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International Narcotics Biweekly Review

23 November 1977

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INTERNATIONAL NARCOTICS BIWEEKLY REVIEW

23 November 1977

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This publication is prepared by analysts in the National Foreign Assessment Center for specialists in the Washington community who are interested in international narcotics matters. Comments and queries are welcome. They should be directed to the authors of the individual articles or to [redacted] 25X1

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LAOS: UN Narcotics Control Program

Lao and UNFDAC officials may sign documents implementing a narcotics control program in the near future. The program, which includes rehabilitation and crop substitution schemes, is meant to encourage and support Lao efforts to eliminate opium production.

The program has been in a state of flux for some time. Lao officials wanted more funds devoted to a center for addict treatment and rehabilitation, while the UNFDAC placed higher priority on efforts to establish new villages for Hmong (Meo) tribesmen in which other crops would replace opium cultivation. In June, the UNFDAC offered $350,000 for the preliminary phases of the program, with $165,000 allocated for the rehabilitation center and $185,000 for the new villages. The level of funding is scheduled to be reviewed in 1979.

Delays in implementing the program have stemmed partly from the lack of Lao enthusiasm for the new village and crop substitution project. They have resulted from disagreement on the wording of program documents, failure of the Lao to provide maps of the sites of proposed new villages, and postponements in the arrival of UN teams which will survey the village sites and draw up work plans. UNFDAC representatives are concerned that the Lao may try to shift funds from the new village project to the rehabilitation center. They have insisted that the two schemes be implemented simultaneously and be given equal priority and that the Hmong be resettled in highland areas where they have traditionally lived rather than on less desirable lowland sites.

A second major reason for the delay of the program has been UNFDAC concern that Laos is selling opium abroad and attempting to establish an opium processing facility with foreign assistance. Reports indicated that Laos was planning to sell opium to Bulgaria and that it had approached Hungary, the Netherlands, and the World Health Organization (WHO) regarding assistance in setting up a pharmaceutical factory. UNFDAC officials felt these efforts might conflict with the goal--formally agreed to by the Lao Government--of eliminating opium cultivation in Laos and insisted that implementation of the narcotics control program was contingent upon resolving these issues.

It has subsequently been determined that the WHO feasibility study and the Dutch aid plan included no opiate processing facilities--the pharmaceutical factory would not use opium poppies as a source of raw material. The sale of opium to Bulgaria has been referred to the INCB; it will probably be approved if the amounts fall within Bulgaria's estimated requirements and if Laos designates the export as seized opium.

In late October, the UNFDAC representative in Laos received word that the Lao Ministry of Interior was impatient with the progress of the narcotics control program and was considering dropping out of it. He recommended that the implementing document be signed on Lao terms, even though that might enable Lao officials to circumvent some provisions and obtain support for the rehabilitation center without making a simultaneous commitment to the new village scheme.

Unless additional problems arise, Lao and UNFDAC officials will probably sign the narcotics control program documents in the near future. The program will be closely monitored, and will provide at least a rough measure of how seriously Lao authorities take their commitment to end the production of opium by 1981.

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AFGHANISTAN: Current Narcotics Situation

There have been no major changes in the Afghan narcotics picture since the US Embassy submitted a comprehensive report last June. There have been some minor changes in the situation, however [redacted] 25X1

Hashish production is believed down for 1977, but will still be immense. Although statistics are poor, the 1976 crop is estimated at 200-400 tons. The government claims it has destroyed an additional 136 tons. The US Drug Enforcement Agency is making a province by province survey in an effort to get more reliable figures.

Despite continuing reports of heroin production in Afghanistan, there is still no firm evidence. An Afghan had been reported converting opium to heroin, but that has so far been unsuccessful. [redacted] 25X1

In its earlier report, the Embassy treated with considerable skepticism claims that opium production had been eradicated in Badakhshan Province. [redacted] bad weather cut the opium crop to 8-10 tons there this year. Much of the opium apparently is consumed locally. Addiction had been estimated at 20 percent of the population in Badakhshan, but, according to a DEA source, it may be as high as 35 percent. Any Afghan statistics should be treated with caution, however, and those on Badakhshan are among the least reliable. Nevertheless, the use of opium is so widespread in the province that it is certainly possible that a third of the population there is addicted. 25X1

Foreign efforts to make a dent in the Afghan problem continue. Recently, the Dutch provided $500,000 for addict rehabilitation in Badakhshan, and the United Nations Fund for Drug Abuse Control (UNFDAC) is making a study which may well lead to a crop replacement program in the

Helmand Valley where--unlike Badakhshan--most of the opium is grown for export.

[redacted] 25X1 Afghanistan remains a major source of hashish and a major potential source of opium and heroin for international traffickers.

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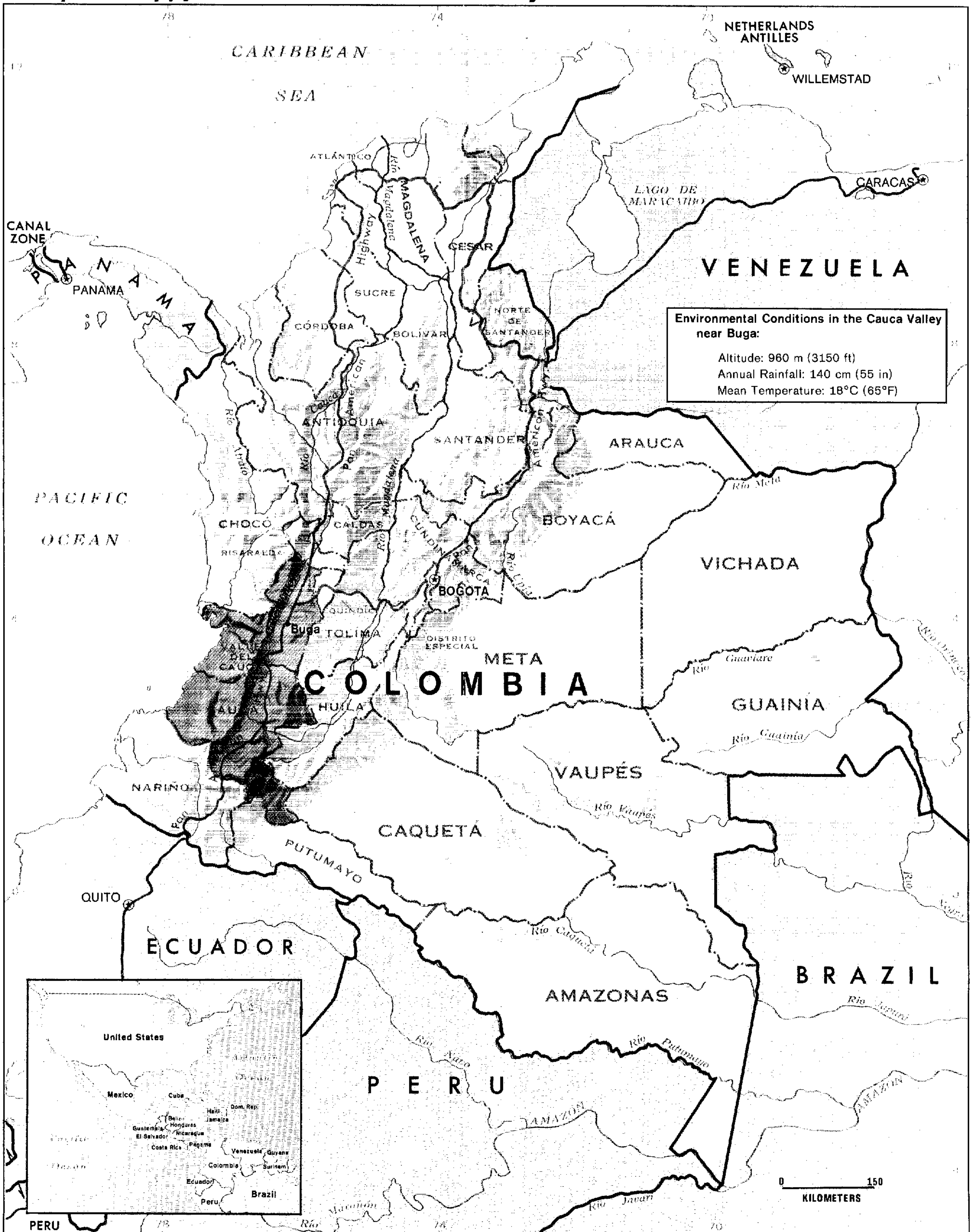
Opium Poppy Cultivation in the Cauca Valley



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COLOMBIA: Reported Discovery of Poppy Plantations

Speaking on a recent radio news broadcast in Bogota, Minister of Justice Cesar Gomez Estrada said that poppy plantations geared for the manufacture of heroin had been discovered in the Colombian departments of Valle and Cauca. Gomez expressed his grave concern about the discovery and stated that Colombia must take immediate and appropriate steps to combat the problem, or the country would find itself in the "same situation as Mexico." The Minister of Justice indicated that a bill calling for expropriation of lands used in the cultivation of illicit poppies would be sent to the Colombian Congress for consideration.

We previously reported that Mexican heroin traffickers, whose business was suffering as a result of the eradication campaign, were sending a number of peasants skilled in poppy cultivation to the Buga area of Cauca, Colombia, to establish opium poppy plantations. (*International Narcotics Developments*, 22 June 1977.) A US Drug Enforcement Administration (DEA) pilot, who has had experience spotting poppy fields in Mexico, recently flew a reconnaissance mission in the Cauca Valley and surrounding mountainous areas. The pilot reported that no poppy fields were discovered in the areas he investigated. [redacted] 25X1 The evidence is apparently strong enough to have prompted DEA to plan aerial surveys of different areas. It seems likely that the extensive eradication efforts under way in Mexico will eventually force heroin suppliers there to look for new poppy cultivation sites. Colombia is definitely a potential alternative.

If opium poppies are actually being cultivated in Colombia, this would add a new dimension to US-Colombian bilateral drug control programs. Gomez pointed out that Mexico's drug eradication campaign has received wider "international support" than Colombia's. He based his opinion on the fact that the US has supplied Mexico with

50 narcotics control helicopters as compared to three for Colombia. It is possible, therefore, that the Colombians will press Washington for additional helicopters as well as other financial and material support.

This possibility is reinforced by the fact that narcotics has emerged as the type of issue, similar to human rights, which can be used by governmental leaders to curry favor with Washington. Mrs. Rosalyn Carter and high-level envoys from Washington have gone to Bogota to discuss narcotics. President Carter has spoken personally with and sent messages to President Lopez encouraging the Colombian chief executive to continue with narcotics control measures.

We have discussed in other publications some of the pressing problems--national elections, persistent economic difficulties, and social unrest--which have diverted Lopez' attention from the narcotics situation in Colombia in recent months. It is possible, however, that Lopez' successor, if he chooses to cooperate at all on narcotics control, will attempt to ingratiate himself with Washington by promising elaborate and expensive drug control measures--measures which the US will be expected to finance.

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NOTEWORTHY POLITICAL AND ECONOMIC DEVELOPMENTS

(Editor's Note: These items, produced for other CIA publications, do not deal specifically with the international narcotics situation. They are included here, however, because they concern developing situations that could impact on the international narcotics control effort.)

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BURMA: Communist Offensive

25X1 [redacted] Despite fighting of unprecedented intensity, it does not appear that the Communists will expand appreciably beyond the territory they now hold.

The Communist offensive, kicked off early last month, resulted in as many as 400 Burmese troops killed in October, double the monthly toll in previous upsurges of fighting.

The heaviest fighting has occurred in northern Shan State, where the Communists have tried to dislodge the Burmese Army from its last foothold east of the Salween River. Although the Communists captured four strategic positions from the Burmese and appeared to threaten the bridge across the Salween at Kunlong, the Army appears to have at least stopped the Communist advance.

A second area of heavy fighting has been around Ke-hsi Mansam, well west of the Salween and north of Taunggyi. A Communist brigade established itself in this area last winter and held off a Burmese Army attempt to oust it last summer, despite Rangoon's claim at the time to have done so.

A third worry to the Burmese is the presence of two Communist brigades between the Salween and the major district town of Kengtung. The Burmese fear these groups may try to cut off road access to Kengtung and move west to attack the vital bridge at Takaw.

The highly unusual visit of all military vice chiefs of staff to the battle area around Kunlong in late October was a measure of Rangoon's concern. Also, Ne Win's military aide went to Europe to persuade the President to return early from his annual sojourn.

Even so, it appears unlikely that the Communists can sustain the current high level of fighting for much longer; their military "staying power" is less than that of the Burmese Army. Neither do the Communists have good prospects of establishing themselves in the Burman-populated heartland. Communist forces are made up overwhelmingly of non-Burman ethnic minorities from the China border region--a bar against their acceptance by the dominant Burmans.

Probably as disturbing to the Burmese as the level of fighting is the awareness that Ne Win's series of goodwill visits to Peking have not induced the Chinese to reduce their support to the insurgents. Even though the insurgents appear in large measure to decide their own tactics, the Burmese conclude that the weapons needed for the current offensive could only have come from China.

One implication for the US in the current fighting is the likelihood of a slowdown in Burmese efforts to suppress narcotics. The Burmese are unlikely to mount any large-scale operations against opium refineries along the Thai border so long as their attention and resources are focused on the Communist threat further north. One operation believed scheduled for this month now appears to have been pushed back at least until December or January. [redacted]

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PAKISTAN: Corps Commanders Reassigned

Reported new jobs for Pakistan's three most important corps commanders reflect a continuing drift toward prolonged military rule and seem intended partly to increase Chief Martial Law Administrator Zia-ul-Haq's control over the Army.

Lieutenant General Mohammed Iqbal Khan, who is currently commanding the corps in the Lahore area, will reportedly become Deputy Chief of Army Staff, a post that has been vacant for several years. Although Zia will remain Chief of Army Staff, Iqbal will presumably take effective command of the Army, freeing Zia to concentrate on ruling Pakistan.

Iqbal and Zia have not always agreed, but Iqbal's planned promotion indicates that his strong advocacy of prolonged military rule is at least acceptable to Zia.

Moreover, Zia presumably realizes that, although he officially retains command, it will be difficult for him to take back any powers he gives Iqbal. Zia originally intended to return to being full time Army commander after he restored civilian rule; he may now have another job in mind--according to many, the presidency.

Iqbal's replacement in Lahore will be Major General Fazal-i-Haq, the commander of the Army division in Peshawar. Fazal-i-Haq is a capable commander, but is also regarded as one of Zia's favorites. His promotion may be designed in part to weaken Iqbal's hold on his old corps. Iqbal, rather than Zia, however, appears to have gained the most by the shift.

The planned shift of Lieutenant General Jehanzeb Arbab to a vacant slot in the Punjabi city of Multan is clearly a demotion. Arbab had been commander of the corps responsible for the Sind and Baluchistan and was also martial law administrator for Sind Province. His new corps is less important than his old one, and, although Arbab will be senior to Iqbal's successor in Lahore, the acting US Defense Attache expects Fazal-i-Haq, rather than Arbab, to replace Iqbal as martial law administrator for the Punjab.

Zia has been at odds with Arbab, whom he suspects of being too close to former Prime Minister Bhutto.

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Arbab's replacement, presumably as both corps commander and martial law administrator in the Sind, will be Major General Sadiq ur Rashid Mohammed Abbasi, the Chief of the General Staff. Abbasi moved to the senior staff position in the Army from commander of a division in Baluchistan after Zia seized power, and his promotion to corps commander would be a further indication of Zia's confidence in him.

Lieutenant General Faiz Ali Chisti has already been named Chief of Staff to the Chief Martial Law Administrator. Chisti has been one of Zia's closest advisers, and his appointment to the newly created post may merely formalize what he has already been doing. There are contradictory reports on whether Chisti will retain command of the corps headquartered near Islamabad, but Zia may be reluctant to risk turning over command of the troops in the capital area to another officer.

The shifts downgrade one of Zia's rivals--Arbab--put the two most important corps--those headquartered in Karachi and Lahore--in the hands of men closer to Zia than the previous commanders, and presumably will provide Zia with provincial martial law administrators in whom he has confidence in the two most important provinces. Iqbal's increased power, however, could offset Zia's gains. Iqbal is a loyal soldier, but in no sense Zia's man, and if discontent in the military with the latter's policies and performance should grow, Iqbal would be a leading, if reluctant, candidate to succeed Zia as Chief Martial Law Administrator. [redacted] 25X1

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AFGHANISTAN: Military Council and Political Party Appointments

President Daoud recently established the High Council of the Armed Forces and the Central Council of the National Revolutionary Party, both of which are provided for in the constitution that was adopted last February. The establishment of these bodies is presumably designed to increase Daoud's control of the government and to ensure that Afghanistan continues along the course set by the 68-year-old President.

According to the constitution, the military will "particpate in national activities through the High Council." The constitution does not indicate how this is to be done, however, aside from making members of the council ex-officio members of the Loya Jirga, the Grand Assembly, which meets only rarely on major issues such as election of the President, declaring war, and amending the constitution.

The majority of the 12 council members appear to have been appointed because of their standing in the military including the Defense Minister, the Chief of the General Staff, and the commander of the Air Defense

Forces. Four of the members, however, belonged to a small group of officers, many of whom had been trained in the USSR, that overthrew the monarchy in 1973. These men were members of the Central Committee which appeared to exercise great power briefly and which named Daoud head of state. Within a few months, however, the committee no longer had any real power as Daoud moved to consolidate his rule.

Although it could be argued that the appointment of these men to the military council indicates that the central committeemen still retain considerable influence and power, it seems more likely that Daoud selected these individuals because their presence on the committee is useful to him.

Daoud does not appear to have major doubts about their loyalty. Two of the officers command the armored units near Kabul that overthrew the monarchy and would be a major threat to Daoud if their commanders were at odds with the President.

Daoud, in the past, has tried to avoid situations in which any person, no matter how loyal, gains significant power. Former Deputy Prime Minister Sharq, for example, had no major differences with Daoud, but his growing power may have been seen as a potential threat. When a new cabinet was formed shortly after the adoption of the constitution last winter, Sharq was moved to the relatively unimportant job of Ambassador to Japan.

Sharq's departure coincided with the increase in power of General Haider Rasuli, who was already commander of both the army and the army corps in the Kabul area and was named Defense Minister in the new cabinet. There are no indications of problems between Daoud and the general, but Daoud could be raising the status of the former military council members--who were close to Sharq--in an effort to counterbalance Haider Rasuli. (The General's appointment to the Revolutionary Party's Central Council, however, indicates that Daoud does not yet regard him as a serious threat.)

There has also been speculation that the appointments to the military council reflect an effort to meet Soviet desires for greater representation by pro-Soviet figures in the highest levels of government. Daoud may well have seen the appointments as a way of pleasing Moscow, but it is unlikely either that this was his main reason for the appointments, or that the orientation of members of the military council--or any other body in the government--will make any significant difference in what policies Daoud pursues.

Nevertheless, the military council is important to Daoud. The loyalty of the military is crucial to the survival of any Afghan Government. Daoud may hope that the military will channel its political activities through the council, which will be under his control, although, he probably does not expect all plotting against his government to stop.

Perhaps the most important decisions that Daoud expects the council to make will be in the selection of his successor. A major reason for the establishment of a constitutional government was to provide a guideline for future governments. With men appointed by Daoud in charge of the military's political activities, the chances of a successor who will continue Daoud's policies probably would be further improved.

Daoud has also named four men as members of the Central Council of the National Revolutionary Party. Under the constitution, the party is to be Afghanistan's only political party and will select all candidates for elections.

The establishment of the party has been delayed for a variety of reasons--alleged leftist efforts to infiltrate the party, opposition from Daoud's clan which traditionally has been the closest thing the country has had to a ruling party, and a lack of experience in the country in the organization and operation of political parties.

Daoud apparently has decided he can no longer delay establishment of the party. Although his original plans may have been to build the party from the bottom, he now appears to be building from the top. Daoud and the four council members may, in fact, be the only members of the party at this time.

Three of the men Daoud has selected, Defense Minister Haider Rasuli, Minister of State Abdul Majid, and Finance Minister Abdulillah hold important government posts and are close to Daoud. Majid is roughly the equivalent of prime minister, with responsibility for coordinating some of the activities of other ministers, although he apparently has little independent power. Abdulillah is extremely close to Daoud, a relationship nearly that of father and son. The reasons for choosing the fourth member, Border Affairs Minister Abdul Qayum, will probably remain as unclear as the reasons Daoud has kept him in the cabinet. [redacted] 25X6

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[redacted] the appointments are a preliminary to the selection of one or more vice presidents, with Majid and Abdulillah two of the leading candidates. Another possible choice is Mohammed Naim, Daoud's brother and perhaps the only person in the country with real influence over the President. Naim presumably could have any office he wanted, but he has preferred to operate from behind the scenes.

For both the party council and the military council, Daoud has chosen men on whom he can count, who at least so far, do not seem likely to be a threat to his position, and who are likely to keep Afghanistan on the road the President has chosen. In the meantime, Daoud will continue to make all important decisions along with many of the unimportant ones. [redacted] 25X1

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CARIBBEAN ECONOMIES: Gloomy Situation To Continue

Balance-of-payments problems in the Caribbean economies* have contributed to three years of anemic economic growth, mounting unemployment, and increased trade restrictions. This set of difficulties has undercut efforts to establish a viable common market in the region. Economic conditions there will remain depressed because of limited prospects for higher world sugar

**Bahamas, Barbados, Dominican Republic, Guyana, Jamaica, Surinam, and Trinidad and Tobago. Cuba, Haiti, and a number of smaller islands are not included.*

prices, heavy competition from Western Europe for the US tourist dollar, and the continuing diversion of new investment away from the area.

The region's economic situation began deteriorating in 1975 when a fall in tourism and commodity export earnings combined with rising import prices to create serious payments problems. The payments squeeze worsened last year as a result of the continued sharp drop in the world price of sugar, which accounts for about 15 percent of regional exports. Prices on the world market, where 15 percent of the region's sugar is sold, averaged about 11.6 cents per pound in 1976, compared with 20.5 cents in 1975 and 30.0 cents in 1974. Because of increased competition with Western Europe, high prices and deteriorating service, and violence in Jamaica--which hurt the reputations of other resort areas as well--tourism in 1976 failed to register the buoyant revival normally expected with US economic recovery.

Declining foreign investor confidence aggravated the payments problem by reducing the inflows of private foreign capital. Nationalistic policies proved particularly damaging in Jamaica, Guyana, and the Bahamas, which experienced reductions in net foreign private investment. Lacking sound credit ratings needed to raise long-term foreign funds, Jamaica and Guyana resorted to patchworks of short-term commercial credits, small-scale economic assistance, and drawdowns of foreign reserves. At the same time, import restrictions had to be strengthened to keep trade deficits within manageable limits.

Economic austerity measures aimed at reducing imports, along with the falloff in foreign investment, cut sharply into real growth. Average real growth dropped from 3.7 percent in 1973-74 to 1.6 percent in 1975-76. Guyana and Jamaica were hardest hit last year with real GDP declining 13 percent and 7 percent, respectively. Except for the Dominican Republic and Trinidad and Tobago, economic expansion has lagged far behind growth in the labor force. As a consequence, unemployment in the region as a whole reached 22 percent by the end of 1976. Despite the rise in unemployment, inflation continued to range between 7 and 15 percent in the various economies because of supply shortages resulting primarily from import curbs.

Caribbean Economies: Unemployment and Changes in Real GDP

Percent

	Unemployment 1976	Changes in Real GDP 1973	1974	1975	1976	1977[1]
Bahamas	21	8.5	6.9	−14.4	4.8	2.6
Barbados	20	2.1	−1.6	−1.7	6.2	2.0
Dominican Republic	20	12.1	8.9	5.1	5.5	4.0
Guyana	20	0.3	7.0	5.0	−13.0	−5.0
Jamaica	30	−2.6	−2.1	−1.0	−6.9	−4.0
Surinam	15	6.0	−8.8	2.9	0	2.0
Trinidad and Tobago	15	−0.5	0	7.1	4.8	5.0
Weighted average	22	4.4	3.0	1.8	1.5	1.9

[1] Projected.

The general economic situation of these countries remains poor this year. The one bright spot has been the recovery of the world aluminum market, which has bolstered Caribbean bauxite/alumina sales. World sugar prices are still depressed, averaging 7 to 8 cents a pound during the first 10 months of 1977. As for tourism, the moderate revival that began last year appeared to have reached a plateau by mid-1977. In these circumstances we expect total earnings from goods and services in current dollars to increase only about 5 percent this year.

For several of the countries, balance-of-payments strains have remained severe or have even intensified since the start of 1977. In the case of Jamaica and Guyana, sources of foreign assistance and short-term commercial credits are now generally depleted, and foreign investment inflows have almost disappeared. With foreign reserves dangerously low, both countries have had to tighten import restrictions further. Most other Caribbean countries are continuing to keep close controls on their imports.

Continued import restrictions are blocking a revival of economic growth, adding to unemployment, and exerting inflationary pressure in most of the economies. We expect average real GDP this year to increase by only 1.9 percent, compared with last year's gain of 1.5 percent. The best performer will be Trinidad and Tobago, reflecting its position as an oil refiner and exporter. Growth is slowing in Barbados and the Bahamas as the revival in tourism loses strength. Weak sugar prices are hurting the Dominican Republic. For the first half of 1977, inflation has been running at a 14-percent annual rate in the region as a whole.

Jamaica and Guyana remain the hardest hit by the recent difficulties. Although official foreign assistance since the International Monetary Fund's standby credit in July should allow Jamaica to meet essential foreign obligations this year, Kingston has had to cut imports 4 percent from last year's depressed level. Real GDP will probably drop for the fifth consecutive year, to 84 percent of the 1972 level, and unemployment and inflation have worsened. Guyana, unable to obtain substantial foreign assistance, faces at least a 15-percent import cut this year to bring external obligations to a manageable level. Real GDP will probably drop at least 5 percent--to 83 percent of the 1975 level--and unemployment will climb beyond 20 percent of the labor force.

Current problems underscore basic economic and political factors that argue against the success of regional integration. The economies are extremely competitive, leaving little opportunity for mutual trade except in light manufactures, which can often be purchased for less outside the region. The share of intraregional imports, which grew from only 5 percent of the imports of the present CARICOM members in 1967 to 8 percent in 1975, may well have declined in 1976 and 1977.

The recent setbacks expose the area's basic structural weaknesses imposed by limited resources and small domestic markets. Most of the economies are heavily dependent on imports and rely on one or two prominent export industries--such as sugar, bauxite, or tourism--that are typically operated as foreign-owned enclaves with little linkage to the domestic economies. Moreover, widespread distaste for farm labor has prevented most countries from fully exploiting their agricultural resources. As a result, sugar production has declined steadily since the mid-1960s, except in the Dominican Republic. A large and growing share of food requirements must be imported despite the existence of unused arable land. Two major exceptions to these developments are the Dominican Republic, which has a diversified economy based on minerals, agriculture, and light manufacturing, and Trinidad and Tobago, which has the region's only known oil and gas deposits. Despite recently tightened foreign investment codes, the resource bases and political stability of these two countries give them the area's most attractive investment climate.

With the major exceptions of the Dominican Republic and Trinidad and Tobago, prospects for a substantial recovery of the larger Caribbean economies are dim over the next several years. Although bauxite/alumina producers will continue to benefit from rising sales, assuming the continued recovery of the world aluminum industry, capacity constraints will soon put a lid on expansion of output. Even with a new international sugar agreement, sugar prices are unlikely to rise much above production costs of 10 to 12 cents per pound. The outlook for tourism will remain clouded by the region's deteriorating and costly tourist services, its reputation for violence, and competition from Western Europe. As a result, over the next couple of years, most of the countries will be hard pressed to pay for needed imports, economic growth will remain sluggish, and unemployment will continue to rise.

The bleak export market outlook combined with nationalistic economic policies in most of the countries will discourage private investment in the immediate future. A case in point is the shift of bauxite/alumina investments from the Caribbean to Brazil, Guinea, and Australia. Moreover, potential foreign investors in import substitution industries will continue to be deterred by weak internal demand.

In these circumstances, the economic and social problems of the area will worsen. Unemployment, particularly among youth, will increase, thereby exerting additional pressure on governments to raise funds for welfare and public investment; this could engender higher taxes on, and greater equity participation in, foreign-owned business--moves detrimental to future growth.

Progress toward a fully operative Caribbean common market over the next several years remains unlikely. Continuing import restrictions will further intensify regional economic and political rivalries and will lessen the already limited opportunities for intraregional trade. These rivalries will be magnified by a further fragmentation of the region as more of the small islands opt for independence over the next few years.

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BRIEFS

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INDIA: Legal opium production in India exceeded 1,450 metric tons last year, according to a recent report from Calcutta. India has long been the world's largest producer and exporter of licit opium; but this alleged production figure exceeds previous estimates. The American Consul in Calcutta notes that some 9 tons of illicit opium reportedly were seized from smugglers in India in 1976. Although some leakage from the generally effective Indian opium control system has long been suspected, estimates are usually quoted in percentages and usually run somewhat higher than this figure would represent. Most of the leakage apparently is absorbed by the domestic Indian market. This is a very sensitive area of information for the Indian Government, however, and attempts to get more precise information on narcotics trafficking in India have been largely unproductive. During a recent narcotics conference in eastern India, the Narcotics Commissioner noted that existing laws in India against smuggling are "not effective enough." He told the conference that the government is preparing more comprehensive legislation which should be enacted shortly. According to the Indian official, there are currently over 66,000 registered narcotics "users" in India representing an annual consumption of about 1.5 tons of opium.

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UNITED NATIONS: The General Assembly, which is running about two weeks behind schedule, is expected to discuss the international narcotics situation before the end of November, according to the latest word from the US Mission at the UN Headquarters in New York. The Mission feels that the current session of the General Assembly offers an opportunity for a UN initiative on narcotics. Several draft resolutions on demand, trafficking, and rehabilitation are currently under study and some at least apparently will be introduced during the current session. The draft resolution on rehabilitation calls for the Economic and Social Council (ECOSOC) to convene a special session directed at the problems of narcotics abuse. All narcotics producing, trafficking, transshipping, and using countries would be invited. The special ECOSOC session would be aimed at launching a program that will focus on the "root causes" of narcotics addiction, on providing substitute income production programs, and on developing "substantive programs for the reduction of demand" throughout the world.

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TURKEY: The Multispectral Opium Poppy Sensor (MOPS) program in Turkey, which has been beset with difficulties and delays, faces still further problems, according to a recent report from Ankara. The earlier delay in Ankara's signing the MOPS agreement apparently resulted from the failure of the Turkish Minister of Foreign Affairs and the Gendarmerie to clear the draft agreement in advance with the Turkish General Staff. By law, the Army is the only organization authorized to conduct aerial photography over Turkey. The new difficulty with the MOPS program in Turkey is the provision of the agreement which calls for additional training for the Turks next spring. Many Turks feel this is unnecessary; they claim that their own pilots and technicians are already qualified and that there is no need for the training consultants to return to Turkey. [redacted] 25X6

[redacted] 25X6

25X6 [redacted] There is perhaps greater concern that the Turks feel they can modify agreements with the UN Fund for Drug Abuse Control, (UNFDAC) at any time. The situation apparently is further complicated by the failure of the Turkish Government to sign the 1977 program agreement. Consequently, none of the programs scheduled to be implemented this year is currently under way, and this year's funding could be lost. The Embassy speculates that the Turks may be dragging their feet on the 1977 agreement with UNFDAC out of pique that UNFDAC has refused to create a contingency fund to help the Turks handle their current poppy straw situation. Unless the Turks cut production sharply for at least the next few years, they probably will be faced with substantial surpluses representing an added drain on the Turkish economy. [redacted] 25X1

TURKEY: Turkish officials, including a representative of the Soil Products Office (TMO) reportedly view this year's bumper opium poppy straw crop--some 35,000-40,000 metric tons--as triple the amount they will be able to sell at current world prices. The Turkish officials reportedly admit privately that the high government subsidy--$1,200 to $1,300 per metric ton--paid to opium poppy farmers is the cause of the high price of Turkish poppy straw which discourages the international market. They foresee no change in the price situation, however. In anticipation that their own poppy straw processing plant will be on-stream by mid-1979, the Turks are trying to negotiate prices for poppy straw concentrate which will be produced by that plant, which is expected to have a capacity of some 20,000 tons of poppy straw annually. [redacted] 25X1

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