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COUNTRY SUBJECT

Smuggling Retween South China and Indochina

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The most frequently used sea-route in current smuggling between South China and Indochina is: Hong Kong; Macao; Hainan Island; Nghe-An province in northern Annam. The goods are shipped either legally or illegally from Hong Kong to Macao. From Macao they are shipped to various spots on mainth Island from where they are sent directly across the Gulf of Tonkin to northern Annam. At present, the most commonly used ports in Viet Minh-held territory are Cua-Lo in Nghe-an province and Sam-son in Thanh-hoa province. Ships used in the smuggling are generally either motor junks or small launches. They are fast enough (13-22 knots) to cross the Gulf of Tonkin at night and avoid difficulties with the French naval patrols. Fayment for the goods is made generally in either gold, plasters of the Bank of Indochina, or opium. Opium is the most common means of payment and its resale in Hong Kong and other ports of South China often bring a net 300-400% profit per voyage to the smugglers.

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