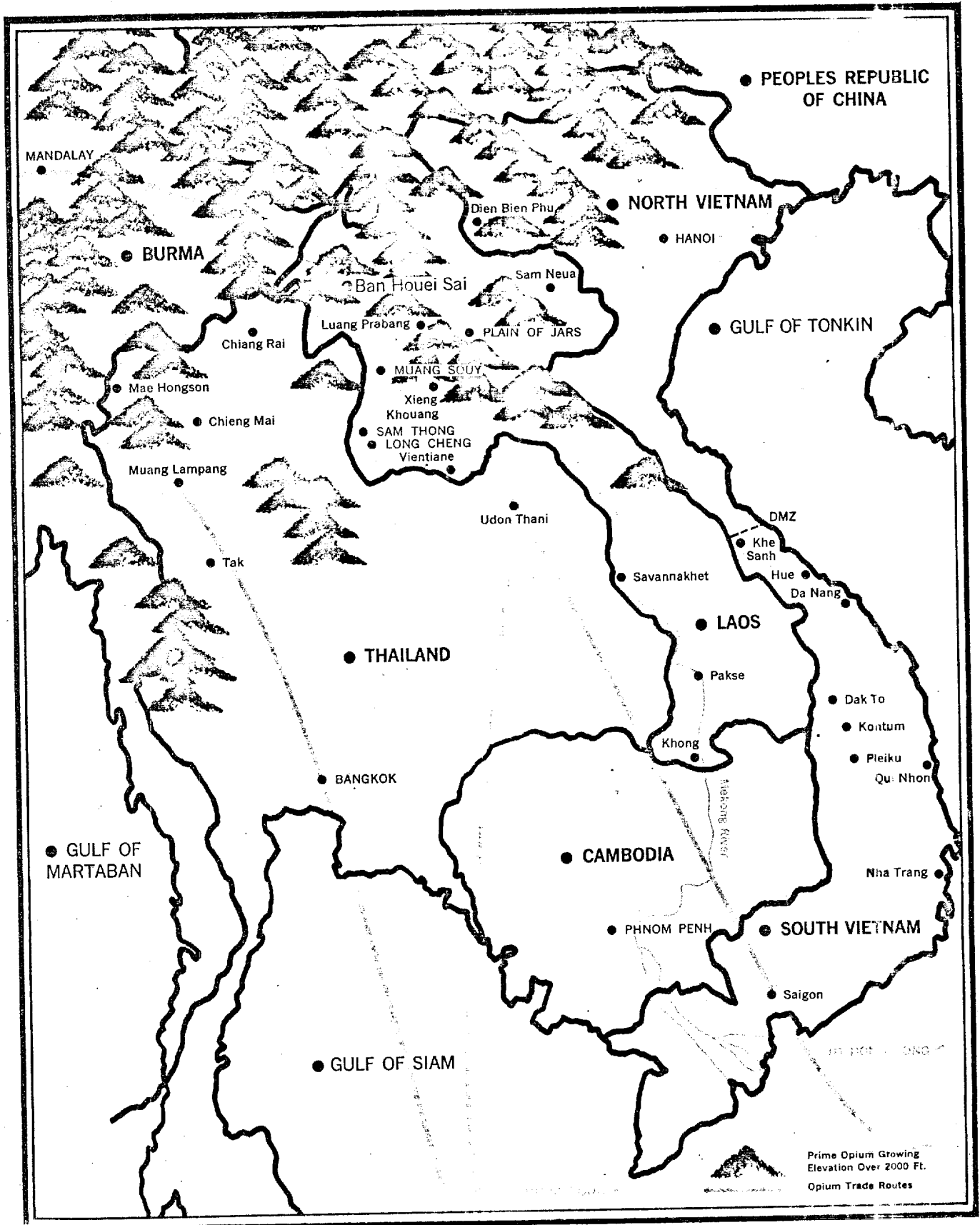
The vacuum that was created was quickly filled by the Royal Lao Air Force, which began to use helicopters and planes donated by the U.S. not only for fighting the Pathet Lao but also for flying opium out from airstrips pockmarking the Laotian hills. This arrangement was politically more advantageous than prior ones, for it consolidated the interests of all the anti-communist parties. The enfranchisement of the Lao elite gave it more of an incentive to carry on the war Dulles had committed the U.S. to back; the safe transport of the Meos' opium by an ideologically sanctioned network increased the incentive of these CIA-equipped and -trained tribesmen to fight the Pathet Lao. The U.S. got parties that would cooperate with its foreign policy not only for political reasons, but on more solid economic grounds. Opium was the economic cement binding all the parties together much more closely than anti-communism could.

As this relationship has matured, Long Cheng has become a major collection point for opium grown in Laos. CIA protégé General Vang Pao, former officer for the French colonial army and now head of the Meo counterinsurgents, uses his U.S.-supplied helicopters and STOL (short-take-off-and-landing) aircraft to collect the opium from the surrounding area. It is unloaded and stored in hutches in Long Cheng. Some of it is sold there and flown out in Royal Laotian Government C-47s to Saigon or the Gulf of Siam or the South China Sea, where it is dropped to waiting fishing boats. Some of the opium is flown to Vientiane, where it is sold to Chinese merchants who then fly it to Saigon or to the ocean drops. One of Vang Pao's main sources of transport, since the RLG Air Force is not under his control, is the CIA-created Xieng Khouang Airline, which is still supervised by an American, though it is scheduled soon to be turned over completely to Vang Pao's men. The airline's two C-47s (which can carry a maximum of 4000 pounds) are used only for transport to Vientiane.

Prior to Nixon's blitzkrieg in Laos, the opium trade was booming. Production had grown rapidly since the early '50s to a level of 175-200 tons a year, with 400 of the 600 tons produced in Burma, and 50-100 tons of that grown in Thailand, passing through Laotian territory. But if the opium has been an El Dorado for the Corsicans, the Lao elite, the CIA and others, it has been a nemesis for the Meo tribesmen. For in becoming a pawn in the larger strategy of the U.S., the Meos have seen the army virtually wiped out, with the average age of recruits now 15 years, and their population reduced from 400,000 to 200,000. The Meos' reward for CIA service, in other words, has been their destruction as a people. (See *Hard Times* section, page 14)

[III]

BOTH THE COMPLEXITY AND THE FINALITY of the opium web which connects Burma, Thailand, Laos and South Vietnam stretch the imagination. So bizarre is the opium network and so pervasive the traffic that were it to appear in an Ian Fleming plot we



would pass it off as torturing the credibility of thriller fiction. But the trade is real and the net has entangled governments beyond the steaming jungle of Indochina. In 1962, for instance, an opium-smuggling scandal stunned the entire Canadian Parliament. It was in March of that year that Prime Minister Diefenbaker confirmed rumors that nine Canadian members of the immaculate United Nations International Control Commission had been caught carrying opium from Vientiane to the International markets in Saigon on UN planes.

The route from Laos to Saigon has long been one of the well-established trails of the heroin-opium trade. In August 1967, a C-47 transport plane carrying two-and-a-half tons of opium and some gold was forced down near Da Lat, South Vietnam, by American gunners when the pilot failed to identify himself. The plane and its precious cargo, reportedly owned by General Rathikoune's wife, were destined for a Chinese opium merchant and piloted by a former KMT pilot, L. G. Chao. Whatever their ownership, the dope-running planes usually land at Tan Son Nhut airbase, where they are met in a remote part of the airport with the protection of the airport police.

A considerable part of the opium and heroin remains in Saigon, where it is sold directly to U.S. troops or distributed to U.S. bases throughout the Vietnamese countryside. One G.I. who returned to the states an addict was August Schultz. He's off the needle now, but how he got on is most revealing. Explaining that he was "completely straight, even a right-winger" before he went into the Army, August told RAMPARTS how he fell into the heroin trap: "It was a regular day last April [1970] and I just walked into this bunker and there were these two guys shooting up. I said to them, 'What you guys doing?' Believe it or not I really didn't know. They explained it to me and asked me if I wanted to try it. I said sure."

Probably a fifth of the men in his unit have at least tried junk, August says. But the big thing, as his buddy Ronnie McSheffrey adds, was that most of the officers in his company—including the MPs—knew about it. McSheffrey saw MPs 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 buddies even watched the unit's sergeant-major receive payoffs at a nearby warehouse where every kind of drug imaginable was available.

An article by Kansas City newspaperwoman Gloria Emerson inserted into the Congressional Record by Senator Stuart Symington on March 10 said: "In a brigade headquarters at Long Binh, there were reports that heroin use in the unit had risen to 20 percent . . . 'You can salute an officer with your right hand and take a "hit" (of heroin) in your left,' an enlisted man from New York told me. . . . Along the 15-mile Bien Hoa highway running north to Saigon from Long Binh, heroin can be purchased at any of a dozen conspicuous places within a few minutes, and was by this reporter, for three dollars a vial."

Adding glamour to the labyrinthine intrigue of Vietnam's opium trade throughout the late 1950s and early '60s was the famous Madame Nhu, the Dragon Lady of Saigon. Madame Nhu was in a position to be very likely coordinator for the entire domestic opium traffic in Vietnam; yet so great is the power she still wields from her palatial exile in

Paris that she has intimidated one American publisher and kept him from publishing the story. In his book *Mr. Pop*, Don Schanche, former editor of Horizon and former managing editor of the Saturday Evening Post, recounts the following interchange on the Plain of Jars during August 1960 between Edgar "Pop" Buell—the Indiana farmer who left his home to work with the Meo tribespeople—and a local restaurateur:

. . . Buell drove with Albert [Fouré] to Phong Savan and watched from the side of the airstrip as a modern twin-engined plane took on a huge load of opium. Beneath the wing, talking heatedly with the plane's Corsican pilot, was a slender woman dressed in long white silk pants and *ao d'ai*, the side-slit, high-necked gown of Vietnam. Her body was exquisitely formed, and her darkly beautiful face wore a clear expression of authority. Even Buell could see that she was Vietnamese, not Lao.

"Zat," said Fouré, "is ze grande madame of opium from Saigon." Edgar never learned her name, but he recognized the unforgettable face and figure when the picture of an important South Vietnamese politician appeared months later in an American news magazine.

Though Schanche's publisher, David McKay Co., refused to publish her name for fear of reprisals, the unforgettable face was that of Madame Nhu.

BUT SAIGON'S OPIUM TRADE is not new. Its history stretches back to 1949, when the French appointed former Vietnamese Emperor Bao Dai as chief of state. Bao Dai brought with him as chief of police Bay Vien, the undisputed leader of Saigon's criminal underground, which controlled not only the gambling and narcotics trade in Saigon but also the important Chinese suburb of Cholon. Bao Dai and Bay Vien held power until they were displaced after the 1954 Geneva Accords by Ngo Dinh Nhu, Diem's brother. Nhu had gained prominence in Vietnam as an organizer of a Catholic trade union movement modeled after the French Force Ouvrière, which the CIA had helped supply in the 1940s to break France's communist dockworkers' union, the CGT.

At first Nhu feigned support for Bay Vien and Bao Dai, but by the end of 1955 he had taken control of the Saigon secret police and—thereby—the city's opium and heroin trade as well. Just as the Nhus were consolidating their own power, a little-known figure entered the Diem military apparatus—a man who through the years would carefully extend his control over the air force and end up eventually heir not only to the South Vietnamese government but to the opium and heroin trade as well. That man was Nguyen Cao Ky, who had just returned from Algeria to take charge of the South Vietnamese air transport's C-47 cargo planes.

At what particular point in time Ky became involved with the Nhus in the opium trade is not known, but by the end of the '50s he was cutting quite a figure in Saigon's elite circles. In an interview with RAMPARTS, retired Marine Corps Colonel (and author of the book *The Betrayal*) William Corson described Ky's life in the late 1950s in the fol-

lowing fashion: "Ky of course was a colonel in the Air Force back then and he used to have these glittering cocktail parties at the top of the Caravelle [Hotel] in Saigon. He laid out a fantastic spread—which was all very interesting because the amount of money he made as a soldier was maybe \$25 to \$30 a month and he didn't have any other outside income."

The first real light shed on the possible sources of Ky's extracurricular income came only in the spring of 1968, when Senator Ernest Gruening revealed that four years earlier Ky had been in the employ of the CIA's "Operation Haylift," a program which flew South Vietnamese agents "into North Vietnam for the purpose of sabotage, such as blowing up railroads, bridges, etc." More important, Ky was fired, Gruening's sources claimed, for having been caught smuggling opium from Laos back into Saigon. Significantly, Ky and his flight crews were replaced by Nationalist Chinese Air Force pilots.

Neither the CIA, the Pentagon, nor the State Department ever denied Ky worked on Operation Haylift. Nor did they deny that he had smuggled opium back into Saigon. However, a U.S. embassy spokesman categorically denied Ky was ever fired from "any position by any element of the U.S. Government for opium smuggling or for any other reason." When Ky came to power in February 1965, most observers supposed he had relinquished participation in the opium traffic (although it was "common knowledge" that Madame Ky had replaced Madame Nhu as Saigon's Dragon Lady and dealt in opium directly with Prince Boun Oum in Southern Laos). However, a high Saigon military official to whom Ky at one time offered a place in the opium traffic says Ky continued to carry loads ranging from 2000 to 3000 kilos of opium from Pleiku to Saigon in the spring of 1965 after he had assumed power and after Operation Haylift had been discontinued. Those runs included regular pickups near Dak To, Kon Tum and Pleiku. Since then there has been no indication that Ky has in any way altered the transport. Corson, who returned to Vietnam in 1965, observed that Ky's involvement in the trade had become so routine that it had lost almost all its adventure and intrigue.

[IV]

WITH GROSS RETURNS FROM the Indochinese traffic running anywhere from \$250 to \$500 million per year, opium is one of the kingpins of Southeast Asian commerce. Indochina has not always had such an enviable position. Historically most of the world's supply of opium and heroin came through well-established routes from Turkey, Iran and China. Then it was refined in chemical kitchens and warehouse factories in Marseille. The Mediterranean trade was controlled by the Corsican Mafia (which itself has long been related to such American crime lords as Lucky Luciano, who funneled a certain amount of dope into the black ghettos). But high officials in the narcotics control division of the Canadian government, and in Interpol, the International Police Agency, confirm that since World War II—and paralleling the U.S. expansion in the Pacific—there has been a major re-

direction in the sources and routing of the worldwide opium traffic.

According to the United Nations Commission on Drugs and Narcotics, since at least 1966 80 percent of the world's 1200 tons of illicit opium has come from Southeast Asia—directly contradicting most official U.S. claims that the primary sources are Middle Eastern. In 1966 Interpol's former Secretary General Jean Nepote told investigators from Arthur D. Little Research Institute (then under contract to the U.S. Government Crime Commission) that the Fertile Triangle was a principal production center of opium. And last year an Iranian government official told a United Nations seminar on narcotics control that 83 percent of the world's illegal supply originated in the Fertile Triangle—the area where opium is controlled by the U.S.-supplied troops of Laos and Nationalist China.

It is odd that the U.S. government, with the most massive Intelligence apparatus in history, could miss this innovation. But though it may seem to be an amazing oversight, what has happened is that Richard Nixon and the makers of America's Asian policy have completely blanked Indochina out of the world narcotics trade. Not even Joe Stalin's removal of Trotsky from the Russian history looks parallels this historical reconstruction. In his recent State of the World address, Richard Nixon dealt directly with the international narcotics traffic. "Narcotics addiction has been spreading with pandemic virulence," he said, adding that "this affliction is spreading rapidly and without the slightest respect for national boundaries." What is needed is "an integrated attack on the demand for [narcotic-], the supply of them, and their movement across international borders. . . . We have," he says, "worked closely with a large number of governments, particularly *Turkey, France, and Mexico*, to try to stop the illicit production and smuggling of narcotics." (authors' emphasis)

It is no accident that Nixon has ignored the real sources of narcotics trade abroad and by so doing has effectively precluded any possibility of being able to deal with heroin at home. It is he more than anyone else who has underwritten that trade through the policies he has formulated, the alliances he has forged, and most recently the political appointments he has made. For Richard Nixon's rise to power has been intricately interwoven with the rise of proponents of America's aggressive strategy in Asia, a group of people loosely called the "China Lobby" who have been in or near political power off and on since 1950.

Among the most notable members of the "China Lobby" are Madame Anna Chennault, whose husband, General Claire Chennault, founded Air America; columnist Joe Alsop; FBI Director J. Edgar Hoover; former California Senator William Knowland; and Ray Cline, currently Chief of Intelligence for the State Department. They and such compatriots as the late Time magazine publisher Henry Luce and his widow, Congresswoman Claire Boothe Luce, have been some of the country's strongest proponents of the Nationalist Chinese cause.

In 1954 Chiang Kai-shek formed the Asian People's Anti-Communist League (APACL), which was to become one of the vital links between the China Lobby and the Taiwan government. (It was also in that year Nixon urged that U.S. troops be sent into Indochina following

the French defeat in Dien Bien Phu—a proposal which failed because of the lack of public support for such policy following the Korean war.) As soon as the APACL was formed, Chiang announced that it had established “close contact” with three American politicians—the most important of whom was Vice President Richard Nixon.

OVER THE YEARS THE CHINA LOBBY has continued to spring to Nixon's support. It was Madame Chennault, co-chairman in 1968 of Women for Nixon-Agnew Advisory Committee, who helped raise a quarter of a million dollars for the campaign; it was she who just before the election entered into an elaborate set of arrangements to sabotage a White House peace plan. Within 30 hours of the announced plan, South Vietnam President Thieu rejected the new negotiations it proposed—a rejection Madame Chennault had helped arrange as a last-minute blow at Hubert Humphrey and the Democrats.

It is not only his debts, associations and sympathies to the China Lobby which have linked Nixon with Kuomintang machinations in Indochina and helped plunge the U.S. deeper into the morass there. One of his most important foreign policy appointments since taking office has been the reassignment of Ray Cline as State Department Director of Intelligence and Research. Cline, the controversial CIA station chief in Taiwan who helped organize KMT forays into Communist China, in 1962 promoted Nixon's old project of a Bay of Pigs invasion of China. Within a month of Cline's recent appointment, the resumption of pilotless Intelligence flights over mainland China was approved.

The entire cast of the China Lobby has relied on one magic corporation, the same corporation established just after World War II by General Claire Chennault as Civil Air Transport and renamed in the 1950s Air America. Carrier not only of men and personnel for all of Southeast Asia, but also of the policies that have turned Indochina into the third bloodiest battlefield in American history, Air America's chief contract is with the American Central Intelligence Agency.

Air America brings Brahmin Bostonians and wealthy Wall Streeters who are the China Lobby together with some of the most powerful men in Nationalist China's financial history. One of its principal services has been to fly in support for the “remnant” 93rd Division of the KMT, the “opium army” in Burma; another has been as a major carrier of opium itself. Air America flies through all of the Laotian and Vietnamese opium pick-up points, for aside from the private “butterfly fleet” and various military transports, Air America is the “official” Indochina airline. A 25-year-old black man recently returned from Indochina told RAMPARTS of going to Vietnam in late 1968 as an adventurer, hoping to get in on the dope business. But he found that the business was all controlled by a “group like the Mafia. It was tight and there wasn't room for me.” The only way he could make it in the dope trade, he says, was to go to work for Air America as a mechanic. He found there “was plenty of dope in Laos—lots of crystals [heroin] all over the place.” Air America was the only way to get in on it.

WHAT HAS TAKEN PLACE in Indochina is more than a flurry of corruption among select dramatis personae in America's great Asian Drama. The fact that Meo tribesmen have been nearly wiped out, that the Corsican Mafia's Air Opium has been supplanted by the CIA's Air America, that Nationalist Chinese soldiers operate as narcotics bandits, that such architects of U.S. democracy for the East as the Nhus and Vice President Ky have been dope runners—these are only the bizarre cameo roles in a larger tragedy that involves nothing less than the uprooting of what had been the opium trade for decades—through the traditional lotus-land of the Middle East into Western Europe—and the substitution of another network, whose shape is parallel to that of the U.S. presence in Southeast Asia. The ecology of narcotics has been disrupted and remade to coincide with the structure of America's Asia strategy—the stealthy conquest of a continent to serve the interests of the likes of the China Lobby.

The shift in the international opium traffic is also a metaphor for what has happened in Southeast Asia itself. As the U.S. has settled in there, its presence radiating a nimbus of genocide and corruption, armadas of airplanes have come to smash the land and lives of a helpless people; mercenary armies have been trained by the U.S.; and boundaries reflecting the U.S. desires have been established, along with houses of commerce and petty criminality created in the American image. One of the upshots has been that the opium trade has been systematized, given U.S. technological expertise and a shipping and transportation network as pervasive as the U.S. presence itself. The piratical Corsican transporters have been replaced by pragmatic technocrats carrying out their jobs with deadly accuracy. Unimpeded by boundaries, scruples or customs agents, and nurtured by the free flow of military personnel through the capitals of the Orient, the United States has—as a reflex of its warfare in Indochina—built up a support system for the trade in narcotics that is unparalleled in modern history.

The U.S. went on a holy war to stamp out communism and to protect its Asian markets, and it brought home heroin. It is a fitting trade-off, one that characterizes the moral quality of the U.S. involvement. This ugly war keeps coming home, each manifestation more terrifying than the last; home to the streets of the teeming urban ghettos and the lonely suburban isthmus where in the last year the number of teenage heroin addicts has taken a quantum leap forward. Heroin has now become the newest affliction of affluent America—of mothers in Westport, Connecticut, who only wanted to die when they traced track-marks on their daughters' elegant arms; or of fathers in Cicero, Illinois, speechless in outrage when their conscripted sons came back from the war bringing home a blood-stained needle as their only lasting souvenir.

Researchers for RAMPARTS' report on opium traffic and the war were Michael Aldrich, Adam Bennion and Joan Medlin. Special thanks go to author Peter Scott for permission to draw on unpublished material regarding Laos and the China Lobby.

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**30,000 GIs in Vietnam
Said to Be Addicts**

TOKYO, April 22 (UPI) — Two U. S. Congressmen said today that more than 30,000 American servicemen in South Vietnam are heroin addicts and will bring the habit back to the United States.

The statement came from Reps. Morgan F. Murphy Jr. (D-Ill.) and Robert H. Steele (R-Conn.), members of the House Foreign Affairs Committee who toured Vietnam for an on-the-spot investigation on drug trafficking.

"Ten to 15 per cent of our 300,000 troops in South Vietnam are addicted to heroin," Steele said. "We got this information from very responsible people in the military assistance command."