

Central Intelligence Agency

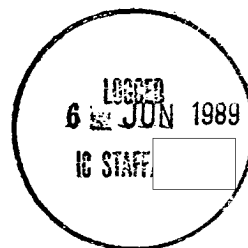


Washington, D.C. 20505

Rep 6-SR

INTERNATIONAL NARCOTICS SITUATION
REPORT

MAY 1989



25X1

DI M 89-20005



25X1

~~SECRET~~



25X1

SECRET

May 1989

International Narcotics Situation Report

This Situation Report was prepared by the DCI Counternarcotics Center. It assesses narcotics-related developments worldwide. The Report leads with a short Perspective on a drug-related issue or trend that we believe to be of special importance. The Perspective is intended to be speculative and to generate discussion. The Perspective is followed by Feature Articles, and the remainder of the Situation Report examines various dimensions of the drug problem by regions. This issue contains contributions from analysts in the Office of African and Latin American Analysis. Questions and comments are welcome and should be addressed to Chief, Assessments Group, DCI Counternarcotics Center

25X1

SECRET

25X1

[REDACTED]

PERSPECTIVE

Burma: Prospects for Increased Opium Exports

The supply of opium from Burma could rise dramatically in 1989, the result of a bumper crop and flagging Burmese counternarcotics efforts. [REDACTED]

25X1

Burma's counternarcotics program, including crop eradication, traditionally has been focused against growing areas controlled by the Burmese Communist Party (BCP)--the country's largest drug trafficking group and considered by Rangoon to be the main insurgent threat. Counternarcotics efforts in Burma have been hampered by last year's political upheaval which resulted from massive student demonstrations, a general strike, and the eventual change in the government. While the government has taken tough steps to restore order, Rangoon remains preoccupied with maintaining internal security and has relegated counternarcotics initiatives to the back-burner. [REDACTED]

25X1

The reported breakup of the BCP will likely sap Burmese interest more. Ethnic Wa and Chinese trafficking groups, attempting to gain control of drug operations, reportedly rebelled against the BCP in March and April, gaining control of BCP headquarters and most of the organization. The Burmese will likely recognize that as drug traffickers the Wa and Chinese do not pose an insurgent threat and thus provide a powerful inducement for the Army to shift troops away from BCP strongholds and use these forces to confront Karen insurgents operating in Southeast Burma. [REDACTED]

25X1

The Wa and Chinese factions, for their part, are moving quickly to reestablish trafficking links. For instance, [REDACTED] Chinese factions have already sought to form an alliance with the Kachin Independence Army (KIA) and the Shan United Army (SUA)--major trafficking groups in their own right. The Wa faction, in turn, has already received support from the Wa National Army (WNA) [REDACTED]

25X1

25X1

25X1

25X1

Moreover, with eradication programs on hold and nearly ideal growing conditions throughout the region, we anticipate a bumper opium crop in Burma this year. Reported opium yields are up due to good weather--some areas reportedly recording a threefold increase. The area harvested also rose, although a final tally will not be available for another month. Taking these factors into account, we believe the opium harvest this year could increase by several hundred tons or more, compared with the nearly 1,300 tons harvested in 1988. [REDACTED]

25X1

We expect that the resulting increases in the supply of heroin will find ready buyers, especially in the rapidly growing Asian heroin market. It is also possible that some of the increased heroin supply will make its way to the United States

SECRET

[Redacted]

25X1

and Western Europe. Heroin demand in both areas has stabilized in recent years [Redacted] Nonetheless, a sharp increase in southeast Asian heroin to the United States and Western Europe could drive domestic prices down further and thus make heroin accessible to an even broader spectrum of the population. [Redacted]

25X1

25X1

SECRET

[Redacted]

25X1

FEATURE ARTICLES

Colombia: Profits Strengthening Drug Lords' Position

Colombia's billionaire drug lords are intensifying their grip on the country by investing in legitimate business enterprises and by financing paramilitary groups. Bogota's countermeasures are a step in the right direction but, in our judgment, are unlikely to prevent the situation from deteriorating further.

25X1

Some top traffickers are investing in Colombian businesses that facilitate trafficking and money laundering operations as well as provide an air of respectability for their owners. For example, sources of varying reliability report that the Rodriguez Orejuela brothers, based in Cali, have in recent years acquired banks, pharmaceutical firms, security agencies, shopping malls, computer-services companies, and professional soccer teams--as well as 28 radio stations, 250 drugstores, and more than 50 nightclubs and restaurants (see chart).

25X1

Other top traffickers, such as Medellin kingpin Pablo Escobar, are pouring money into Colombian real estate

25X1
25X1

as of last year, Escobar owned at least 335 residences in Medellin, including 16 homes in its most exclusive suburb, and numerous estates elsewhere in Colombia. The aggregate impact of narcotics-related land purchases is highlighted by reports estimating that \$5.5 billion in drug profits was used to buy property in Colombia from 1979 to 1988 and that traffickers have bought more than one million hectares of land since 1983, mostly in the north-central region.

25X1

25X1

Growing Friction with Insurgents

We believe the purchase of large, isolated cattle ranches and other rural land that can be used in drug operations and serve as safehavens for traffickers on the run is meanwhile putting drug lords increasingly at odds with leftist insurgents.

25X1

traffickers generally are refusing to pay the fees that insurgents had long extorted from previous owners. In addition, efforts by insurgent groups to increase their revenues from the drug trade are impinging on the operations of some traffickers.

25X1

Accordingly, traffickers, often working closely with conservative landowners and local political and security officials, have formed heavily-armed, well-financed paramilitary groups to counter the insurgents and protect drug-related facilities. Drug lord Gonzalo Rodriguez Gacha, for example, reportedly is sponsoring a 250-man paramilitary group. The unit, located east of Medellin, is said to be equipped with grenades,

SECRET [REDACTED]

25X1

automatic weapons, and bazookas. The group operates its own sophisticated communications center and, [REDACTED] [REDACTED] has had intensive training from [REDACTED] mercenaries at nearby sites. [REDACTED]

25X1
25X1
25X1

In northern areas where paramilitary groups have gained the upper hand over insurgents, traffickers have become powerful warlords controlling extensive patronage systems. Some reportedly have won the gratitude of local authorities and ranchers previously victimized by the insurgents and of peasants employed in new agribusinesses set up with drug revenues. Traffickers who bought large tracts of land at prices depressed by the insurgent presence also have benefitted from a subsequent skyrocketing of real estate values, according to press reports. [REDACTED]

25X1

Bogota's Response

Senior Colombian officials are voicing mounting concern [REDACTED] over the traffickers' growing investments in Colombia, particularly in real estate, but no quick solutions are evident. Colombia's asset seizure laws already are strong but have had little impact on the drug trade because violence and corruption have virtually destroyed the ability of the judicial system to deal with narcotics enforcement. [REDACTED]

25X1
25X1

25X1

President Barco meanwhile appears determined to curb all paramilitary groups. He recently ordered the formation of a commission of senior government and security officials to devise a counter-paramilitary strategy. He also created a special security force of up to 1,000 men to combat the problem, and efforts are being made to close legislative loopholes that could allow paramilitary groups to claim legal status. [REDACTED]

25X1

While encouraging, we believe these measures are unlikely to break up the coalition of forces in rural areas that spawned and supports the paramilitary groups. In our view, these groups probably will proliferate, particularly if relations between insurgents and traffickers in those areas deteriorate further. Traffickers, meanwhile, will likely continue to expand their business empires while strengthening their hold in some rural areas. Over the longer term, these trends do not bode well for Colombian politics as some drug lords such as Rodriguez Gacha reportedly have strong political views and latent political aspirations. [REDACTED]

25X1

SECRET [REDACTED]

25X1

SECRET

25X1

The Kinds of Businesses Owned by Colombian Drug Traffickers

Enterprise

Use in Narcotics Operations

Air services

Can move personnel, drugs, and related supplies ... crop dusting, "flying ambulances" firms popular because aircraft not subject to standard civil, commercial air regulations ... charter airlines used to launder money by falsifying passenger logs to indicate empty seats were occupied by paying customers.

Import-export firms

Smuggling ... drugs frequently hidden in bulky shipments of commodities such as flowers, coffee to throw off dogs trained to detect drugs.

Security services

Allow drug lords to protect themselves and their operations with security personnel authorized by government to be heavily armed.

Pharmaceutical companies

Facilitate import, illicit diversion of chemicals used to process cocaine.

Real estate agencies

Laundering and investment of drug profits.

Luxury car dealerships

Cash from drug sales in US sometimes hidden in cars shipped to Colombia ... also used in money laundering scheme involving bogus car repairs.

Media

Allow traffickers to influence public opinion.

Entertainment

Restaurants, night clubs, sports teams allow traffickers to ingratiate themselves with local communities.

25X1

25X1

SECRET

25X1

SECRET [REDACTED]

25X1

India: The Heroin Challenge*

India is playing an increasingly important role in the international heroin trade. The country is developing into the primary distribution center for Asian heroin destined for Western markets and for precursor chemicals to supply Southeast Asian heroin laboratories. Indian heroin smuggling networks constitute a critical link in the regional export heroin trade, tying together key border market towns, exit ports, and worldwide Indian expatriate communities to facilitate the distribution of heroin to international markets. In addition, Indian narcotics elements have developed a heroin refining capability, aided by the ready availability of precursor chemicals and locally procured opium. The emergence of a domestic source of heroin, coupled with the spillover of heroin in transit through India, has contributed to an explosion of heroin addiction, a drug whose abuse was virtually unheard of in India as recently as 1980.

[REDACTED] 25X1

India's expanded narcotics role over the last decade is a direct result of internal upheavals in the neighboring illicit drug areas of the Golden Crescent (Afghanistan, Pakistan, and Iran) and the Golden Triangle (Burma, Thailand, and Laos). The disruption of traditional smuggling patterns led drug traffickers to develop the Indian heroin route as a less risky alternative for shipping their product to Western markets. Currently, every major Golden Triangle trafficking country has a tie to India, and the country is a vital link in the major heroin smuggling chains that originate in refineries along the border between Afghanistan and Pakistan. The country's strategic location, long porous borders, and numerous transportation links to the United States and Western Europe cater to trafficking organizations. Lax antidrug enforcement and widespread corruption also encourage drug activity.

[REDACTED] 25X1

[REDACTED] we estimate that more than half of all Southwest Asian heroin and approximately 15 percent of Southeast Asian heroin exported to the West transits India. We calculate that almost one-third of this heroin is consigned for the United States.

[REDACTED] 25X1

[REDACTED] 25X1

The Indian Government has taken steps to increase its antinarcotics effectiveness, but New Delhi's current level of commitment is inadequate to counter the expanding trade. Despite new and tougher antinarcotics laws and the creation of a central counternarcotics enforcement authority, significant barriers remain to the implementation of an effective antinarcotics program. The narcotics issue remains subservient to a variety of other developmental and security concerns. Moreover, the majority of Indian officials still view the drug trade as a crime that poses little danger to internal stability. In our judgment,

[REDACTED] 25X1

SECRET [REDACTED]

25X1

SECRET [REDACTED]

25X1

the Prime Minister's professed commitment to narcotics control has lost credibility because of his reluctance to give antinarcotics policy more attention and to crack down on drug-related corruption within his administration. [REDACTED]

25X1

Unless New Delhi significantly strengthens its antidrug efforts in the near future, we believe India's attractiveness to the regional heroin industry will continue to increase. In our judgment, the trade is vulnerable to harsher enforcement measures that would create an environment significantly more inhospitable to narcotics interests. Such actions could include improving the legal system to crack down on trafficking groups, intensifying efforts to monitor and interdict domestic air and maritime checkpoints, and developing more efficient controls over the country's licit opium and precursor chemical industries. We do not believe, however, that New Delhi currently is willing to undertake the wide-ranging program revisions and personnel shakeups necessary for a successful antidrug strategy primarily because the Gandhi administration is preoccupied with other domestic and foreign policy concerns. The development of a genuine commitment to redress counternarcotics shortfalls and to take stronger action against the heroin trade will, in our view, depend largely on the extent to which New Delhi perceives the drug problem as an internal threat. Over the longer term, a steadily worsening domestic drug situation--and the likely pressure of adverse international publicity--may prompt the development of an antidrug consensus throughout the Indian Government. [REDACTED]

25X1

SECRET [REDACTED]

25X1

SECRET

25X1

Singapore: Tough Antidrug Measures Getting Tougher

Singapore is taking steps to toughen already rigorous counternarcotics programs, probably as a result of burgeoning narcotics production in Southeast Asia. Singapore has long been a transshipment center for Southeast Asian heroin en route to the United States, Western Europe, and Australia, mostly by air and increasingly by sea [redacted]. Heroin is also brought into the country by so-called "ant traffickers," individuals carrying small amounts of the drug into Singapore via the causeway from Malaysia. [redacted] no large drug syndicates are headquartered in Singapore, but individual traffickers maintain residences and plan operations there. Moreover, Singapore's strong bank secrecy laws make it particularly attractive to drug money launderers [redacted]

25X1

25X1

25X1

25X1

The nation's tough antidrug program already includes the death penalty and other stiff government measures for drug traffickers. To date, more than 20 people have been executed for narcotics violations and about 40 more have received the death penalty. Other laws allow government officials to arrest persons suspected of drug involvement without warrants and to detain them indefinitely without trial. Approximately 1,000 people currently are being detained for drug-related offenses. [redacted]

25X1

[redacted] Singapore's counternarcotics officials have been largely free from corruption. [redacted]

25X1

25X1

25X1

Tougher Measures Ahead

Despite these efforts, Singapore is moving to strengthen its already tough antidrug program. A recent press report revealed that two Malaysians had been hanged for drug trafficking, the first time Singapore has executed foreigners. Previously, foreigners convicted of drug trafficking were deported, [redacted]

25X1

25X1

25X1

[redacted] the government probably will enact the death penalty for marijuana trafficking to deter a spillover of such activity from Malaysia of traffickers seeking to avoid Kuala Lumpur's death penalty. In our view, a recent move to pass asset seizure legislation is a step towards getting at the more important managers and financiers of the trade, and to cooperate in international financial investigations. The government previously had been concerned that easing bank secrecy would hurt Singapore's position as a financial center. [redacted]

25X1

On the interdiction side, Singapore's geography--an island city-state covering an area of only some 600 square kilometers and having a population of 2.6 million--would appear to lend itself to relatively simple enforcement operations. In fact, last November Singaporean authorities seized 24 kilograms from crewmen of a Thai oil tanker, and [redacted] 1988 heroin seizures in Singapore topped 50 kilograms, up from

25X1

SECRET

25X1

SECRET [REDACTED]

25X1

the 1984-87 average of around 11 kilograms. Other interdiction efforts throughout the world since late 1988 produced about 60 kilograms of heroin shipped through Singapore. [REDACTED]

25X1

Despite these efforts, however, a number of circumstances have hampered government initiatives. Some 30,000 people cross the causeway connection to Malaysia each day, making it virtually impossible to detect a significant number of "ant traffickers."

25X1

[REDACTED] Singapore, with Malaysian authorities, has set up a task force of its Central Narcotics Bureau, customs, immigration, and police at the causeway, resulting in increased arrests and seizures. Moreover, Singapore's extensive port facilities also are difficult to monitor, particularly since the government is reluctant to enforce strategic trade controls in the free trade zones in order to keep them attractive to shippers and to avoid frequent cargo inspections. The government plans to hire more personnel to set up other task forces at several maritime arrival points and at the international airport. [REDACTED]

25X1

Opportunities

Despite the government's vigorous stance against drugs, we believe its overall effort could be enhanced. Enaction of conspiracy legislation would help officials to apprehend major traffickers; current interdiction operations net only low-level drug couriers. Even after asset seizure laws are passed, however, police would need additional training to conduct complex financial investigations. [REDACTED]

25X1

25X1

SECRET [REDACTED]

25X1

SECRET

REGIONAL HIGHLIGHTS

South America

Increasing insurgent activity in Peru's coca-rich Upper Huallaga Valley and growing ecological concerns are leading Lima to consider abandoning drug eradication.

25X1
25X1
25X1

[redacted] the Peruvian military is urging [redacted]

[redacted] abandon eradication operations in the Valley. The military reportedly believes eradication operations force coca growers to turn to Sendero Luminoso insurgents for support in obstructing government efforts. Moreover, Garcia appears to be backing away from [redacted]

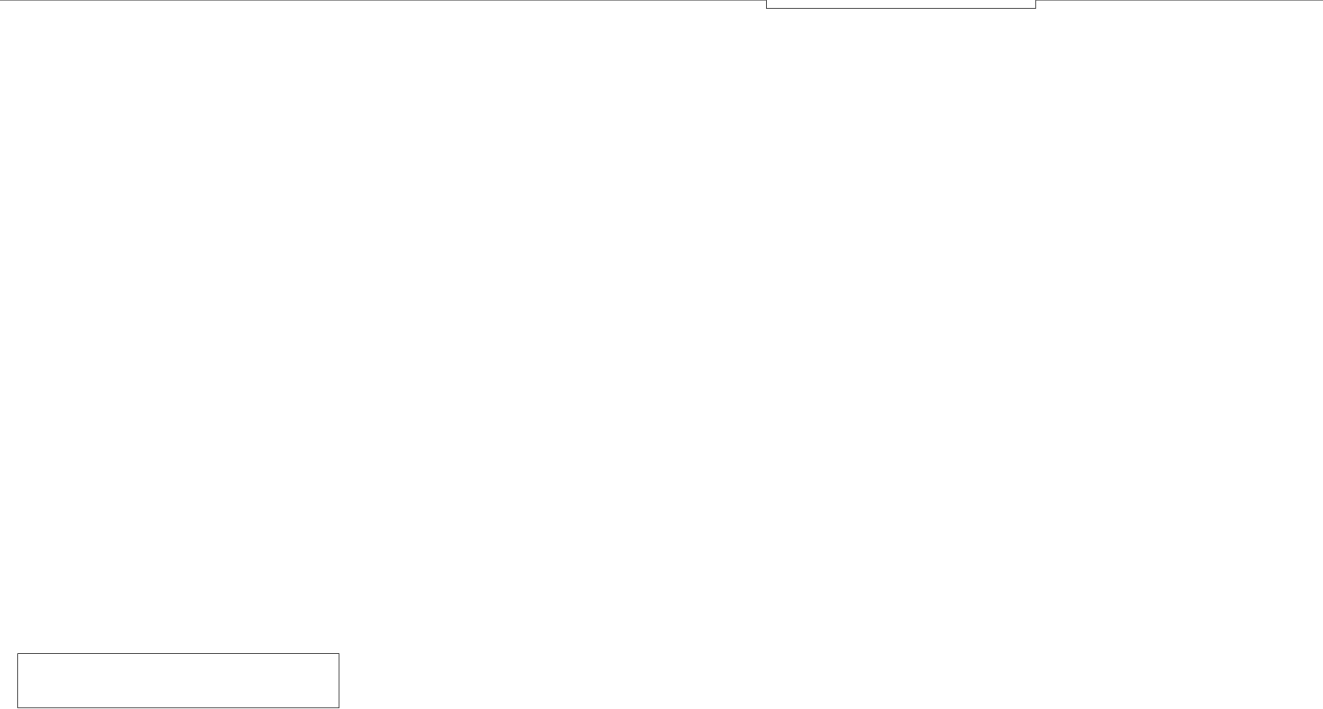
25X1
25X1

[redacted] using herbicides against the coca crop if they were proved ecologically safe. In two recent speeches, [redacted]

25X1
25X1
25X1
25X1

he signaled [redacted] that he no longer supports a comprehensive eradication program. In our judgment, Garcia probably believes he must shift the emphasis in the counternarcotics program to meet military concerns about rising guerrilla activity in the Valley. Nevertheless, even if he orders increased interdiction efforts, in part to assuage concerns in Washington, we believe such measures will likely be hampered by continuing corruption among military and police personnel in the Valley. Moreover, the Army would have to turn a blind eye to narcotics activities in order to shift growers' allegiances away from the guerrillas.

25X1
25X1



25X1
25X1

[redacted]

The recent discovery of local cocaine crack laboratories probably will further heighten Belizean Government concern over the country's increasing role in the regional cocaine trade.

[redacted] Belizean traffickers continue to operate at least six crack processing facilities in-country

25X1

SECRET

25X1

SECRET

25X1

despite recent police antidrug activities. This is the first allegation of indigenous crack processing. [redacted]

25X1

[redacted] most of it is intended for local consumption. [redacted]

25X1

[redacted] local traffickers are smuggling refining chemicals from Mexico for use in suspected cocaine processing facilities.

25X1

[redacted] Belmopan recently voiced its concern that the Belize-Yucatan export corridor is becoming increasingly attractive to Colombian cocaine traffickers. In our view, the government's recognition of the drug threat to Belize may prompt a renewed effort to pass legislation to strengthen long-pending antinarcotics and asset seizure laws. Divisions within the ruling party, however, probably will force the government to wait until after the upcoming elections to initiate bolder measures.

25X1

25X1

The Supreme Court of Costa Rica suspended Oscar Pessoa Arias, chief of the Judicial Police Office (OIJ) in Limon, for alleged involvement in shipping some 1,300 kilograms of cocaine to the United States. [redacted] Pessoa was suspended for protecting a group of narcotraffickers from police scrutiny while they loaded the cocaine on a container ship bound for Miami in March. Pessoa was to receive \$200,000 for the shipment's delivery, but the drugs were seized in the United States. The Court's quick action, following recent allegations of corruption levied against the OIJ, underscores the government's concern over growing drug-related corruption throughout Costa Rica and its determination to protect the integrity of the OIJ, the country's most effective law enforcement body. [redacted]

25X1

25X1

[redacted] drug money laundering is continuing in Panama despite the US indictment of the Banco de Occidente in March. Banco Ganadero has been aggressively courting former Occidente clients to collect lucrative laundering fees, and an international money launderer who recently returned to Panama is offering to pick up drug cash in the United States and launder it through Montserrat and Panama. In our judgment, drug traffickers have weathered crises in laundering their funds in Panama over the past year and now appear to believe they can evade further US drug enforcement investigations. The lucrative fees and the return of some international money launderers suggest that drug money laundering is rebounding from the disruptions of the political and economic crises of last year. [redacted]

25X1

25X1

25X1

Nassau continues to seek the support of its Caribbean neighbors in countering US charges that The Bahamas is not doing enough to stem drug trafficking and corruption. [redacted]

25X1

[redacted] the Caribbean Community (CARICOM)--organized to promote economic and political cooperation among English-speaking islands--has decided to back Nassau's bid to host a proposed high-level hemispheric conference on narcotics. In the past, Bahamian Prime Minister Pindling has used regional fora to

25X1

SECRET

25X1

SECRET

25X1

contest US charges of official corruption and inadequate cooperation on drug control, claiming that the United States is using the narcotics issue to interfere in the domestic affairs of sovereign nations. Although Pindling has had some success with this tactic, he has been unable to garner widespread backing for his position in part because of The Bahamas' traditional economic and political isolation from other Caribbean islands [redacted]

25X1

25X1

[redacted] Nevertheless, Pindling likely believes that hosting a high-profile conference--suggested in the US antidrug act of 1988--would cast him as a regional, and possibly hemispheric, leader in the drug battle, discrediting charges that The Bahamas lacks commitment to counternarcotics. [redacted]

25X1

Europe and the Soviet Union

South American cocaine traffickers appear to be expanding their operations into France; these drug lords traditionally used Iberia as the European gateway. [redacted]

25X1

25X1

[redacted] cocaine traffickers are moving multi-kilogram shipments of cocaine from Colombia in maritime containers as well as by air directly to France--where a wholesale kilogram of cocaine sells for five times the New York price. In addition, Caribbean territories such as Guadeloupe continue to be transshipment points for cocaine destined for France. Recent large seizures--including one of approximately 500 kilograms in Nice last February--demonstrate the maturation of these trafficking routes. Press reports indicate, moreover, the increasing involvement of French nationals in the distribution process, further underscoring the entrenchment of the trade. We believe traffickers may be using France as a conduit in part to avoid the recent increased security measures in other European countries such as Italy. For instance, [redacted] reports indicate Spanish and French authorities recently broke up a cocaine-smuggling network operating out of southern France that was run by the Camorra--a Naples-based crime organization. In our judgment, cocaine trafficking networks will make further inroads onto the Continent with the removal of all internal security checks within the European Community in 1992. [redacted]

25X1

25X1

Efforts by the Soviet Union to broaden its antinarcotics campaign are likely to cause friction with Cuba. [redacted]

25X1

25X1

[redacted] President Castro was infuriated when General Secretary Gorbachev asserted last month that Havana should take a more active role in combating domestic and regional drug use. [redacted] Cuban Government officials interpreted Gorbachev's comments as an effort to cozy up to Washington. During the past year, the Soviets have stepped up counternarcotics efforts internationally, including signing bilateral agreements with the United States and other Western nations for the exchange of drug investigative intelligence, cosponsoring a US draft resolution in the United Nations on narcotics trafficking, and encouraging the Eastern Bloc to increase interdiction and rehabilitation efforts. In our

25X1

SECRET

25X1

SECRET

25X1

judgment, Moscow likely sees promoting counternarcotics efforts in Latin America as a means of furthering relations with Washington and of underscoring its commitment--both at home and abroad--to address the growing Soviet drug problem. We believe that Castro's reported reaction reflects his sensitivity to Cuba's domestic drug problem and to US allegations of Cuban Government involvement in narcotics trafficking. [REDACTED]

25X1

Heroin refining activity in Turkey may be more extensive than previously reported. Until 1988, Turkish enforcement authorities had discovered only a few heroin manufacturing facilities. These mobile, single-load conversion laboratories, capable of producing only a small quantity of heroin at a time, were located along Turkey's border with Iran. [REDACTED]

25X1

25X1

[REDACTED] however, three of the nine laboratories seized in the last 13 months have had greater capacity and been more sophisticated than those previously uncovered. Two of the laboratories, the first discovered in Istanbul, were major operations run jointly by Turkish and Iranian criminal elements. The third laboratory, seized in early May in eastern Turkey, contained 187 kilograms of refined heroin and 113 kilograms of precursor chemicals. This is the single largest heroin seizure in Turkish counternarcotics history. In addition, Turkish seizure statistics suggest that growing quantities of acetic anhydride, a precursor chemical critical to the heroin refining process, are being smuggled into the country. We believe Turkish traffickers increasingly are capitalizing on the ready availability of raw opium grown in Iran and precursor chemicals available from Syrian and West European sources to increase heroin refining activity. Indeed, Italian counternarcotics officials recently announced the recovery of 56 kilograms of heroin--the fourth largest seizure in Italian history--which they claim was manufactured in Turkey. [REDACTED]

25X1

The recently concluded counternarcotics cooperation agreement between Turkey and Iran appears to be largely cosmetic and will have little effect in curbing cross-border drug activity. [REDACTED]

25X1

25X1

[REDACTED] the protocol provides for stepped-up interdiction along the Turkish-Iranian border, the exchange of intelligence on drug traffickers, and the creation of a permanent counternarcotics commission to meet annually. [REDACTED] the negotiations were difficult, primarily because of Tehran's insistence that Ankara adopt the death penalty for drug offenders. The Turkish Government also voiced concerns that Iran would use charges of drug trafficking as a smokescreen to force Turkey to crack down on Iranian dissidents. In our view, the agreement will do little to stem the flow of opium and morphine from Iran to the many heroin refining laboratories operating in eastern Turkey. The rugged mountain terrain provides smugglers with ample opportunities to evade even greatly increased patrols. In addition, Tehran is reluctant to confront drug producers in northwest Iran for fear of upsetting relations with the highly autonomous Kurdish tribesmen. Finally, continuing mutual

25X1

SECRET

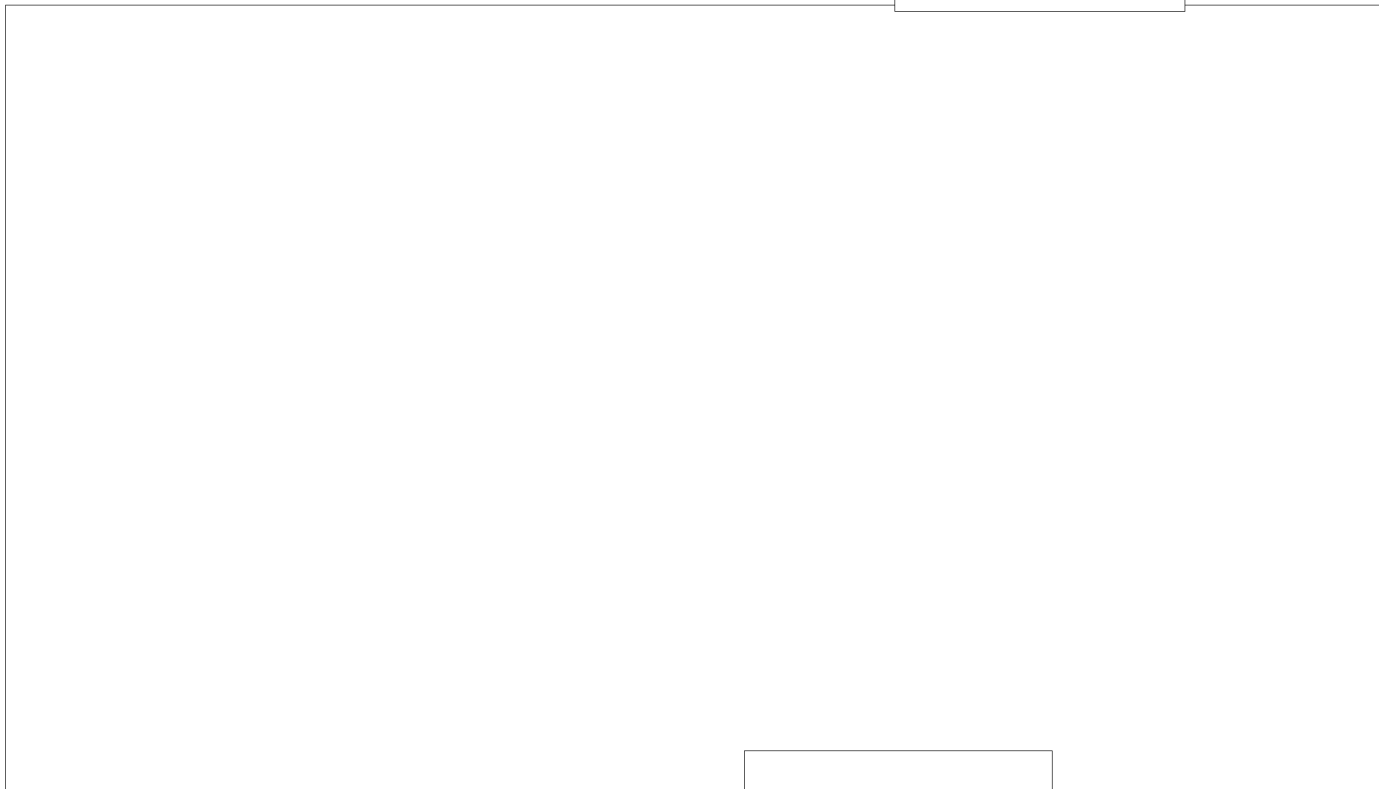
25X1

SECRET [redacted]

25X1

mistrust and a general reluctance to share sensitive information will limit implementation of the agreement. [redacted]

25X1



25X1

25X1

Southwest Asia

Pakistan's drug producers are taking advantage of the winding down of the Afghanistan war to expand their arsenals and strengthen their ability to resist counternarcotics efforts.

[redacted] heavy machineguns, rocket launchers, mortars, anti-aircraft guns, and other sophisticated weapons, either abandoned by withdrawing Soviet forces or sold by resistance fighters, are showing up in increasing numbers in the gun and drug bazaars of northwest Pakistan. Various sources meanwhile report that drug convoys from Afghanistan into Pakistan and Iran now are routinely escorted by vehicles mounted with heavy machineguns and, possibly, surface-to-air missiles. The new government's reluctance to confront the well-armed drug producers is reflected in its failure to raid any of the estimated 200 heroin laboratories that operate in the Pathan-controlled tribal areas. According to a government spokesman, Islamabad is considering forming a division-sized paramilitary unit with drug control responsibilities for this region. The military's failure to deliver a long-promised plan outlining its role in

25X1

SECRET [redacted]

25X1

SECRET



25X1

counternarcotics efforts, and the aversion of the Frontier Corps --a military unit stationed along the northwest frontier--to become involved in a potentially violent confrontation with the Pathans, however, are thwarting this effort.



25X1

SECRET



25X1