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NFORMATION REPORTA

WHRY Thailand/China

DATE DISTR. 20 APR 51

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Smuggling of Brugs from Thailand to

NO. OF PAGES 1

Communist China

NO. OF ENCLS.

SUPPLEMENT TO REPORT NO.

- Bangkok merchants are smuggling medicines, in particular penicillin, to Communist China via Hong Kong. The medicines are shipped to Hong Kong on 25X1X night flights from Don Luang airport. Plane loads are valued up to 100,000 baht (approximately US (5,000) and a 100 percent profit is realized on each shipment,
 - The shipments are arranged through corrupt junior Customs Officers on night duty at the Don Muang airport. The chief Customs Officer at Don Muang is strict in his enforcement of customs regulations, but is on duty only during the day.
 - An important company in the smuggling of drugs to Communist China via Hong Kong is the Chinese firm of B. L. Hua. Although police investigation has produced sufficient evidence to indict the firm, a private settlement has been made out of court. As part of the settlement, the firm agreed to stop its smuggling activities.
 - There is unusual quiet in the Chinese business community in Dangkok and market prices have remained stable.

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