

THE OPIUM OF THE PEOPLES' GOVERNMENT

By Harry J. Anslinger, United States Commissioner of Narcotics

Harry Jacob Anslinger, who was born at Altoona, Pa., was educated at Pennsylvania State College; School of International Relations, The Hague; and the Washington College of Law, where he obtained a bachelor of laws degree. Mr. Anslinger began his Government career in 1917 as a member of the Efficiency Board of the Ordnance Division of the War Department in Washington, D. C. In 1918 he went to The Hague as an attaché of the American Legation. He remained there until 1921, when he moved to Hamburg, Germany, as American Vice Consul. Subsequently, he served as consul in La Guaira, Venezuela, during 1923-25, and in Nassau, Bahamas, during 1926. In 1928 he attended the International Congress Against Alcoholism in Antwerp and also the conference in Ottawa, Canada, to revise the treaty with the United States. In 1930 Mr. Anslinger became the first United States Commissioner of Narcotics, a post he has held since without interruption. On June 6, 1946, he was appointed United States representative on the United Nations Commission on Narcotic Drugs, which was organized to take over the work of the League's Opium Advisory Committee.

Over the past 5 years, the United States Bureau of Narcotics has supplied the United Nations with documentary proof that Red China is pushing large quantities of opium and heroin among the free nations of the world. One object of the Peking government is the making of a huge profit. Far more important, however, is the exploitation of narcotics as a vehicle of physical deterioration and moral debauchery. Particular attention is being paid to American military and civilian personnel in the Far East. At the same time, Red China's opium has been discovered on both the west and east coasts and as far inland as St. Louis, Mo.

In typical Communist fashion, the Peking government denies these fully documented allegations. However, actual conditions in south-east Asian and other free countries refute this unsupported denial and clearly prove that the Communist regime of mainland China is pouring opium, morphine and heroin out through the Province of Yunnan to augment the already existing lines of traffic out of Tientsin, Tsingtao, and Canton.

While varying amounts of narcotics reach the traffic from other sources in the Far East, mainland China is the uncontrolled reservoir supplying the worldwide illicit narcotic traffic.

Pharmaceutical plants have been established in Communist China to process opium into morphine and heroin, and all these drugs, including raw opium, are used as bartering commodities. Traffickers operating in the free countries share the profit in the illicit traffic in narcotics with the Communist regime of mainland China. Officials of this regime are exacting a tremendous profit from the traffic over the prices paid opium growers according to the traffickers who obtain the narcotics for further sale. These traffickers use whole sections of crews of surface craft, such as the engine crew or the deck crew, to

smuggle narcotics. Cooperation of air maintenance crews is considered essential when the smuggling is by air although passenger couriers are often used when the way has been well prepared and the traffickers consider there is no danger of apprehension.

One of the principal targets of the traffic from mainland China is Thailand where 100 tons of opium are sold annually. Consumers of this opium pay the equivalent of U. S. \$350,000 per ton for the contraband in the form of smoking opium. Opium is brought from Yunnan Province to the border of Thailand by horse and mule train.

From 200 to 400 tons of raw opium are moved annually to and through Thailand from mainland China. More opium moves to and around Chiengrai in northern Thailand than any other place in the world in illicit traffic. The opium reaches Bangkok by boat, truck, rail, and plane, and 3 to 4 tons can be delivered at any time to a point outside the harbor at Bangkok in the open sea. This opium is priced at US\$40,000 per ton and can be purchased in lots of 200 tons on a six-month basis.

Crude morphine is sold by traffickers in narcotics from mainland China at the rate of US\$475 per pound in Bangkok. This morphine has about the same appearance as a cheap cake of soap. There is usually a large "A" or "A 1" on the surface of each cake as in the case of a large seizure in Japan in July 1954. Heroin from these traffickers sells for US\$2,000 to \$3,000 per pound in Japan and for \$3,000 to \$5,000 in the United States. A group of these traffickers successfully smuggled 20 pounds of heroin to Japan in 1954 at a profit of US\$30,000 after all expenses were paid.

In October 1953, an airline pilot in Bangkok was approached to make eight flights to Macao with opium from mainland China. At the end of 1953, a group of smugglers, including an official of the Bank of Canton, smuggled 23 pounds of heroin and morphine from Yunnan to Chiengrai to Bangkok and thence to another transshipment point. On July 15, 1954, an airline hostess was arrested at a transshipment point with a 2-pound package of morphine which she was transporting as a courier for aircraft maintenance personnel after information had been received that narcotics were reaching Tokyo, Japan, in this manner. In the early part of 1955, a Chinese courier arriving in Hong Kong by air was arrested with approximately 7 pounds of pure heroin transshipped at Bangkok. Shortly thereafter an American was arrested in Hong Kong with approximately 40 pounds of opium and morphine which he was transporting as a courier for traffickers in narcotics from mainland China. The transshipment point was Bangkok.

Despite the efforts of the Burmese Government to control the illicit traffic in narcotics, hundreds of tons of cleaned and packaged opium in 1-kilogram units are brought into Burma each year from Yunnan Province. Routes for the smuggling are through Myitkyina in the Kachin State and through Lashio on the old Burma Road in the northern Shan States.

The hub of the traffic on the Yunnan side of the border is Tengyueh. Along the border are found trucks, military vehicles, carts, mules, and pack trains used for transporting the opium.

About 43 tons of opium are consumed annually in one small area along the Yunnan border, but the amount of opium in the traffic

through Burma far surpasses the amount consumed within the country. Shareholders in illegally operated opium shops along the Yunnan border in Burma have been forced to forfeit their interests because caravans from Yunnan sell opium more cheaply than the opium shops.

Another route used by the traffickers in illicit narcotics from mainland China is through Kentung and across Burma to river, rail, and road connections below Mandalay. Much of the opium is brought down in river boats to Rangoon where it is transferred to coastal steamers for further transshipment at Penang and Singapore.

Large quantities of high-quality crude morphine are being manufactured under expert technical supervision in factories in Communist China. The morphine is processed according to pharmaceutical standards and methods under government supervision and not in clandestine laboratories. When the smugglers of this morphine near Rangoon the contraband is transferred to fast launches to bypass the city. The traffic is so well organized that the authorities state they would need a patrol plane to meet with any success in intercepting the traffic.

Traffic in heroin from the Communist regime of mainland China is increasing, according to enforcement authorities concerned with traffic through Canton, Macao, Bangkok, and other ports. Within the past year other areas have assumed a place of equal importance with Korea and Japan as places where the heroin is furnished directly by Communist agents in the traffic.

Millions of dollars obtained through the sale of opium and other narcotics are used by the Communist regime in mainland China for political purposes and to finance agents who have been found actively engaged. An official of an airline in the Far East was found to be smuggling heroin and currency for the Chinese Communist regime. A trafficker in narcotics from mainland China attempted to arrange for an airlift of a ton of morphine to the United States. The pilot was offered an interest in an opium processing plant if he would smuggle the morphine valued at US\$256,000. Narcotic traffickers offered to charter a PBY in March 1954 to airlift 10 tons of opium from an inaccessible river area to a worldwide narcotic smuggling group with headquarters in Macao. An effort was made by these traffickers to establish an airline to move opium held by the Communist regime of mainland China. Both opium and crude morphine were airlifted from otherwise inaccessible points under the control of the regime to transshipment areas where the narcotics were loaded on surface craft.

During 1953 opium from Yunnan Province accounted for almost 100 percent of the opium seized at some transshipment points. The Gulf of Martaban and the Gulf of Siam both were used to facilitate this traffic. Investigation of circumstances surrounding the larger seizures revealed that the opium was smuggled in ships operated by the traffickers in this opium who had headquarters and connections in many of the principal cities of the Far East. Opium trafficked through the transshipment points often sells at the rate of US\$400 per pound.

In Japan a member of the Communist Party revealed that her organization, with branches in all big hospitals in Tokyo, Yokohama, Nagoya, Kobe, and Osaka, operated as the Society for the Protection

of Health and Peace, with headquarters in the Communist Party headquarters in Tokyo. This trafficker stated that she and five other females of the group made expenses and tremendous profits for the Tokyo branch of this Communist organization through the sale of heroin.

At a meeting of this Communist organization a resolution was adopted that the organization would gain funds by selling narcotics to various hotels, cabarets, bars, and other establishments patronized by American personnel in the Tokyo area. Large sales of heroin which were paid for by check to "Society Headquarters" were made to beer halls in Tachikawa and to agents in Fuchu City which is located near Tokyo.

A Chinese, Po Kung Lung, directed the activities of the 6 females and provided the heroin which was valued at US\$11 per gram and was sold to Koreans and Japanese for further distribution. One of these retailers of heroin was an executive member of a Tokyo district group of the Communist Party and was engaged in the collection of party funds.

The Enforcement Division of the Narcotic Section in the Welfare Ministry of Japan reported that extensive surveillance of 2 Chinese in Tokyo resulted in their arrest and the seizure of 585 grams of 94.2 percent heroin and 275 grams of 92.4 percent heroin in March 1954. The seizure was made as one of the Chinese, Yang Jui An, was leaving the Kakyo Building in the heart of Tokyo. This building is a center for traffickers with Communist connections dealing in heroin and United States currency. Among these traffickers were Li Chin Sui and his group who were arrested in Tokyo in July 1954 with 33 pounds of heroin and morphine. As early as 1951 enforcement agents in Japan had purchased US\$5,633 of heroin from traffickers operating from the Kakyo Building. The heroin was 85 percent pure and bore tags and seals of the "Red Lion brand."

As stated above, a seizure of 18 pounds of crude morphine and 15 pounds of heroin was made at the end of July in Tokyo. The crudely formed cakes of morphine bore a large "A" on the surface identical with that contraband routed through Bangkok from Yunnan Province in mainland China. The heroin and morphine were seized at a clandestine laboratory operated by the traffickers with connections on 30 ships to maintain supplies for their narcotic trafficking in Tokyo, Yokohama, and Kobe. The boss of the group was a Chinese, Li Chin Sui. He had been dealing in heroin from mainland China since 1949, and as I reported to this Commission in 1953 and 1954, operated a company which was actually a branch office of the Trade Bureau of South China. For several years he was a fugitive from enforcement authorities in Japan after he was suspected of smuggling 170 pounds of heroin into Japan at Yokohama. At the time of his arrest he was in possession of 3 passports which gave him 3 different identities to operate in Japan, Bangkok, Macao, and other Asiatic ports where are found headquarters of traffickers in narcotics from the Communist regime of mainland China.

Ten seizures of heroin totaling 58 grams were made January 14, 1954, at Iwakuni in Yamaguchi Prefecture in Japan. In connection with these seizures the Japanese authorities stated the majority of the prostitutes in and around the city of Iwakuni, which is located

near an international airport, are addicted to narcotic drugs and stimulants and are spreading the habit of taking such drugs. A Chinese, Fang Jen Chun, living in Kobe, had been supplying the heroin to retailers at Iwakuni.

Kyodo News Agency reported November 16, 1954, that in 1952 US\$70,000,000 worth of narcotics were shipped out of Communist China. Twenty-six percent of this amount was shipped to Japan and these funds constituted the chief source for financing secret Communist agents. At the same time Director Goichiro Fujii, of the Public Security Investigation Board, said the Communist regime sold \$15,-500,000 worth of narcotics in Japan in 1952.

According to a Pyongyang radio broadcast of December 29, 1953, special factories are being built to extract morphine from opium in North Korea. On October 16, 1954, the South Korean authorities announced the arrest of a North Korean agent who stated that Communist China is furnishing technical specialists to North Korea to operate narcotic manufacturing plants. It is through North Korea that tremendous quantities of heroin from Communist China have reached South Korea and Japan since 1947. Recently an American soldier stated that while stationed in Taegu, South Korea, he and at least 30 other persons were furnished heroin of an almost pure quality without cost. Addiction was acquired making hospitalization necessary upon return to the United States.

Heroin from Communist China has been seized on both coasts of the United States, as well as in the interior at St. Louis, Mo. In connection with the seizure in St. Louis, the source trafficker in Japan stated he had been dealing with the Communist regime of mainland China for 1½ years in obtaining heroin through the use of deck crews of ships as couriers.

On February 2, 1954, in New York City, 20 ounces of heroin with the characteristic physical and chemical properties of heroin from Communist China laboratories were seized from a seaman as he attempted to smuggle the contraband ashore from the round-the-world steamship *President Arthur*. It was later learned the heroin had been obtained at one of the usual transshipment points for narcotics from the Communist regime of mainland China.

On November 18, 1954, a seizure of 25 ounces of 95-percent heroin was made from Chinese crew members of a ship at Staten Island. The transshipment point was Bangkok.

In Santa Cruz, Calif., on November 4, 1954, a seizure of 28 ounces of pure heroin was made from 2 crew members of the steamship *President Cleveland*. The transshipment point was Hong Kong.

In Los Angeles Harbor on January 18, 1955, a seizure of 5 pounds of heroin was made from a ship just arrived from the Far East. The investigation is continuing at the point of transshipment.

For several years the attention of the free nations of the world has been focused on the position which the Communist regime of mainland China has assumed in carrying on a flourishing worldwide traffic in opium, morphine, and heroin. Mere denials comprise no answer to the documentation of this traffic. In the most literal sense of the world, the Government of Red China is pushing opium upon the free world. Its primary objective is obvious: demoralization of susceptible "bourgeoisie."