

used to keep Qamar's name out of the press and investigation, even though he was the person in charge of the purchase and delivery of the marble lamps. Many of those arrested were released, and big smugglers implicated in the case were allowed to flee the country. One of the smugglers was Rana Abdus Sattar, a relative of the late Pakistani ambassador to Great Britain, F. R. Khan. Sattar, according to London sources, has been involved in drug smuggling using the diplomatic pouch in Europe.

In October 1980, it also came to light for the first time that General Zia had a great deal of interest in the activities of a Canadian-based corporation named Space Research, which underwent a sudden reorganization following the conviction of some of its officials in illegal arms trafficking in a Vermont court earlier in 1980. The new head of what became Space Technologies, an Egyptian-Moroccan businessman and real estate dealer named Saad Gabr, is known to be a close friend of General Zia. Another key operative for Space Research-Space Technologies is Agha Hassan Abedi, a Pakistani banker based in London and the Gulf states who heads the Bank of Credit and Commerce International.

Gabr, the head of a firm that has been under investigation for funneling weapons to governments illegally, by-passing the U.S. Military Assistance Act, is a frequent visitor to Pakistan. Within Gabr's international operations is one Gen. Chisti, the former military governor of Punjab province in Pakistan, and reportedly Zia's intermediary to Gabr.

Agha Hassan Abedi, another Gabr associate, is known in Pakistan as the "unofficial" finance minister. He is the founder of the Persian Gulf-based Bank of Credit and Commerce International (BCCI), and was named by the late Z.A. Bhutto as one of the people instrumental in provoking the capital flight and currency destabilization that led to Bhutto's overthrow.

In the recent period Abedi has become the generals' banker. Zia's son Ijaz ul Haq was given a job by Abedi even though Ijaz has no qualifications in the banking field. Ijaz ul Haq is married to the daughter of General Rahimuddin, the military governor of the other big drug-growing province, Baluchistan.

Through this "inside" channel, BCCI was permitted to open several offices inside Pakistan and is securing various types of investments for the military. For instance, several generals are reported by informed sources to be involved in real estate purchases in Europe, particularly in Spain, and in the United States, mostly in California. Drug enforcement specialists report that any money from illegal drugs could not be deposited back into the generals' accounts inside Pakistan, where their earnings are limited by law. A common practice has been to use third persons to purchase land on their behalf.

---

## Documentation

---

# Zia's Pakistan: gateway to opium center

by Marilyn James

Since 1977, Pakistani President Ziaul Haq's pleas for U.S. aid have been accompanied by pledges to crack down on illegal drugs. Under the four years of Zia's rule, Pakistan has played a leading role in the re-emergence of Southwest Asia's Golden Crescent opium cultivation belt; is rapidly establishing itself as a morphine and heroin refining center; and is a major exporter of illegal drugs for the entire region.

The Golden Crescent consists of the opium-cultivation belt that stretches from Pakistan and Afghanistan through the northwestern section of Iran. It began a marked expansion in opium cultivation with its 1977 harvest and steadily increased its output until the record-breaking harvest of 1979, when an estimated 1,600 metric tons of opium were produced.

Western Europe has been the primary target of Golden Crescent heroin, in particular West Germany, France, and Italy. On April 8, Joseph Linnemann, acting assistant secretary of the State Department's Bureau of International Narcotics Matters (INM), testified before the House Subcommittee on Foreign Operations that the heroin from the Crescent "fueled an addiction epidemic of unprecedented proportions" in Western Europe and "has the potential for affecting our armed forces." Beginning in 1977, our European allies—noting the revival of the French Connection—warned that once their populations were saturated with Southwest Asian heroin, the traffickers would turn their full attention to the lucrative markets in the United States.

The Carter administration took no action other than to increase aid to Pakistan based on Zia's promises of a major drug crackdown. It is now clear that the United States is in the throes of yet another major heroin epidemic, a crisis brought about by the influx of heroin from the Crescent.

The 1979 bumper crop of poppies marked the high point in the region's opium cultivation. The U.S. Drug Enforcement Administration (DEA) estimated that Pakistan's contribution to that record-breaking opium harvest was 700 metric tons; since then cultivation in Paki-



*Drug-running Afghan rebels: part of the Crescent.*

stan has sharply declined. The DEA estimated that Pakistan's illicit opium harvest from 1980 yielded 125 metric tons, and 126 metric tons was expected from the 1981 harvest. State Department officials and intelligence sources have cited the political instabilities of the region as the primary factor in bringing down production, specifically the fall of the Shah in Iran, the Soviet invasion of Afghanistan, and the massive influx of Afghan refugees and rebels to Pakistan's Northwest Frontier Province. Reportedly the drop in the price of raw opium also was a contributing factor in the cutbacks.

But the decline in Pakistani opium cultivation is very deceptive.

Short of an act of God, it is difficult to explain how Pakistan's opium harvests could go from 700 metric tons to 125 in the space of one year, unless a deliberate decision were made at the highest levels in Pakistan and implemented through the powers of the military government. Planting decisions are not left to the tribal poppy farmers; they are made according to what the opium buyers think the market will bear.

In the absence of any reports of the government's having plowed under or burned any poppy fields, it is difficult to account for the sharp cultivation drop simply because of the influx of Afghan refugees into the country. With a harvest of 125 metric tons, Pakistan is still in business. At present consumption levels it takes approximately 150 metric tons of opium to supply the global addict population for one year. More importantly, Pakistan is not itself a major opium consumer; the bulk of its harvests are earmarked for export. What then became of the 1979 bumper crop?

Opium, as with good wine, becomes more potent with age. The DEA has for some time thought that a major portion of the 1979 harvest had been siphoned off as a strategic reserve and stockpiled in Pakistan's Northwest Frontier Province. Linnemann, in his April testimony, told the congressmen, "It has been estimated that if all the opium presently stored in Pakistan were to be converted into heroin, Pakistan alone could supply the United States market at present United States consumption rates for the next 10 years."

Pakistani opium is predominantly grown, stored, and traded in the Northwest Frontier Province (NWFP), an area that lies between the Khyber Pass (a wide plateau that cuts horizontally across both Pakistan and Afghanistan) and the Chinese border. This no-man's land is populated by autonomous, seminomadic tribes who recognize no central government's authority. It is into this area that the bulk of the Afghan rebels and refugees flocked, and this is where the guns-for-drugs trade flourishes.

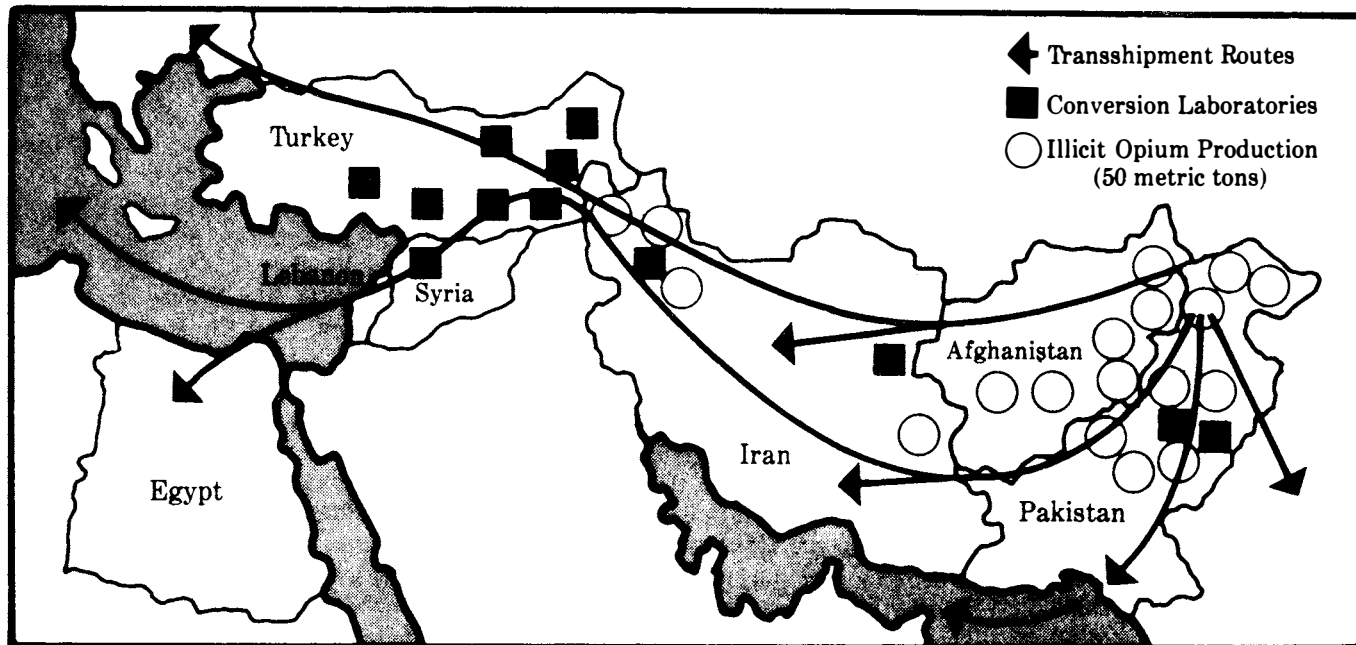
DEA and Pakistani law enforcement officials report that the NWFP is the site of a growing number of crude mobile refining labs. Twenty have been reported operating in the area at present, and they are capable of producing up to 50 pounds of morphine base and/or heroin per month. Some of the refiners have brought in European chemists, but the predominant indication is that the refiners are freelancers, emphasizing production of morphine base rather than the injectable, but relatively poorer quality—in terms of a Western market—No. 2 heroin. Morphine-base conversion facilitates transport of the drug, and because it is more manageable in this form, it also cuts delivery risks and eliminates the middleman, making it in every way more profitable.

### **Traffic patterns**

Pakistani opium and hashish travel overland in caravans that cut westward across Iran, where the drugs are used to feed the mushrooming consumption levels in Teheran, with the rest continuing west until it reaches the eastern provinces of Turkey. The caravans or trucks and other forms of transportation may also travel south to the Pakistani port city of Karachi, where, according to the State Department's Bureau of International Narcotics Matters, "There is also clear evidence of movement out by sea and by air." Once the opium or morphine base has reached Turkey, it is conduited to what one DEA spokesman described as a "carbon copy of the old French Connection, with some new players on board."

The French Connection is the popular generic name for the collective heroin refining and distribution network that was responsible for supplying the U.S. heroin epidemic that grew in the 1960s and culminated in the early 1970s, when law enforcement intervened effectively on an international basis to crack the operation.

## The Golden Crescent: Illicit Source of Opiates



*The opium growing and heroin conversion areas of the "Golden Crescent" as mapped by the DEA.*

Contrary to popular belief, there has traditionally been a close working relationship between the French Connection and the Sicilian-dominated organized-crime families in Europe and the United States.

Unlike the NWFP, the port city of Karachi is not a no-man's-land. A number of classified documents and CIA reports secured by associates of investigative columnist Jack Anderson were brought to public attention this summer. They show that the U.S. State Department had apparently been aware for at least seven years that the Pakistan International Airline (PIA) was being used as a major drug conduit. Anderson reported that one document stated, "Available information indicates that PIA is a major conduit for illicit narcotics from Pakistan to Western Europe, the Far East, Canada, and the United States," and the CIA report he obtained reasoned that "narcotics networks, organized by major international traffickers, have become increasingly active with PIA."

The sea route is also quite active. It is used to smuggle drugs to the southern provinces of Turkey or to the traditional transshipment points of Southeast Asia's Golden Triangle. From Turkey the drugs move directly overland to Europe, and from Southeast Asia they can be moved to Europe, Australia, Canada, and the U.S.A., where the more lucrative markets exist.

A former senior police official in Pakistan has reported that a well-known NWFP smuggler named Payakhan is now based in Hong Kong. According to this source Payakhan is a close associate of Fazle Haq and has organized a paramilitary force inside Hong

Kong to protect his drug operations. (Fazle Haq, the military governor of the NWFP, has multiple connections to the illegal-drug business.) Hong Kong and U.S. officials have long been aware of the traditional smuggling route between Hong Kong and Karachi, but until the revival of the Crescent, the route was predominantly used for consumer-goods contraband.

It is also reported that there has been a notable change in the NWFP Turra and Swat cultivation centers as well as in the Bara and now famous gun-drug bazaar, at Gerra-Adam-Khel, following the Soviet invasion of Afghanistan. These areas not only saw a sizable influx of Afghan refugees and "freedom fighters," but Chinese personnel as well. Prior to the Soviet invasion at the end of 1979, informed sources say the Chinese presence was quite minimal, but since then it has "become more and more evident; they are all over."

From all available indicators, the upsurge in Chinese activity in the NWFP area was facilitated by two factors: 1) the Chinese built a highway that cuts through the NWFP connecting Islamabad in central Pakistan to the Chinese border; and 2) the drug and gun trade flourished in the NWFP. It has long been the belief of intelligence experts that the China road, patrolled in some parts by the bellicose tribes, has also been used to transport weapons and other logistical aid and contraband to the rebels. It is also believed by some U.S. experts, who had experience in Southeast Asia's Golden Triangle during the Vietnam war, that the road is being used to transport the chemicals used in the refining process, particularly the critical one—acetic anhydride.