



**Directorate of  
Intelligence**

~~Secret~~



25X1

# Narcotics Review



25X1

**April 1985**

001/150/0010/0079997

100 354 453

EXTRA COPIES  
STAFF  
CONTRGL BRANCH  
ROOM 7G07 HQS

(25)

~~Secret~~

DI NR 85-001  
April 1985

Copy 354

**Page Denied**

Secret

[Redacted]

25X1

**Narcotics Review** [Redacted]

25X1

April 1985

---

1 **Southeast Asia: Increased Efforts To Curb Opium Production** [Redacted]  
[Redacted]

25X1  
25X1

Intensified counternarcotics programs by Burma and Thailand begun in 1984 could start to reduce opium production as early as the 1985-86 growing season. Burma recently began a test program to determine the effectiveness of aerially sprayed herbicides in eradicating poppy plants. Thailand has resumed a manual eradication program suspended in 1982 after concerns raised by the royal family about the economic impact on hill tribes who grow the poppy. [Redacted]

25X1

---

9 **West Germany: Drugs and Government Policy** [Redacted]  
[Redacted]

25X1  
25X1

The West German Government, more than any other West European regime, has recognized the seriousness of the narcotics threat and developed a broad strategy for combating it. Public opinion polls indicate that most West Germans favor tough antidrug measures, but the government faces opposition from centrist leftist parties to some of its proposed measures. [Redacted]

25X1

---

15 **International: Reaction to Controls on Cocaine Processing Chemicals** [Redacted]  
[Redacted]

25X1

International efforts to limit availability of essential processing chemicals to drug traffickers have led South American cocaine traffickers to take a number of countermeasures. They have sought new sources of supply, attempted to circumvent controls by transshipping through different countries, and in some cases moved their processing operations into countries where chemicals are cheaper or easier to obtain. Some traffickers are developing drug products and methods that do not require the controlled chemicals. [Redacted]

25X1

25X1

---

19 **Israel: Government Concern Over Increased Drug Activity** [Redacted]  
[Redacted]

25X1  
25X1

The Israeli Government is concerned about the increased narcotics trafficking in Israel that has resulted from its involvement in South Lebanon. Israeli, Lebanese, and Sinai bedouin Arab organizations are cooperating to transport large quantities of Lebanese-produced hashish to Israel both for local consumption and for transshipment to markets elsewhere. [Redacted]

25X1

Secret

Secret

[Redacted]

25X1

25X1

21

**Mexico: Widening Crackdown on Drug Corruption** [Redacted]

[Redacted]

25X1

Mexican President de la Madrid has removed several high-level drug control officials suspected of aiding traffickers. His actions evidently are in response to increased US pressure following the kidnaping and murder of a US Drug Enforcement Administration officer in Guadalajara. [Redacted]

25X1

23

**Worldwide Narcotics Highlights** [Redacted]

A summary of key developments from 15 December 1985 through 1 March 1985.

[Redacted]

25X1

25X1

*This review is published bimonthly by the Directorate of Intelligence and examines international, regional, and functional issues related to the worldwide drug problem. Appropriate articles produced by other elements of the CIA as well as other US Government agencies will be considered for publication. Comments and queries are welcome and may be directed to the Chief, Terrorism/Narcotics Analysis Division, [Redacted]*

25X1

Secret

Secret

[Redacted]

25X1

**Southeast Asia:  
Increased Efforts To  
Curb Opium Production**

[Redacted]

25X1

Burma and Thailand are beginning to take a harder line on opium production, after four years of bumper opium harvests resulting from favorable weather and strong market demand. Burma conducted its first test of aerially sprayed herbicides and Thailand resumed its manual eradication program; these represent marked changes from past crop control practices. These intensified efforts will have little impact on the present crop, most of which has already been harvested, but if continued in 1985 they could reduce opium cultivation in the 1985-86 growing season. [Redacted]

**Obstacles to Narcotics Control**

Since 1975 the Burmese have conducted manual eradication of poppies and have officially supported crop substitution programs—but to little effect. The eradication campaign is carried out by the Army, the police, and local village militias in about half of the 52 opium-producing townships in Shan State near military bases and other generally secure areas. Burma's poppy destruction program, [Redacted] appears to have leveled off during the past few years at about 4,000 hectares annually, or some 5 to 10 percent of the country's estimated poppy-growing area. Several problems have hampered the effectiveness of the control program:

- Many of the poppy fields are located in remote, rugged terrain in areas where roads are poor or nonexistent.
- Most of the growing areas are located in parts of Burma controlled or contested by narcotics-trafficking insurgents or criminal groups involved in the drug trade.
- Crop control authorities and other government personnel stationed in opium-producing regions are often bribed or intimidated by threats to ignore or directly abet trafficking activities. In some instances entire communities have become involved in narcotics production, with local officials helping trafficking groups to thwart Rangoon's enforcement efforts.

[Redacted]

The Burmese Government conducts eradication primarily to try to reduce the large drug revenues earned by insurgents involved in trafficking. Ironically, these efforts have the practical effect of pushing poppy production into insurgent-held areas, thereby severely limiting the impact of government eradication efforts in more secure regions. Statistics [Redacted] indicate that between 1983 and 1984 about 15 percent more cultivators shifted production from safe or contested areas to areas where insurgents and other narcotics traffickers are too strong for government forces. [Redacted]

25X1

25X1

25X1

25X1

During 1984 the Burmese had planned to eradicate more than 10,000 hectares of poppies, but their efforts were stymied by increased countermeasures on the part of growers, by narcotics traffickers' harassment of control officials, and by inability of government forces to enter insurgent-held areas. Destruction efforts even in government-controlled areas were often limited to the more obvious, easily accessible fields. The government claims, however, to have destroyed manually nearly 4,500 hectares of poppy fields. [Redacted]

25X1

25X1

25X1

The success of Burmese crop substitution efforts has been more limited. According to the United Nations Fund for Drug Abuse Control, which supports this program, it has not yet been implemented fully and has been plagued by mismanagement and corruption. Reports tell of government officials and farmers selling equipment, food, seeds, and fertilizer intended for the substitution projects to traffickers. The program is unlikely to be expanded until the security situation in the Shan State improves. [Redacted]

25X1

Thailand's efforts to limit opium production also have been largely ineffective. Bangkok has focused chiefly on crop substitution programs to try to wean opium farmers away from planting poppy. The program is

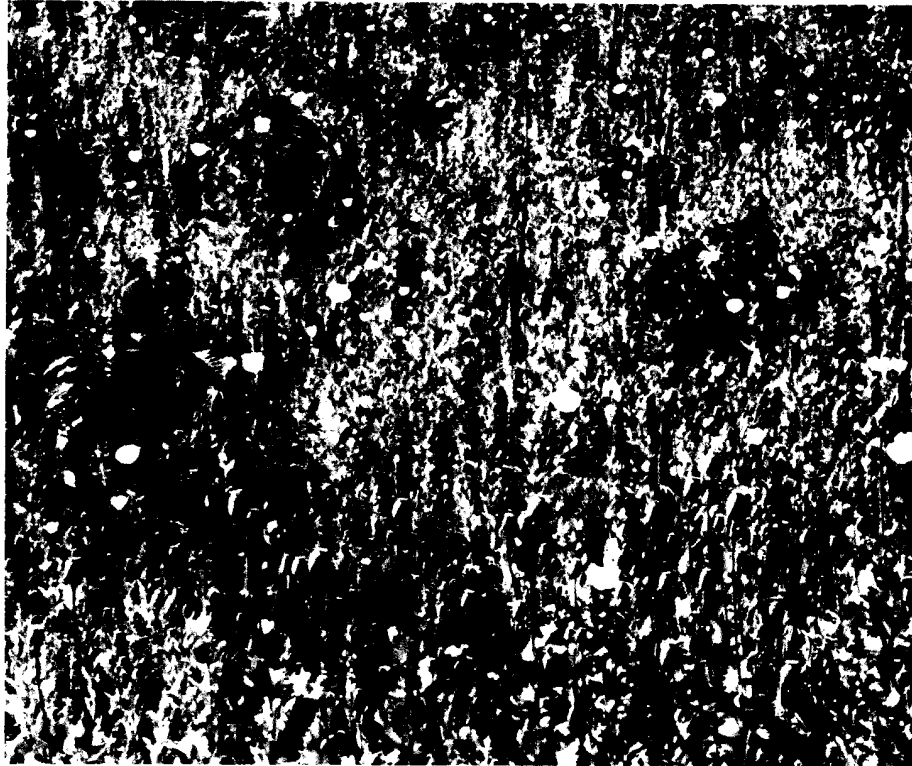
25X1

Secret

DI NR 85-001  
April 1985

**Secret**

*Poppy intercropped with coffee, a common practice in many crop-substitution villages in Thailand.*



25X1

working in some locations and its acceptance by poppy farmers is spreading, but Thai authorities have not yet been able to replace the poppy on a large scale in highland fields where most of the cultivation takes place. Farmers there have just diversified their crop mix rather than stop planting poppy. In 1980 the government banned all opium poppy cultivation in some villages designated as opium-free zones, but enforcement was lax. Bangkok subsequently has done little to seek wider participation by the majority of tradition-bound hill-tribe farmers, who continue to grow poppies even during those periods when prices are down and the money they could earn from opium is less than they could make by switching to other crops.

Thailand's intermittent and limited attempts at opium eradication also have had little impact. As a result of US diplomatic pressure, the government of Prime Minister Prem began manual eradication during the 1981-82 growing season in northern areas where Bangkok had banned opium cultivation. The effort was quickly suspended, however, after many government officials and some members of the royal family

expressed concern that cultivators would rebel and cause security problems in the rural areas.

The King has long been a spokesman for the interests of the country's hill-tribe minorities, and he has resisted eradication because he believes it is too traumatic and, therefore, counterproductive. His influence and the widespread view among politically powerful segments of Thai society that continued progress can be achieved without resorting to eradication have prevented the government from obtaining sufficient political support to take strong action against poppy cultivators.

#### **Increased Efforts by Burma**

The numerous complex problems facing Burma's crop control program recently prompted Rangoon to initiate aerial herbicide eradication. This tougher stand appears to be the result of an increased awareness of the deepening involvement of insurgents—principally the Burmese Communist Party—in expanding and

25X1

25X1

25X1

**Secret**

Secret



Poppy field in early stage of growth in Burma. Several fields planted close together is characteristic of cultivation in the Shan State. [redacted]



Eradicated poppy field. Numbered stakes used to help in scientific evaluation of the sprayed fields. [redacted]

25X1



Turbo Thrush fixed-wing herbicide spray aircraft, applying 2-4-D chemical. Large load capacity and wide spray swath particularly suited for large fields. [redacted]

In December 1984 the Burmese Government conducted its first test of the effectiveness of aerial eradication. The Burmese Air Force used a US-supplied Turbo Thrush fixed-wing aircraft to spray about 100 hectares of poppies with 2-4-D chemical. This single-engine plane is specifically designed for precise application of agricultural chemicals, and its large load-carrying capacity and wide spray swath are particularly suited for the large fields found in Burma. Positive results from the test have prompted Rangoon to expand the program during the 1985-86 poppy-growing season. [redacted]

25X1

The expanded aerial eradication program will depend heavily on US assistance. Preliminary plans call for Washington to provide three Thrush aircraft. Burma also intends to use low-level aerial reconnaissance to find fields and better direct its spray program. We expect Rangoon to look to Washington for advice and perhaps for additional aircraft for observation and spotting. [redacted]

25X1

25X1

protecting poppy cultivation, the rapid expansion of the hectareage—devoted to poppy growing, and the ineffectiveness of the manual eradication program and its accompanying rising financial costs. The United States' increased willingness to support a more forceful eradication effort in Burma also has contributed to Rangoon's decision to begin spraying. [redacted]

25X1

Secret

Secret

**Thailand's Approach**

The Prem government, under increasing pressure from the United States and from international donors to do more against narcotics activity, has worked in recent years to establish a political consensus in favor of crop eradication. Since 1982 Bangkok has taken strong actions against Communist activity in the north and northeast and has reduced the party's influence in rural poppy-growing areas, somewhat lowering the risk that an increased crackdown there would lead to a strong insurgent response that could heighten security problems. The government also has established Civilian-Police-Military (CPM) commands to enhance security in the northern areas, and Prime Minister Prem has moved to involve more Thai agencies in the hill-tribe program, including the Department of Welfare, the Department of Interior, the Royal Northern Project, Department of Forestry, and the Office of Narcotics Control Board (ONCB). [redacted]

The Prem government resumed small-scale manual eradication during 1984—too late in the growing season to have much of an effect—possibly in an attempt to test the King's willingness to tolerate at least somewhat stronger action in rural areas where increasing amounts of poppy have been planted. This effort drew no criticism from the King. In a well-planned campaign during the 1984-85 crop season the Thai military eradicated between 600 and 800 hectares of poppies, more than three times the hectareage destroyed during the previous year. The eradication program, carried out by the Thai Army with assistance from the Border Patrol Police and the ONCB, focused on two different types of targets. In the CPM project areas, the military eradicated all the poppy that had been planted in violation of villagers' agreements to halt poppy cultivation in exchange for receiving development aid. In other areas, the Army conducted intensified eradication in villages that had benefited from major crop substitution and development programs but where there had been significant increases in opium production in recent years. [redacted]

**Outlook**

The immediate impact of increased Burmese and Thai narcotics enforcement on production is likely to be offset by the expansion in acreage under cultivation in the 1984-85 growing season. Any shortfall in production from this crop, therefore, almost certainly

would be due to poor weather. Continued expansion of both countries' control programs, however, could begin to have an appreciable effect on opium production during the 1985-86 season. Growers will probably respond to the strengthened programs with counter-measures—such as planting smaller fields—and the permanence of any near-term gains will depend on each government's flexibility and adaptability in responding in turn to such measures. [redacted]

25X1

Over the longer term, any effective effort to stop the production and trafficking of opium in Burma would require government control over the affected areas in the Shan and Kachin States. Rangoon has neither the will nor the resources to wrest control physically of the opium-producing regions from the insurgents or to halt narcotics activities there entirely. A strong aerial eradication program offers the best chance of overcoming the obstacles posed by the remote location of most of the opium cultivation and the strength of the trafficking groups and reversing the rising trend in opium production. [redacted]

25X1

25X1

Burma would require considerable military and financial assistance to launch and sustain effective large-scale narcotics control operations in insurgent-occupied areas. Because of Burma's nonaligned foreign policy and its sensitivity about relations with neighboring China, Rangoon would be reluctant to undertake operations that would require massive foreign military assistance. If Rangoon were to accept large-scale military aid from the United States or another major world power, this probably would result in increased Chinese diplomatic, financial, and military support for Communist insurgents in Burma. This in turn could lead to a further deterioration of security conditions in Burma. Such large infusions of arms and funds intended to strengthen antidrug efforts might heighten regional tensions by adding to longstanding suspicions between Burma and Thailand. [redacted]

25X1

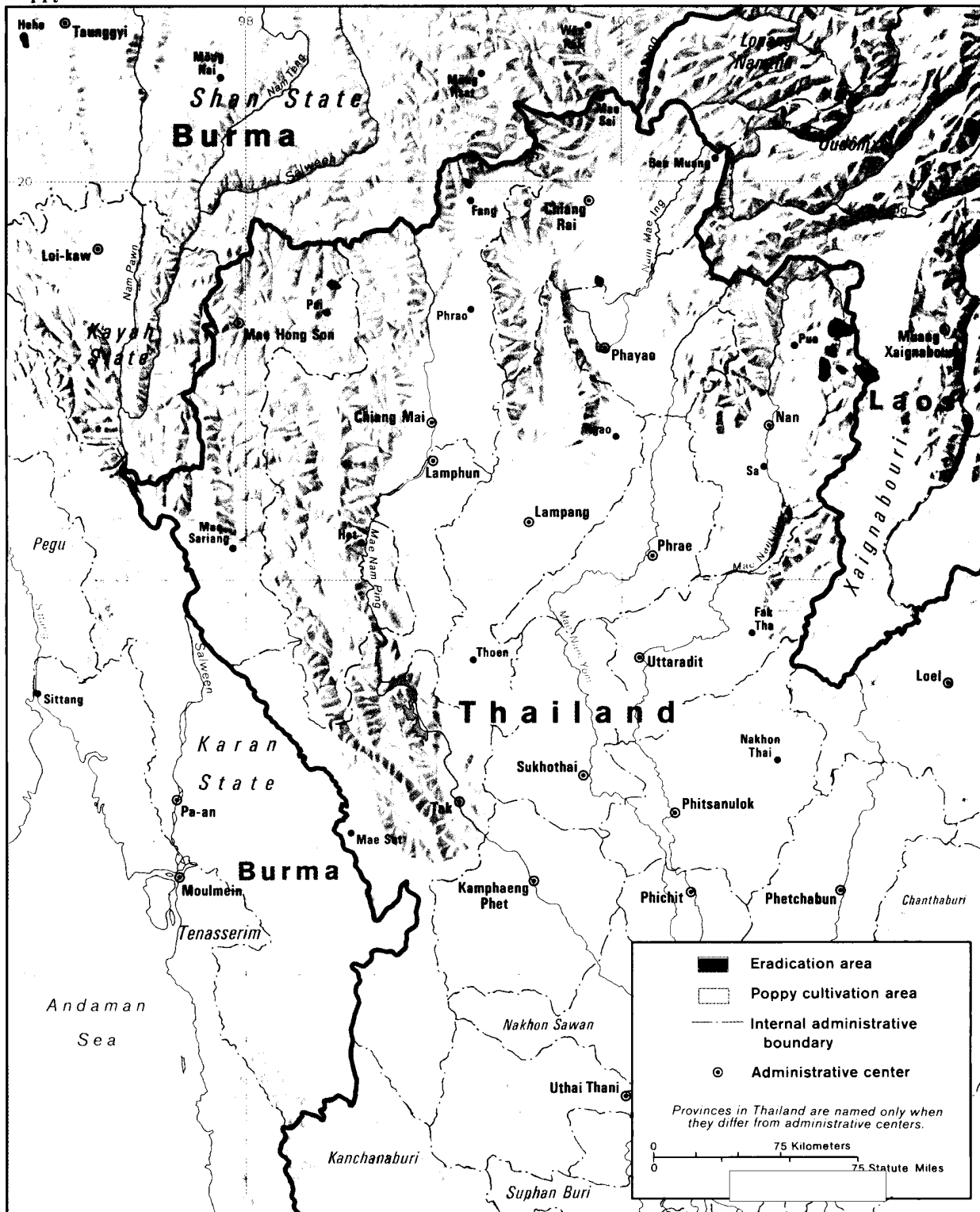
Thailand can be expected to sustain its eradication campaign to limit commercial production of opium, particularly in those villages that have received financial and crop substitution assistance. Thailand can no

25X1

Secret



Poppy Eradication

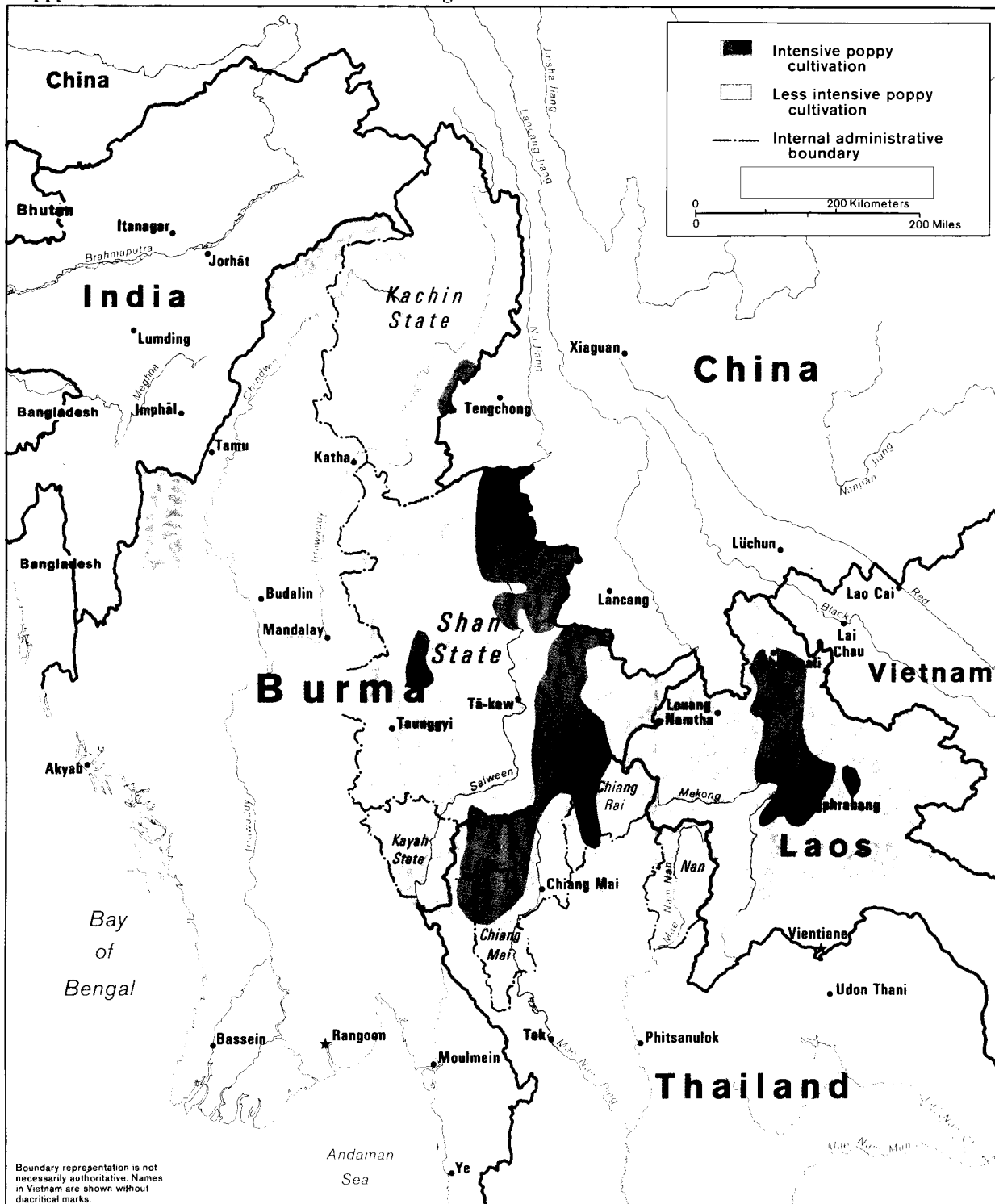


704708 (A05267) 4-85

25X1

Secret

Poppy Cultivation Areas in the Golden Triangle



25X1

Boundary representation is not necessarily authoritative. Names in Vietnam are shown without diacritical marks.

704707 (A03941) 4-85

Secret

**Secret**

longer tout the effectiveness of a gradual approach to curtailing the narcotics trade to deflect international calls for more effective action.

25X1

Achieving substantial headway against cultivation in Thailand's more rural areas would require extensive programs to widen economic opportunities for cultivators and develop better transportation to these areas. Such measures would take considerable time and place further strains on government resources. Migration of poppy-growing hill-tribe people from Burma and Laos into remote areas of Thailand exacerbates the problem. A concerted aerial eradication program in Burma could greatly increase such migration.

25X1

Both Burma and Thailand have openly acknowledged serious domestic drug abuse problems and their international reputations are tarnished as a result of their roles as drug-producing nations. For these reasons, neither country is likely to back away from narcotics control already currently under way, particularly so long as both judge that the United States remains acutely concerned about regional and global narcotics activities.

25X1

**Secret**



Secret

**West Germany:  
Drugs and Government Policy** [redacted]

25X1

Over the past decade drug abuse and trafficking in West Germany have taken on increasingly worrisome dimensions. The government has recognized the seriousness of the narcotics threat, and, more than other West European countries, has developed a broad strategy for combating it at home and abroad. The Social Democratic Party (SDP)—the principal opposition party—has strongly supported the government’s narcotics control program, but the iconoclastic Greens and the left wing of the Free Democratic Party (FDP) have advocated legalization of all types of drugs and adoption of a methadone maintenance program similar to the Dutch one. Recent public opinion polls show that a majority of West Germans favor tough anti-drug measures, particularly against large-scale traffickers. [redacted]

- into the category of “experimenters”; and 1 percent belonged to the “heavy users” group.
- Among those having taken drugs, cannabis was the preferred substance.
- Drug abuse was concentrated in the group of 18- to 24-year-olds. It was also strongly correlated with upper socioeconomic class, unemployment, and a “broken home” situation. [redacted]

25X1

**Trafficking.** BKA statistics indicate that drug trafficking offenses have more than tripled since 1972. Narcotics seizures in West Germany also have increased markedly, and the current influx of cocaine appears to be beginning to rival that of heroin. The drug trade in West Germany is controlled by international trafficking rings, but we have no reason to believe that any West European terrorists are linked to the narcotics trade in West Germany. There is also no indication that traffickers use West Germany as a money “laundering” center. [redacted]

25X1

25X1

**Magnitude of the Threat**

Statistics published annually by the Federal Criminal Police (BKA) showing the number of narcotics violations permit a rough assessment of drug abuse trends. According to the BKA, illegal use of cannabis has increased steadily since the mid-1970s, and cocaine abuse shows a strong upward tendency. Heroin consumption, which had grown at a disconcerting rate until 1980, has declined slightly. The number of heroin addicts is estimated at 50,000 in an overall population of 62 million. The rate of deaths resulting from drug overdose, which had fallen after a peak in 1979, is beginning to rise again because of the higher purity of the heroin now being sold in West Germany. Drug dealing and smuggling offenses, as well as crimes to obtain illicit narcotics, such as pharmacy burglaries, also have taken on disturbing proportions. [redacted]

**New Narcotics Legislation**

- In 1981 the Bundestag passed an extensively revised narcotics law that included the following changes:
- The maximum sentence for organized drug trafficking was increased from 10 to 15 years.
  - The maximum sentence for illegal possession and small-scale trading of narcotics was increased from three to four years.
  - A conspiracy provision was added.
  - Defendants who are addicts were permitted to choose between jail and therapy. [redacted]

25X1

The federal government also was given the authority to control imports and exports of narcotics, as well as shipments transiting West Germany, including free ports. This latter provision has increased the West German Government’s ability to support US efforts to prevent drug shipments destined for the United States. Before the new law went into effect, West

25X1

**Abuse Among the Young.** A 1981 national survey of nearly 12,000 young people ranging in age from 12 to 24 showed that:

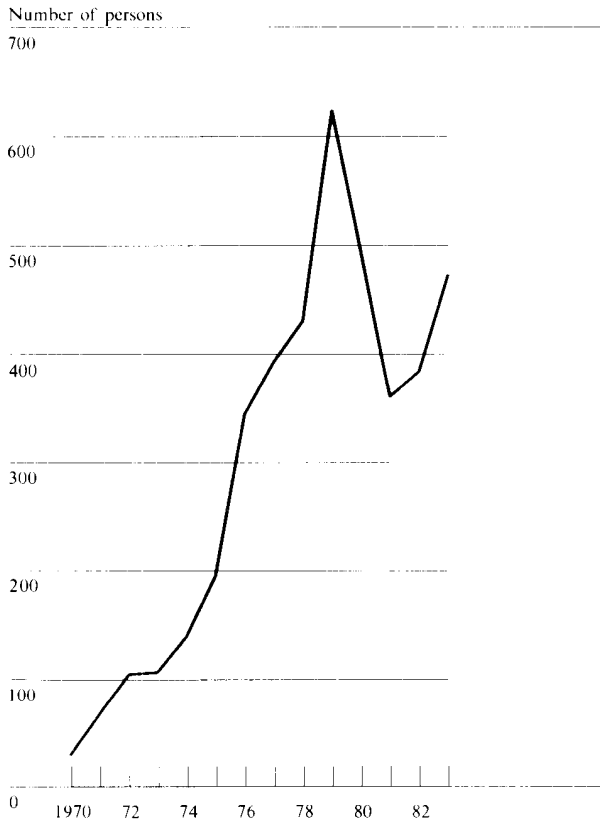
- 9.7 percent of respondents had taken drugs at least once; 4 percent were current users; 6 percent fell

[redacted]

25X1

Secret

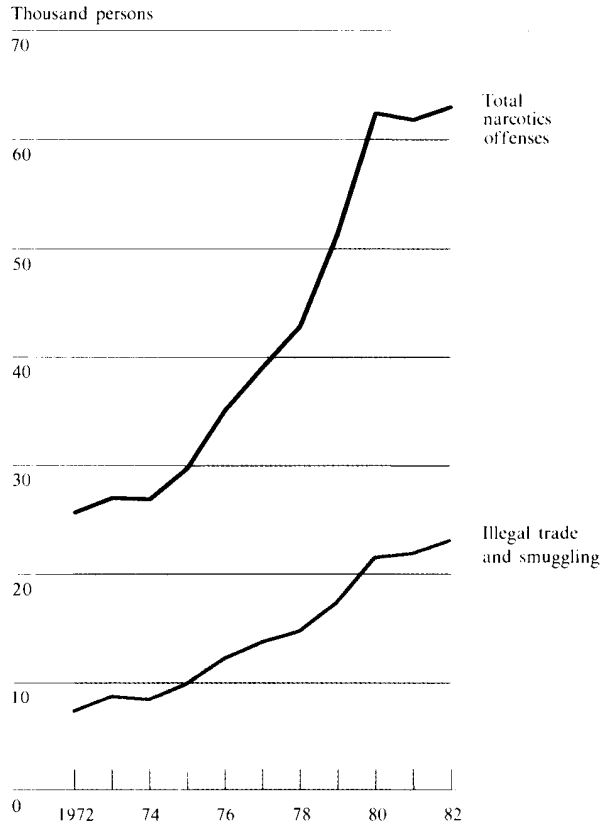
**Figure 1**  
West Germany: Deaths From Drug Abuse, 1970-83



Source: 1982 Annual Narcotics Report published by the BKA.

304356 12-84

**Figure 2**  
West Germany: Trends in Narcotics Offenses, 1972-82



Source: 1982 Annual Narcotics Report published by the BKA.

304357 12-84

25X1

25X1

German free ports—particularly Hamburg—were important transit points for shipments of methaqualone and other substances which enter the United States in tablet form via processing plants in Colombia and some other Latin American countries.

Thus far, German police have no effective legal means for seizing assets of drug traffickers. According to US Embassy officials, however, discussions are under way with the Minister of Justice to draft the necessary laws. Many officials involved in narcotics control, moreover, have advocated the adoption of a Bank Secrecy Act—analogueous to that in the United

States—that would help monitor international financial flows related to drug trafficking. At present, West Germany has no law requiring individuals or organizations to report cross-border financial transactions.

**Enforcement**

Enforcement of the federal narcotics law, which also applies to state and local jurisdictions, generally is strict. The training and technical equipment of narcotics enforcement personnel are quite sophisticated,

25X1

25X1

Secret

Secret

**Table 1**  
**West Germany: Drug Users <sup>a</sup>** Percent

	Drug Users	Current Drug Users
<b>Sample (11,711 persons) <sup>b</sup></b>	<b>9.7</b>	<b>3.6</b>
<b>Sex</b>		
Male	11	4
Female	8	3
<b>Age (years)</b>		
12-14	1	0.5
15-17	7	3
18-20	14	6
21-24	16	4.5
<b>Social background</b>		
Lower class	10	3.5
Lower middle class	9	3
Middle class	8	3
Upper middle class	12	4
Upper class	13	5.5
<b>Education/profession</b>		
Elementary school	3	1
High school (technical field)	6	3
High school (humanities field)	9	4
University	11	5
Vocational training	14	4.5
Blue-collar worker	14	4.5
White-collar worker	11	3
Unemployed	26	9
<b>Community size (number of inhabitants)</b>		
Under 2,000	7	3
2,000-4,999	6	2.5
5,000-19,999	9	3
20,000-99,999	9	3.5
100,000-499,999	11	4
500,000-1,499,999	15	5
1,500,000 or more	20	8

<sup>a</sup> Excluding Bremen, Hesse, and West Berlin.<sup>b</sup> Data are arranged by demographic categories; for example, 11 percent of all males in the sample have used drugs at one time or another, but only 4 percent are current users.Source: 1981 survey on drug abuse among the young sponsored by the Federal Government and eight *Laender*.**Table 2**  
**West Germany: Source of Illicit Drugs at First Consumption <sup>a</sup>** Percent <sup>b</sup> (except where noted)

	Total <sup>c</sup>	Experi-menters	Occasional Users	Heavy Users
<b>Sample (number of persons)</b>	<b>1,000</b>	<b>593</b>	<b>261</b>	<b>109</b>
Friend(s)	38	35	45	47
Clique/group	26	27	28	27
Acquaintance(s)	25	26	27	22
Spouse/sexual partner	5	6	3	4
Sibling	4	3	3	7
Dealer	3	1	5	8
Home medicine cabinet	3	2	2	5
Prescription	1	1	2	2
Other manner	3	3	3	3
No answer	5	3		

<sup>a</sup> Excluding West Berlin, Bremen, Hesse, Baden-Wuerttemberg.<sup>b</sup> Columns do not add up to 100 percent because respondents were allowed multiple responses.<sup>c</sup> No opinion was given by 37 persons.Source: 1981 survey on drug abuse among the young sponsored by the Federal Government and eight *Laender*.

but, as in the United States and other countries, law enforcement agencies have concentrated their resources on fighting the more dangerous drugs. According to US Embassy reports, cooperation between the police and the judiciary has been good and acquittals of drug offenders are rare. The new narcotics law has also resulted in fewer sentences with probation. A West German study shows that, in 1981, 69 percent of defendants receiving a sentence of one to two years were put on probation compared with 42 percent in 1983. We have no information about how frequently judges impose maximum penalties on large-scale traffickers.

25X1

25X1

25X1

**Secret****Education and Prevention**

The Federal Institute for Health Education, with the help of the health ministers of the *Laender* and semiofficial and private institutions, has developed a variety of materials to instruct parents, educators, and young people about the drug threat. To maximize the effectiveness of these materials, the impact on target groups is evaluated periodically. The Institute also has attempted to involve parent groups in drug education and prevention, but, according to a staff member, the "parent movement" is still much weaker than in the United States. [ ]

The mass media also are playing a growing role in publicizing the drug threat. Both printed and electronic media reports, however, often suffer from a tendency toward sensationalism, superficiality, and failure to differentiate among types of drugs. A recent article in a popular magazine about cocaine, for example, emphasized the sexually stimulative effect of the drug and largely ignored the fact that cocaine creates a strong psychological dependence. [ ]

**Treatment**

Although the number of outpatient programs has grown, long-term treatment generally takes place in the confines of a therapeutic institution. During the detoxification process, the patient receives sedatives but no methadone. The majority of drug therapists oppose the use of methadone in detoxification programs and as a long-term treatment alternative for heroin addicts, arguing that the drug cannot cure and that it has negative side effects. Once the patient has been detoxified, he enters the long process of psychosocial rehabilitation. To make it easier for the former addict to start a new life, federal laws provide for rehabilitation assistance in the form of disability payments, subsidies to employers, and vocational training. [ ]

An assessment of the effectiveness of the treatment system is difficult because West Germany is only beginning to develop coordinated data bases on drug abusers and therapeutic facilities. West German health officials estimate that approximately 5 percent of the addict population is motivated for therapy and that, of these, 30 percent finish the long-term treatment programs. However, almost half of those completing treatment suffer a relapse. [ ]

**International Cooperation**

West Germany is a signatory to the UN Single Convention of 1961 and the Convention on Psychotropic Substances of 1971. It is a major contributor to the UN Fund for Drug Abuse Control (UNFDAC) and an active participant in the Pompidou Group. It also has cooperated closely with the United States on drug matters. [ ]

*Assistance to Producer and Transit Countries.* The West German Government has financed various narcotics control projects—both through UNFDAC and directly—in Asia, the Middle East, and South America. In the past, West Germany—unlike the United States—did not specifically link economic assistance to producer countries' narcotics control efforts. A high-level Ministry of Interior official recently indicated to US diplomats that West Germany may rethink this policy in view of increases in poppy production in areas where West German aid is provided unconditionally. West Germany also gives police assistance to various producer and transit countries in the form of training and technical equipment. The Minister of the Interior, moreover, plans to send more liaison officers to key producer regions. [ ]

*Cooperation With the United States.* For more than a decade, West Germany and the United States have worked together to combat drug abuse and trafficking, both domestically and internationally. US–West German cooperation was formalized in the Narcotics Control Agreement of 1978. The agreement established the Central Working Group whose permanent subcommittees are charged with the implementation of proposals on such subjects as improvements to the quality of life of US military personnel in West Germany, reduction of narcotics problems among US forces, and organization of bilateral workshops on epidemiology and treatment. [ ]

The BKA and the US Drug Enforcement Administration also have developed a close relationship. The BKA has strongly supported US efforts to achieve greater control of legal processing chemicals. It has been successful in persuading pharmaceutical firms to control ethyl ether and acetic anhydride used in the manufacture of cocaine and heroin. [ ]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

**Secret**



Secret

**Outlook**

The Federal Republic of Germany probably will continue to escalate its war against illegal drugs by increasing even further its efforts in the areas of law enforcement, prevention and treatment, and international cooperation. Most *Laender* governments are likely to allocate substantial resources to narcotics control, but tight budgets and competing spending priorities may cause some of them to play down the seriousness of the narcotics threat.

25X1

Despite strong political support for harsher punishment of drug traffickers, the Minister of the Interior may face difficulties in attaining assets-seizure legislation. The FDP's desire to refurbish its liberal, independent image and improve its survival prospects might lead it to challenge its Christian Democratic partners on the assets seizure issue. The SPD and the Greens also may use the assets-seizure issue to support their charges of government insensitivity to civil liberties. Opposition from centrist and leftist parties probably will not prevent assets seizures over the longer term—particularly if the Christian Democrats remain in power and if pressure in international narcotics control forums to adopt such legislation increases.

25X1

In the area of international cooperation, West Germany will place greater emphasis on West European cooperation. The Minister of the Interior plans to assign liaison officers to the United Kingdom, France, Italy, Spain, Belgium, the Netherlands, and Scandinavia. He also intends to propose to his EC counterparts joint programs for equipment and training assistance to producer and transit countries in close cooperation with the United States and UNFDAC. West Germany probably will continue to urge West European countries to cooperate in narcotics enforcement and to work for greater coordination of national narcotics control legislation and research on drug abuse and treatment.

25X1

Secret



Secret

**International: Reaction to Controls on Cocaine Processing Chemicals** [redacted]

25X1

The substantial growth of the cocaine industry during the past several years has created a sizable new demand for chemicals to process the coca leaf and release the cocaine alkaloid. These include sulfuric acid, potassium carbonate, potassium permanganate, kerosene or gasoline, ammonia, acetone, alcohol, and hydrochloric acid. Cutting off supplies of these chemicals to cocaine manufacturers is difficult; most of them are widely used in commercial processes and readily available. In contrast, the final phase of the cocaine-refining process requires a less common ingredient—ethyl ether—which has fewer legitimate uses and is made and sold on a smaller scale. The limited use of this chemical and the likelihood that a sizable portion of the amount produced worldwide is currently used by the narcotics trade make ether a targetable choke point for enforcement efforts. [redacted]

intended for cocaine refining. With supplies of ether and other essential chemicals from the United States and Europe dwindling, South American cocaine traffickers are turning to other sources—direct and indirect—for essential chemicals:

- Brazil is now the primary source country for ether and acetone used to process Bolivian cocaine. Brazil has legislated export restrictions on cocaine chemicals but lacks the funds to enforce them consistently. Recently proposed legislation would further restrict the shipment of Brazilian ether, but Brazil's ability to enforce its controls effectively has yet to be demonstrated.

In 1983 the Drug Enforcement Administration (DEA) instituted a program to control the sale and shipment of chemicals used for cocaine processing, particularly ether. Chemical manufacturers worldwide are cooperating in this effort, and some countries have taken steps to restrict the import and export of essential cocaine chemicals. In Colombia—the principal producer and exporter of refined cocaine—stringent import restrictions have dramatically affected the availability and price of ether. Ether supplies stockpiled by Colombian traffickers were reportedly depleted by early 1984, and the price of a 55-gallon (210-liter) drum of ether had risen from about \$1,500 in 1980 to a high of \$7,000 in February 1985; the same quantity currently sells legally for less than \$200 in the United States. [redacted]

- [redacted] the complex could accommodate small-scale ether production. The sale of ether is unrestricted in Chile, [redacted]

25X1  
25X1  
25X1  
25X1

25X1

25X1

Traffickers are also attempting to obtain cocaine chemicals, especially ether, by transshipping them through other South American countries:

- US Embassy reporting [redacted] indicate that substantial amounts of ether have been imported into Argentina in the past two years, most of it shipped from Mexico and reshipped to Bolivia.
- US Embassy [redacted] sources document the involvement of key military officials in Paraguay in obtaining essential chemicals and providing protection for traffickers' activities.

25X1

25X1

**Shifts in Chemical Supply Sources**

From 1978 through 1982, according to the DEA, about 95 percent of the ether imported into Colombia was purchased from manufacturers in the United States and the Federal Republic of Germany. In a cooperative effort with the DEA, these manufacturers have largely halted shipments of ether believed to be

Secret  
DI NR 85-001  
April 1985

**Secret**

- Venezuela, according to DEA sources, has been used in recent years as a major transit country for cocaine chemicals. Recent Venezuelan legislation has imposed strict controls on imports of essential chemicals, and Brazilian and Venezuelan officials are cooperating in an attempt to halt the transshipment of cocaine chemicals through the country.

Cocaine traffickers have established new lines of supply by using legitimate fronts to obtain them and by exploiting countries vulnerable to use as chemical conduits.

as legislative and enforcement pressure builds, traffickers may also use their purchasing power to encourage development of new manufacturing sources.

#### Shifts in Production and Distribution

Some traffickers have also modified their production and distribution systems in response to controls on processing chemicals. The coca source countries—primarily Peru and Bolivia—have traditionally shipped crude coca paste and semirefined cocaine to Colombia for final processing. As chemical import restrictions make final processing more difficult and expensive in Colombia,

cocaine traffickers are establishing refining laboratories where controlled chemicals are cheaper and easier to obtain and where enforcement pressure is less intense. There is also increasing evidence that traffickers in Colombia are developing new drug channels, and traffickers in Bolivia and Peru are beginning to develop more sophisticated and independent cocaine production, refining, and distribution structures. a disquieting spillover of the cocaine-refining industry from Colombia:

- traffickers in Bolivia are now producing semirefined and refined cocaine on a larger and more organized scale than has previously been documented. In 1984 at least seven laboratories were seized in a government sweep of one important trafficking region. Reliable DEA information, and press reports also indicate that significant amounts of ether and acetone have been imported into Bolivia during the past two years. Bolivia has virtually no legitimate requirement for ether.
- There is also evidence that Peruvian traffickers are expanding their cocaine processing and distribution

capability. In 1984 the Peruvian Investigative Police, cooperating with the DEA, Interpol, and Scotland Yard, broke up a refined-cocaine distribution operation in Callao, Peru's largest port. Information from a reliable DEA source indicates that one Peruvian trafficker is smuggling semirefined cocaine into Mexico for final processing; and a narcotic seizure in Florida last year netted Peruvian semirefined cocaine.

- Bolivian and Peruvian traffickers are extending their cocaine refining and distribution operations into other South American countries. According to US Embassy and press reports, two cocaine-refining laboratories were discovered last year in Venezuela. laboratories are operating—with protection from high-level officials—in both Argentina and Paraguay. DEA reporting indicates that one major Bolivian trafficker plans to ship semirefined cocaine to both Argentina and Paraguay for final processing and distribution. Argentina and Paraguay are expected to play an increasingly important role in the international drug trade as the full effects of current enforcement measures elsewhere are felt.

- In Chile, there are indications that cocaine traffickers may be returning after a government crackdown almost eliminated the narcotics trade during the 1970s. Reliable DEA sources say that three cocaine-refining laboratories have been seized near Santiago since late 1983, and that corruption in one Chilean antinarcotics agency is a serious obstacle to enforcement.

- cocaine-refining laboratories now operate in Brazil, using Brazilian chemicals to process Bolivian and Peruvian coca products. Brazil is South America's largest cocaine chemical producer, and it has traditionally been a transit country for cocaine shipments. The ready availability of essential chemicals makes Brazil an ideal location for traffickers, and stricter enforcement of Brazilian export restrictions is likely to result in the establishment of more laboratories in the country. Moreover, according to US Embassy reports, traffickers have encouraged Indians in several areas of Brazil to grow coca, providing a ready source of the drug for Brazilian laboratories.

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

**Secret**

**Page Denied**

- Seizures of cocaine-refining laboratories in the United States—most of them linked to Colombian traffickers—have increased dramatically since the tightening of controls on cocaine chemicals. According to DEA reporting, in the United States six cocaine laboratories were seized in 1982, 11 in 1983, and 21 in 1984. Of those discovered last year, 18 were in southern Florida, where a 55-gallon drum of ether sells on the illicit market for about \$1,000. Before 1982, according to DEA reporting, there were only scattered attempts to refine cocaine in the United States. The expansion of cocaine-refining operations in the United States, a source country for ether, underscores the boldness of the cocaine cartel's response to current enforcement measures.

[redacted]

Colombian traffickers are also taking steps to retain their dominance of the world cocaine trade by developing ways to counter the control of essential chemicals and the diversion of coca paste and semirefined cocaine to other areas. According to US Embassy reporting, some of the cocaine laboratories in Brazil are run by Colombians, in the same region where new coca cultivation is occurring

[redacted]

**Cocaine Industry Trends**

[redacted] cocaine traffickers are also responding to chemical control in more aggressive ways by developing products and methods that do not require the use of controlled chemicals:

- In late 1983 [redacted] was preparing a consignment of a new product for shipment to the United States: marijuana cigarettes laced with coca paste or semirefined cocaine, called *basuco*, widely used in Colombia but seldom seen in the United States. The group allegedly planned to distribute the *basuco* free in order to develop a US market. DEA reports now document the use of coca paste or *basuco* in three major US drug distribution cities: Miami, Los Angeles, and New York. The drug used in the cigarettes does not require final processing with

ether, and thus *basuco* constitutes a less expensive product, with effects reportedly similar to those of freebasing refined cocaine. Given the sizable number of marijuana smokers in the United States, coca paste or semirefined cocaine distributed in cigarette form could become an increasingly popular product.

[redacted]

Control of cocaine chemicals is achieving some success, but it is only one step in the dismantling of the international cocaine industry. The rapid response to current enforcement efforts demonstrates that the cocaine trade is an adaptable, resilient business, and that traffickers are organizing, extending their reach, and exploring new methods of producing, packaging, and marketing their products. Heightened international concern at the sophistication of this drive has resulted in increased cooperative antinarcotics efforts, particularly in the control of essential cocaine chemicals. Such cooperation will almost certainly lead to increased demands on US resources. Brazil, for example, has requested US funds to computerize its chemical control system and Bolivia for computerized coca regulation and aircraft/airstrip control systems. Effective international eradication and interdiction will require a continued strong US commitment. As international antinarcotics initiatives gather momentum, the United States will be asked to play an increasingly important role in all aspects of narcotics control—training, enforcement, intelligence, and education.

[redacted]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

Secret

**Israel:  
Government Concern Over  
Increased Drug Activity** [redacted]

25X1

[redacted] narcotics trafficking in Israel—largely involving smuggling of hashish—has intensified during the past two years and is of increasing concern to the Israeli Government. Israeli authorities say that in 1983 arrests for drug smuggling in northern Israel doubled and that arrests for drug use throughout the country increased 30 percent. In late 1984, Israeli press reports citing local police officials indicated that Israeli, Lebanese, and Sinai bedouin Arab criminal organizations had begun working together closely to transport large quantities of Lebanese-produced hashish to Israel for local consumption and for onward shipment to Egypt and other countries. [redacted]

**Hashish Trafficking**

Nearly all of the hashish reaching Israel now comes directly from Lebanon [redacted]. As recently as two years ago, some 90 percent of hashish and other drugs imported to Israel was coming through European middlemen. The Israeli press has claimed that both the increase in drug trafficking and the emergence of Lebanon as a direct supplier are at least partly the results of Israel's two-year-old military occupation of its neighbor. The occupation evidently has helped to create an expanded land transport and supply infrastructure between the two countries that inadvertently facilitates the movement of illicit drugs south. [redacted]

Israeli authorities do not know exactly how much hashish the large-scale traffickers have been bringing into Israel, but recent antidrug raids there have resulted in seizures of substantial quantities. In December 1984, for example, Israeli police intercepted 1 ton of hashish that they believe was smuggled across the Lebanese border for distribution in the Negev area, according to Lebanese press reports. In February 1985, the Israeli press reported the seizure in Galilee of more than a half ton of hashish. In other instances, quantities ranging from one-third to three-quarters of a ton have been confiscated. [redacted]

In addition to the organized, large-scale hashish traffickers, Israeli soldiers returning from tours of duty in southern Lebanon reportedly are smuggling small amounts of this and perhaps other illicit drugs for personal use and for sale. Press reports say that Israeli troops conceal the contraband in the hollow handles of their US-manufactured assault rifles or in the spare tires of jeeps. [redacted]

25X1

25X1

**Heroin and Cocaine Smuggling**

[redacted] some Israeli drug-trafficking organizations are starting to get involved in heroin and cocaine distribution. DEA sources report that a group of Israeli smugglers based in Paris, France, are smuggling heroin from Thailand to Israel. The Embassy believes that heroin may be coming into Israel from Turkey and Lebanon as well. [redacted]

25X1

25X1

25X1

[redacted] heroin has recently become available in the Haifa area for \$100 per gram. [redacted]

25X1

25X1

[redacted] Israeli drug dealers have obtained cocaine from Corsica via southern France, presumably through French or other intermediaries with ties to South American cocaine producers. [redacted]

25X1

25X1

**The Government's Response**

The Israeli Government is concerned about the easy availability of illicit drugs in its country and is especially worried about the rapidly spreading use of hashish among Israeli citizens, according to British press reports. Following Tel Aviv's discovery last summer that regional traffickers were cooperating to transport hashish through Israel, Tel Aviv evidently began to work with authorities in Cairo and elsewhere in the region to try to disrupt narcotics activities. The Israelis clearly are determined to do what they can to suppress the local drug trade, and they are likely to

25X1

25X1

**Secret**

make some progress toward this goal during the coming months. In the last six months, Israeli authorities have arrested at least 49 drug smugglers. At the same time, the traditional adaptability of the international narcotics trade suggests Israel will have to cope indefinitely with at least some increased level of drug activity, particularly so long as the transportation infrastructure supporting the Israeli military occupation of southern Lebanon remains in place for exploitation by traffickers. Troop withdrawal from southern Lebanon would likely temporarily disrupt the influx of drugs until new smuggling techniques were established.

25X1

**Secret**



Secret

**Mexico:  
Widening Crackdown  
on Drug Corruption** [redacted]

25X1

Mexico is intensifying its crackdown on narcotics corruption—a key obstacle to more effective drug control there—by removing from the antidrug campaign several high-level officials known or suspected to be aiding traffickers. The shakeup appears largely due to US calls for Mexico to address shortcomings in drug control measures following the kidnaping and murder of a US Drug Enforcement Administration (DEA) officer in Guadalajara in February. [redacted]

[redacted] de la Madrid recently has dismissed several senior officials with drug control duties who are known to have abetted the drug trade:

- He has fired the chief of the Directorate of Federal Security and the head of Mexican Interpol.
- He has reassigned the military commander in the Guadalajara area, where a major trafficking group killed a DEA officer in February. [redacted]

In addition, the Mexican President has promoted the Second Deputy Attorney General—who oversees the joint civilian and military drug crop eradication effort and is alleged to have ties to traffickers—to First Deputy. The position of First Deputy is actually a less powerful position administratively and involves no direct control over antidrug measures. [redacted]

De la Madrid has ordered the successors to these positions to punish other collaborators and take strong action against trafficking in their respective jurisdictions. [redacted] In particular, he has instructed the new military chief in Guadalajara to move forcefully against smugglers there to underscore Mexico's determination to revive control measures. [redacted]

These changes appear largely to be the result of increased US pressure for stronger antidrug action following the DEA officer's death. The Mexicans' reported desire to prevent tensions with Washington over the drug problem from causing relations in general to cool will spur them to sustain at least temporarily the increased drive against drug graft and

make other changes in strategy and resource allocation to improve control measures. At the same time, easily aroused nationalism will continue to make the government reluctant to grant the United States a more direct role in the program. [redacted]

25X1

Mexico's powerful drug trafficking organizations almost certainly will seek to counter the anticorruption crackdown by trying to bribe or intimidate the new senior officials and the new subordinates they are expected to appoint. The smugglers also may expand further their recently increased use of violence against Mexican and US field-level enforcement officials. Any acts or threats of violence against top-level Mexican authorities such as the Attorney General or against senior US Embassy officials in Mexico City would be a sign that the traffickers were beginning to see themselves as seriously endangered by the intensified drive to curb drug graft and by other increased control measures. [redacted]

25X1

25X1

25X1

25X1

These personnel changes may curb the worst excesses of drug malfeasance for a while and make control efforts more effective in 1985 than they were in 1984, but there are limits to which the government can act to suppress such wrongdoing over the longer term. Some observers believe corruption in general is essential to the operation and survival of Mexico's complex form of government, which is based not so much on the rule of law as on the exercise of privilege, influence, and favors. Even attempting to make abrupt, lasting changes to this structure, for whatever purpose, would disturb the balance of political alliances that has ensured stability for six decades. [redacted]

25X1

25X1

25X1

25X1

Secret

DI NR 85-001  
April 1985



Secret

**Worldwide Narcotics Highlights** 

25X1

**South America**

*Colombian* authorities continued to make headway against the entrenched drug industry in January and February:

- Operation Hat Trick, a joint US-Colombian enforcement operation, caused traffickers to reduce their marijuana shipments to the United States and alter their preferred trafficking routes.
- On the legal front, Bogota, in an unexpected move, extradited four traffickers to the United States, taking the major drug organizations by surprise and leaving them in a state of confusion. The Colombian Supreme Court subsequently reaffirmed in a 23-to-1 vote the constitutionality of the US-Colombian extradition treaty—rejecting arguments that the treaty violated Colombia's national sovereignty. The decision thwarted the Colombian Attorney General's efforts to sabotage government drug control measures. Severo Escobar Ortega, another major Colombian drug dealer wanted by the United States for extradition, was later arrested on 23 February and is currently under detention in Bogota.
- Press reports of 8 January state that 939 persons have been accused of narcotics violations since the state of seige went into effect 1 May, many made possible by the ability of military and police units to operate without following usual legal procedures.
- Two officials of the Press and Public Relations, Office of the Presidency, were arrested for possible negligence in allowing the Colombian diplomatic pouch to be used for cocaine smuggling. Presidential press secretary Roman Medina Bedoya was also charged in the case, and Colombian Vice-Foreign Minister Laura Ochoa has also been touched by the scandal. The actions are apparently intended as a warning from President Betancur to others contemplating similar smuggling ventures.
- Colombian Attorney General Carlos Jimenez Gonzalez charged that Minister of Justice Enrique Parejo violated five statutes in conjunction with his authorization of the use of glyphosate against marijuana fields in Colombia's northern growing region. On 22 January the Council of Ministers issued a statement supporting the antinarcotics actions of the Minister of Justice and overruling the Attorney General's efforts to block herbicidal eradication.

25X1

The *Colombian* Government also appears to be moving ahead in its efforts to strengthen its drug control capabilities:

- Discussions are continuing on the establishment of a regional communications network; preliminary groundwork has been accomplished and site surveys conducted.

Secret

- A cooperative project between the United States and Colombia to support a national campaign for the prevention of drug addiction is ready for implementation. The program is designed to instill an awareness of drug abuse in the Colombian population and reduce the demand for illicit drugs.
- The Ministry of Justice has proposed a law designed to help curb the widespread use and trafficking of drugs. The antidrug proposal includes mandatory airing of television and radio spots, rigorous education programs within the school systems, establishment of public and private drug rehabilitation clinics, formation of local civic action committees to mount antidrug campaigns, and tougher laws, sentences, and fines for drug offenders. The law failed to pass during the regular fall 1984 session, but the US Embassy believes chances for passage in the current legislative session are good.
- Work continues on the United Nations Fund for Drug Abuse Control (UNFDAC) pilot crop substitution project targeted for the Bolivar area of Cauca. More than \$500,000 is budgeted for prevention, treatment, and a mass media campaign.

25X1

Traffickers' attempts to enlist the support of *Colombia's* terrorist groups apparently have failed. Former M-19 leader Ivan Marino Ospina admitted his statements in Mexico, in which he wished the Colombian traffickers well in their attempts to assassinate Americans in Colombia, were inopportune. Ospina was heavily criticized by fellow M-19 members for his protrafficker sentiments and was removed from his position as chief spokesman for the M-19. The new leadership ostensibly is opposed to any alliance with traffickers.

25X1



25X1

The seizure of the Avianca 747 aircraft on 15 February underscores the resilience and strength of the *Colombian* drug trade. Although the toughest drug crackdown in Colombian history is still under way, traffickers managed to collect and ship 1.1 metric tons of cocaine in 32 unmanifested boxes of flowers on 12 February. The plane was released after the owners agreed to post bond and surrender the plane. The Colombian Government and airline officials are exploring ways to prevent future incidents, including more intensive preflight inspections.

25X1

Secret

Secret

On 11 February, 16 campesinos were murdered in *Peru's* Upper Huallaga Valley, the target area for US-funded antinarcotics efforts. According to the US Embassy, the killers were either insurgents or narcotics traffickers posing as insurgents. Whichever group was responsible, the US Embassy believes that the action was timed to convince visiting US and Peruvian officials that government intervention in the area is futile. Narcotics traffickers murdered 19 Peruvians engaged in coca eradication in this same region on 16 November, causing the program to be held up more than two months. After the February killings, eradication operations were temporarily suspended before starting up again at a much lower level. [ ]

25X1

Other drug-related developments in *Peru* for the period of 15 December 1984 to 1 March 1985 reflect the mercurial nature of the Peruvian situation. In December, Lima took actions that sent a strong message to drug traffickers:

- Gen. Juan Balaguer, Director General of the Civil Guard, was removed from office for corruption.
- Peruvian millionaire Carlos Langeberg Melendez was convicted on drug trafficking charges and sentenced to 15 years in prison.
- Interdiction and eradication were resumed in the upper Huallaga Valley on a limited scale but strained police-military relations continued to hamper drug control efforts in the region, with each side accusing the other of drug-related corruption.
- Plans were made for the drug abuse awareness program scheduled for early March in Lima, and the US Embassy's drug education programs showed signs of changing some Peruvian citizens' attitudes toward drug use. [ ]

25X1

Trends and events that may affect future *Peruvian* drug control efforts include the presidential election scheduled for April, a growing sophistication in the Peruvian drug industry, and the possibility of Sendero Luminoso (SL) involvement in drug trafficking:

- A Garcia or Barrantes victory in the April election could have far-reaching implications for drug control. Both candidates have indicated that they would reshape Peru's drug control policy and concentrate more on crop substitution and education and less on eradication.
- [ ] Peruvian drug traffickers are increasing their level of sophistication by expanding coca cultivation and increasing smuggling operations in Europe and the United States.
- SL leader Abimael Guzman has not ruled out future SL involvement by the group in drug trafficking. Information to date, however, indicates SL linkages to drug traffickers are infrequent and generally limited to extortion or protection payments. [ ]

25X1

25X1

The US Embassy in La Paz reported in early February that the *Bolivian* Government has again sent US-trained police units into the key coca-producing Chapare and Valle Alto regions to suppress narcotics activity. [ ]

25X1

25X1

25X1

[ ] The development coincides with press reports that some traffickers who suspended operations in the area during a similar crackdown last August have recently resumed their activities. The settling of the 16-day general strike by the Bolivian Workers Central (COB), Bolivia's principal labor confederation, has

Secret

left La Paz calm. With the easing of labor pressure, Siles has improved his chances of completing his term, but continued economic deterioration and persistent coup rumors compound the difficulties facing Bolivia's antinarcotics forces. While the recent police actions represent a bow to US concerns, Siles is unlikely to risk another expensive and unpopular antidrug campaign on a large scale before the 14 July elections.

25X1

In *Ecuador*, a series of US-funded coca eradication campaigns in the northern border area near Colombia resulted in the destruction of 225 hectares of coca, 39 coca paste labs, and the arrest of 23 Colombian operators. The Colombian-bound coca destroyed during this operation could have produced an estimated half ton of cocaine HCL. DEA estimates that 2,000 to 5,000 hectares are under coca cultivation causing official concern in Quito that Ecuador will become a major growing and processing country; the government is seeking financial assistance from the United States to conduct more eradication and interdiction programs. Quito also plans to participate in a USAID program to strengthen the institutional capability of both public- and private-sector entities to carry out a large-scale public awareness campaign on the hazards of drug use. Although some resource and personnel problems still exist, the administration has made substantial progress since taking office in August in its goal to curb the growth of the Ecuadorean drug trade.

25X1

*Brazilian* Federal Police (DPF) recently completed Operation Federico, a successful series of US-sponsored coca eradication operations centered in the Upper Amazon River Basin. The US Embassy in Brasilia estimates that approximately 840 tons of coca leaf were destroyed in the operation. Some of the coca fields found were on Indian reservations legally immune from Brazilian federal authorities. Others were difficult to detect because growers were cultivating the plants under the jungle canopy. The DPF believes that Peruvian traffickers were organizing the Indians to plant, cultivate, and harvest the coca, and were then transporting the leaf out of the area by boat and aircraft. More eradication operations are planned, and these probably will require an infusion of US funds, technical assistance, and equipment.

25X1

The President of *Brazil's* Federal Drug Council (CONFEN), Arthur Castilho Netto, reacted strongly to a US Congressional staff study published in February that accused Brazil of devoting insufficient resources to controlling the production of narcotics. The study, presented to the House Committee on Foreign Affairs, recommended reducing or eliminating US imports of Brazilian sugar unless the country demonstrated its seriousness in controlling narcotics production and trafficking. Responding to press inquiries about the report, Netto defended Brazil's control efforts and pointed to last year's Operation Ipadu, a costly coca eradication effort in the Amazon. The Brazilian Government made additional progress against narcotics trafficking in a series of simultaneous raids in six states on 27 February. Although the decision to act and the subsequent press coverage may have been influenced by the critical Congressional assessment, the raids were preceded by some nine months of investigative efforts.

25X1

Secret

Secret

Media efforts in *Argentina* to sensitize the public to the nation's drug problems increased noticeably. Comments by prominent government ministers indicate high-level support for the current campaign. One popular magazine has focused on widespread abuse by the young of legally available drugs—amphetamines and various inhalants—as well as the increasing usage of marijuana. The stepped-up media coverage directed at alerting and educating the public complements the government's participation in the March Regional Narcotics Awareness Seminar in Lima and First Lady Alfonsin's acceptance of the invitation to Mrs. Reagan's April Conference on Drug Abuse in Washington. US Embassy officials note that the sophisticated Argentine media industry has the potential to advance the narcotics control program substantially. [redacted]

25X1

**Mexico**

Analysis [redacted] has confirmed the sophistication and size of the cannabis operation uncovered by Mexican authorities in November 1984 in the northern border state of Chihuahua. The large fields were watered with a complex irrigation system, and harvesting probably was mechanized, although no machinery was observed. [redacted]

25X1

25X1

[redacted], the amount of marijuana cultivation was many times higher than estimates provided by the Mexicans. The two areas measured totaled over 600 hectares, more than twice Mexican estimates for all five plantations. [redacted]

25X1

25X1

**Central America**

The US Embassy in *Belize* reported in late February that the recently elected government of Prime Minister Esquivel has again postponed making a decision on whether to resume aerial herbicide spraying of cannabis. Government leaders evidently remain concerned about opposition to such action by the country's politically influential farmers, who during the past few years have increasingly turned to marijuana production to compensate for reduced earnings as a result of the soft international market for sugar, Belize's principal legal cash crop. Protests from marijuana farmers reportedly forced the previous government to suspend aerial eradication in February 1984, after spray operations in October 1983 destroyed more than 80 percent of the fall cannabis crop. The ruling political party also appears to be worried that approving the resumption of aerial spraying at this time could hurt its chances in municipal elections scheduled for late March. The US Embassy says the Prime Minister has told police authorities to work quietly with US officials to conduct reconnaissance of cannabis growing areas and make other preparations in anticipation of eventually resuming spraying. DEA officials in Belize have reported that greater numbers of cannabis farmers have begun to depart from their past adherence to rigid planting and harvesting timetables—which had resulted in distinct spring and fall crops—in favor of staggered, year-round cultivation. The Embassy believes that this development will make it more difficult to determine how much is being produced nationwide and how much is likely to be still under cultivation in April, the month in which farmers normally would have completed the spring harvest and the earliest month that we expect any aerial spraying of cannabis in Belize to resume. Recent Embassy [redacted] reporting suggest spraying will not resume until September at the earliest, apparently to give Belize time to establish a national drug control coordination bureau and to build public support. [redacted]

25X1

25X1

Secret

Secret

Caribbean

Stung by hard evidence of drug trafficking, drug abuse, and rampant corruption uncovered by a Royal Commission investigation, the *Bahamian* Government has become more cooperative with the United States on drug enforcement issues:

- In November 1984, newly appointed Bahamian Foreign Minister Clement Maynard proposed a joint US-Bahamian commission to improve coordination among drug enforcement units.
- In January 1985, the US-sponsored radar facility at High Rock on Grand Bahama Island was formally opened. The radar at this site is designed to detect potential drug-carrying aircraft transiting Bahamian territory and in the area of south Florida.
- Representatives of the US Departments of State and Justice in January held two days of discussions with Bahamian officials on a draft Mutual Legal Assistance Treaty, which the US officials hoped would aid drug prosecutions. In contrast to earlier negotiations, US representatives described the talks as fruitful. [redacted]

25X1

The Royal Commission also blamed Bahamian banking practices for encouraging money laundering and other criminal behavior, prompting the Bahamian Association of International Banks and Trust Companies (AIBT) to institute a Central Bank-approved "Code of Conduct." The code is designed to discourage criminal use of the Bahamian banking system, and for the first time gives the AIBT the power to punish violations by withholding or withdrawing an institution's membership in the association. Although membership in the AIBT is not required for a bank or trust company to operate in The Bahamas, the governor of the Bahamian Central Bank is said to be considering making the code binding on all financial institutions regardless of membership. Moreover, the Chairman of the AIBT pledged to enforce the code vigorously and has already suspended the membership of a bank involved in laundering drug money. Unless membership in the AIBT is mandatory, the new code is unlikely to reduce money laundering in The Bahamas.

[redacted]

25X1

Recent editorials in two of *Jamaica's* leading newspapers have condemned the local marijuana trade and highlighted the seizures of marijuana by US Customs aboard Jamaican Airlines. Growing awareness of the potential threat of the marijuana trade to legitimate sectors of the economy is apparently behind the change in attitude of the media. The more supportive attitude of the Jamaican press should facilitate the government's attempts to take direct action against the drug trade and reinforce a struggling public education campaign. [redacted]

25X1

[redacted] *Cuban* authorities may be facilitating marijuana trafficking. A recently arrested [redacted] pilot who had flown over Cuba with loads of marijuana alleges that Cuban Air Force pilots frequently flew close enough to his aircraft to visually inspect his cargo. The [redacted] aircraft was a Piper Aztec 23-250, and, according to DEA [redacted] it was possible that Cuban pilots could see the marijuana in the cargo area. The [redacted] pilot claimed he was forced to dump his load of marijuana and make an emergency landing in the same plane near Havana in December. [redacted] Cuban airport personnel repaired and refueled his aircraft, a claim confirmed by receipts found in the aircraft when he was arrested on 24 December [redacted]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

Secret



Secret

The *Jamaican* drug industry is becoming more closely involved with Colombian cocaine traffickers. In late December, [redacted] 25X1  
[redacted] Colombian cocaine 25X1  
traffickers had begun to pay Jamaican farmers to stash and guard loads of cocaine bound for the United States. [redacted] 25X1

[redacted] 25X1  
[redacted] The growing involvement of the 25X1  
Colombian cocaine organizations is a source of concern to President Seaga and was probably a factor in his recent series of actions against the Jamaican drug trade. [redacted] 25X1

*Trinidad and Tobago* has become increasingly important as a supplier, transit area, and market for illicit drugs, according to [redacted] 25X1  
The nation's petroleum-based economy has suffered from declining oil prices, encouraging some to turn to drugs to replace lost income. The climate favors the cultivation of marijuana, and the islands have many secluded harbors for drug transshipment. Drug abuse, a new phenomenon in Trinidad and Tobago, has also increased dramatically over the past year. US and Colombian law enforcement pressure on traditional routes north through the Caribbean has probably caused the emergence of Trinidad and Tobago as a drug transit area. Sensing heightened US surveillance of the Yucatan Channel and the Windward Passage, traffickers have sought other routes to the United States, including shipping drugs east along the north coast of Latin America and north through the Lesser Antilles. Trinidad and Tobago is ideally located for refueling and for storing drugs for later shipment to the United States. [redacted] 25X1

Colombians are also beginning to use *Haiti* as a transit area for marijuana and cocaine, [redacted]. In December 1984, the Haitian Narcotics Bureau located a Colombian cocaine trafficker who had fled to Haiti to avoid prosecution in Colombia and the United States. In February 1985, US Embassy officials in Haiti learned that senior Haitian police officials now believe that Colombians are using Haiti as a meeting place to arrange drug shipments. Haiti has long been known to US drug enforcement authorities as a narcotics transshipment point; the presence in Haiti of Colombian traffickers is likely to aggravate the situation. [redacted] 25X1

**East Asia**

[redacted] Southeast Asian drug smugglers are 25X1  
moving substantial quantities of drugs into the colony through *China*. The drugs move overland or by sea from source countries in the Golden Triangle. Smugglers use various methods of transport, including one-time couriers on regularly scheduled flights and trains and larger drops by privately owned speed boats. Although Chinese awareness of the problem has heightened over the past year and cooperation with Hong Kong's customs and police department has increased, PRC law enforcement agencies have inadequate resources to devote to narcotics investigation [redacted] 25X1

Secret

The *Burmese Communist Party (BCP)* has opened at least two opium treatment centers, [redacted]. Although the BCP prohibits opium use by its troops and severely punishes violators, the number of opium addicts continues to grow. The opening of the drug addiction centers is an indication that opium use is affecting the performance of BCP units in the field. [redacted]

25X1

25X1

Preliminary estimates by *Thailand's* Office of Narcotics Control Board (ONCB) indicate that opium production will be lower this year despite a slight increase in the total area planted to poppy. Information collected by the ONCB as of early February indicates that the 1984-85 opium crop will total about 32 tons, a decrease of 11 tons from last year. The lack of rain in December, essential during the final stages of poppy growth, caused a decrease in yields in most areas. [redacted]

25X1

*Australian* officials are calling for a national campaign against drug abuse. The campaign will emphasize the danger of drugs and focus on the rehabilitation of those with drug-related problems. The campaign is probably a followthrough on an election year promise by Prime Minister Hawke to tighten and enforce existing drug laws. The availability of drugs in Australia is rising rapidly as traffickers seek new markets for large drug crop harvests in the Golden Triangle and Latin American countries. [redacted]

25X1

#### Southwest Asia

Recent investigations in Europe indicated that ethnic Tamils are broadening their drug trafficking activities and may be using proceeds from the trade to support their insurgency in *Sri Lanka*. The Sri Lankan Tamils became involved in the drug trade in the early 1980s as low-priced couriers smuggling heroin into Europe for Pakistani and Indian trafficking organizations. An investigation last November indicated that Tamil separatists are mounting a sophisticated effort to penetrate the European heroin market. [redacted] 16 Sri Lankans were arrested in Naples in possession of 7 kilograms of pure heroin. The ring reportedly had established its own laboratory for cutting the heroin to street-level purities and was poised to begin retail distribution. The suspects confessed to trafficking on behalf of the Tamil separatists. [redacted] most of the Tamils engaged in the European drug trade are members of PLOTE—the largest and one of the most violent of Sri Lanka's five major separatist groups. There is no evidence, however, that the Tamils have succeeded in capturing any of the European drug market, and we doubt that repatriated drug earnings have contributed significantly to the insurgency. [redacted]

25X1

25X1

25X1

[redacted] opium poppy cultivation in *Afghanistan* and *Pakistan* is up—perhaps by 25 percent—over last year's levels. [redacted] the increases are largely a result of a marked rise in opium prices. In Pakistan, the expansion reportedly is occurring outside of areas where crop suppression programs are under way. Although some of the increase is intended for drug markets in Pakistan, Afghanistan, and especially Iran—where [redacted] a large and growing addict population—more opium will also be available for Western heroin markets. [redacted]

25X1

25X1

25X1

25X1

Secret

[redacted] no poppies were grown this year in *Pakistan's* Malakand Agency, where a three-year US-funded rural development project is coming to a close. Before the project started, Malakand contained some of the densest poppy cultivation in Pakistan. According to the Embassy, a key factor in the project's success was the involvement of local officials in designing and implementing the individual development schemes, a concept now being followed in similar poppy suppression projects elsewhere in the North-West Frontier Province. The success last year of the government's eradication teams, who were protected by hundreds of armed troops, also helped dissuade opium growers from planting a 1985 crop. The government still faces a difficult challenge in Malakand, however. With development assistance ending and opium prices rising, growers may not feel obliged to abide by the opium ban and may be strongly motivated to resume poppy cultivation. [redacted]

25X1

25X1

Drug enforcement efforts in *Pakistan* could suffer a setback if the government, as part of the process of returning the country to civilian rule, dissolves the martial law courts and turns all narcotics cases over to the civilian courts. Although both courts have handed out three-year rather than life sentences to drug traffickers, the military tribunals have tried the cases faster and obtained a higher percentage of convictions. The [redacted] also believes that the transfer of cases will lengthen the judicial backlog that already exists in the civil courts. Unless the government acts to establish special narcotics courts and prosecutors, fewer drug cases may come to trial; traffickers will use bribery and intimidation to attempt to prevent their cases from appearing on the court's docket. [redacted]

25X1

25X1

*Soviet* and *Afghan* officials continue to make little effort to halt the opium trade and may even be promoting drug production, trafficking, and use, despite Moscow's expressed concern over drug use and trafficking by Soviet conscripts. There have been some sporadic attempts to organize enforcement, and a year ago rumors circulated in Kabul that the government was offering farmers 10 percent more than the market price for opium. [redacted]

25X1

25X1

[redacted] Given the Soviet-backed regime's lack of control over the rural areas and preoccupation with fighting the mujahideen, Afghan officials are unlikely to move against opium cultivation and trafficking any time soon. Soviet officials may crack down on drug use if troop performance begins to decline significantly. [redacted]

25X1

25X1

*Iran's* growing drug abuse problem, prevalent at all levels of society despite harsh penalties, has for some time been openly acknowledged by domestic media and by government officials in international forums. [redacted] the problem is now rampant in the military. [redacted]

25X1

[redacted] drug abuse is a major problem at all airbases and is exacerbated by a shortage of medical personnel to provide treatment. Steps taken by Tehran to deal with drug addicts

25X1

25X1

25X1

**Secret**

reflect the severity of the drug abuse problem in Iranian society. During the last quarter of 1984, Iranian media cited public officials on the recent creation of an "addicts' island" for the exile of narcotics recidivists. Addicts who have been apprehended and rehabilitated twice before are subject to incarceration on "Shirin No Island"—as yet unlocated—said to be south of Busherhr. The island currently has an alleged capacity for more than 15,000 inmates and can be expanded to accommodate 30,000. To date, available media accounts indicate only a small fraction of this capacity has been filled, and it is unclear whether any serious effort at rehabilitation is intended at the facility.

25X1

**Middle East**

*Turkish* authorities indicated to visiting State Department officials in January that they fear the restoration of civilian rule, already established in half of Turkey's provinces, may lead to weaker law enforcement. This could cause a resurgence of the Turkish drug trade if traffickers take advantage of the confusion about policing responsibilities among the Turkish National Police, the Jandarma, and the military. The release of several thousand Turks, arrested for terrorism and political crimes following the 1980 military coup, could also contribute to increased trafficking. Many of these prisoners were drug traffickers, and it is likely they will attempt to reestablish their former operations involving smuggling narcotics from the Kurdish areas of eastern Turkey to Europe. The government is probably better prepared to face this problem now than when it confronted a similar situation in the mid-1970s. Authorities are taking active measures to enlarge the Jandarma, which is responsible for narcotics enforcement in rural areas, and are recruiting 5,000 additional police. The Turkish National Police, responsible for narcotics control in the cities, is more professional than it was in 1980, according to the US Embassy, and is expected to become an even more capable antinarcotics organization over the next few years.

25X1

**Africa**

Several incidents in Western Europe over the past six months indicate increased drug smuggling by African diplomatic personnel and their families:

- In November 1984, President Kaunda of *Zambia* dismissed a senior member of the United National Independence Party's Central Committee following the conviction in England of the committee member's wife on drug smuggling charges.
- In mid-January 1985, French and Belgian police seized 34.5 kg of heroin from suitcases consigned to the *Ugandan* Ambassador to Belgium. The suitcases arrived in Brussels on a flight that originated in Karachi and passed through Lagos and Paris.
- In late January, the son of *Sierra Leone's* President Stevens was arrested in England with a large quantity of marijuana. British officials rejected the smuggler's attempt to claim diplomatic immunity.

Except for a minor incident in late 1983, African diplomats and other official African visitors to the United States have not been apprehended for smuggling drugs. The reputation of the US Customs Service is a strong deterrent to such activity.

25X1

**Secret**

**Secret**

**Secret**