

# India: caught at the crossroads of international drug traffic

by Ramtanu Maitra

*The discovery by Indian authorities of a multimillion dollar cache of heroin and other illegal drugs inside the Golden Temple in Amritsar (Punjab), after the Indian Army liberated it from Sikh terrorists on June 6, thrust into the limelight a situation which has been developing over the last half decade: India's illegal-drug trafficking problem.*

*India lies at the crossroad of the two most prolific producing areas of morphine-based drugs: the "Golden Triangle" comprising Burma, Laos, Thailand, and the southern province of China; and the "Golden Crescent" comprising Iran, Pakistan, and Afghanistan. India's drug problem was created largely by the major dislocations that have occurred in this region—the Vietnam war, Ayatollah Khomeini's rise to power, and the Soviet Union's move into Afghanistan.*

*This article is the first of an intermittent series which traces the tentacles on the Indian subcontinent of the world's largest business, the business this publication first dubbed "Dope, Inc." in 1978.*

The recently observed proliferation of drugs in India has its roots in the counterculture movement that began in the West in the early 1960s. The ingredients of this movement of youth "defying" the established authorities were drugs, rock music, and existentialist philosophy. It began with marijuana, but quickly moved over to the consumption of heroin, cocaine, and barbiturates.

Besides opening up the morgue for drug victims, the counterculture also opened up a huge business potential involving hundreds of billions of dollars. It also created an army of on-the-ground drug suppliers whose responsibility it was to move the drugs from place to place. The international mafia, utilizing the banks it controls, used the market to replenish its coffers. Drug money went into "investments" such as real estate, international gun-running, and to the terrorist groupings like the Baader-Meinhof gang, the Red Brigades, the Weathermen, and the Naxalites, India's 1960s Maoist guerrillas. It was funneled into "peace" and disarmament movements, and political parties such as the Green Party of West Germany. It went into building up cults like Jim Jones's People's Temple.

The money was plentiful and battalions of drug runners were brought in and trained. The rise of this drug racket occurred so rapidly that most of the smaller nations in which

drugs were manufactured, or, as in the case of India, are transshipped, became completely overwhelmed by its magnitude. With small and inadequate intelligence services, engaged primarily in seeking to track down anti-nationalist activities, the smaller nations could not begin to sort out the internationally run operation. There was also another factor. The developing nations tended to treat the drug addiction of the West with "benign neglect."

The attitude of the average Indian bureaucrat, for instance, is that the illegal drug trafficking will continue as long as a rewarding market exists for it in the West. It has only been repeated leaks of Sikh extremist involvement in large-scale drug trafficking across the India-Pakistan border that has caused some Indians to sit up and take notice.

Drug use in the West increased, under the aegis of individuals such as Aldous Huxley of the infamous Huxley clan, Timothy Leary of Harvard, Gregory Bateson of the University of Chicago, Margaret Mead of Columbia University, and the London-based Tavistock Institute, which promoted use of drugs for behavioral study and psychological warfare. Soon, a large number of Western youth became hooked on hard drugs. These youth, finding money to buy drugs difficult to come by, sought refuge in many developing nations where drugs are comparatively cheap and the penalties for drug use less severe. Among other nations, India became a haven for such riffraff.

## Nepal's drug buildup moves over the border

Under the pretext of being "hippies" who have rejected the "materialistic" society of the West, this grouping poured into South and Southeast Asia, and with their arrival, the Indian drug market came alive. Illegal opium and refined heroin from the Golden Triangle and Golden Crescent began pouring across the borders and found its users here. Nepal, where the heroin from the Golden Triangle moves in abundance, became thick with hippies living in dilapidated shacks and pumping heroin into their veins. Soon, Nepali students began "trying out" the drugs. As late as 1979, it was reported that only 50 known users of hard drugs existed in Nepal. Today, it is estimated that more than 2,000 Nepali youth are hooked into this mind-destruction process.

The roads and streets of Nepal's capital city, Kathmandu, have innocuous-looking restaurants where young men can be

seen puffing away at cigarettes filled with drugs. The government has opened a drug control section under the Home Ministry but has not been able to do much—"for various reasons," an official recently said.

It should be noted that in India there already existed a drug culture, which is generally associated with the "temple culture." Many Indian temples, and their surrounding neighborhoods, are infested with various forms of debauchery. Prostitution and drugs are a few of many vices that are rampant in these so-called holy places.

One such town is Varanasi, a center of Shiva worship, where "saints" congregate from various parts of India. These saints are regular users of *bhang*, *ganja*, and *charas* (forms of cannabis drugs, the same plant used to make marijuana in the West), and often as pimps for the tourists. It is no surprise that Varanasi was soon teeming with hippies from the West.

Bhang is associated with rituals performed in some Hindu temples. Ganja is used as an offering in the Tarakeswar temple, near Calcutta, on festival nights. In Puri (Orissa), ganja and bhang are largely used by the attendants and worshippers of the "Lord," while the worshippers of Shiva in Bombay generally use ganja.

Bhang is also drunk by people of certain castes during the *Holi* (the festival welcoming spring) and the *Diwali* (the festival of light celebrated in parts of northern India). Among the Sikhs, the use of bhang was common as late as 30 years ago in beverages freely distributed to devotees in the sect's religious places and shrines. Drinking of bhang is also in vogue in Rajasthan during the festival of *Kama* (the Indian cupid) by the Rajputs of Bondil. *Marwaris* and merchant classes use bhang on festive occasions, while priests of Brindaban, Mathura, and other places of pilgrimage are notoriously addicted to bhang even now. Muslim *fakirs* (servants of Allah) revere bhang as the giver of long life and believe that it frees them from worldly bonds and induces communion with the divine spirit.

### The 'gurus' spring up

With such an existing tradition associated with so-called religion, various drugs already had a market in India. In response to the counterculture, a new generation of "gurus" sprang up, and began organizing the West's riffraff to provide them with "eternal bliss" and "permanent peace." The careers were launched of such gurus as Maharishi Mahesh Yogi, who sold his formula of Transcendental Meditation as a way to achieve "Nirvana"; Bhagwan Rajneesh, who moved West promising his followers "free love," and has recently taken over several towns in Oregon; and Swami Bahktivedanta, the founder of the head-shaven, saffron clothed Hare Krishna cult (ISKON). Their movements began in India but soon moved West. Maharishi, it should be noted, ended up in Switzerland, from where he has established his "world government."

The Indian gurus pulled into their folds wealthy drug users, and, by selling drugs to the international mafia, they

financed their moves West, becoming perfect conduits of intelligence operations of many kinds. All the while, their religious pretexts acted as watertight covers. It should be noted that although ISKON members have been picked up and jailed for drug running in the United States more than once, this cult has remained an untouched institution in India. ISKON's opulence is causing some problems in Brindaban, where the cult has built a massive center replete with hotels and gun-carrying guards, and where helicopter pads will soon be built to bring in visitors for weekend bashes, but the cult continues to remain untouched.

The drugs, however, have spilled over from the gurus' exclusive clubs and are now affecting India's population as a whole. Exhaustive reports of drug use come out in the local press almost daily.

There are five states in which poppy is grown legally under parliamentary license for medical purposes: Rajasthan, Uttar Pradesh, West Bengal, Orissa, and Madhya. Although hard drugs are available in all of India's big cities, as a state, West Bengal has the largest group of registered opium addicts (those who buy opium from government shops on medical prescription). Of 27,000 people in this category in West Bengal, 7,000 of these are women. Second comes the state of Orissa, with 15,000 "registered" opium users.

### Bombay's drug dens

The number of known drug addicts in the big cities has not been made available by the government, but unofficial figures quoted by the local press indicate a fast rise of drug addiction in India. According to one report, Bombay alone has 50,000 addicts, a significant number of whom are also alcoholics. The Bombay scene can only be described as horrendous. In the seedier sections of the city, the bosses of Bombay's drug dens are totally confident of police non-interference.

In a recent visit to one of Bombay's drug dens by a correspondent from an Indian national daily, it was revealed that the den did a daily business of approximately Rs. 5000 (\$500 in U.S. currency)—a substantial sum of money in India. While the correspondent was there, several young men from West Asia, two Iranians, and at least two Indians came to inhale brown heroin spread on a strip of aluminum foil. One of the Iranians confessed that he came to India for his drug supply because it is cheaper here than anywhere else.

While the correspondent was there, the person serving the drugs cooked a thick black liquid, strained it through a cloth, boiled some more liquid, and let it drop through cotton wool. The opiate was then put into tiny thumbnail-sized trays. The drug server then rolled the contents of the tray into a ball the size of a large peppercorn, which can then either be swallowed or smoked through a Chinese pipe. The ball sells for Rs. 2 (20 cents in U.S. currency). The server told the correspondent that a regular customer ingests 10 to 15 of these balls at a time.

The drugs that are served in these dens include medicinal

products such as Mandrax Prodom, a variety of phenobarbiturates, and LSD. Brown heroin, known as "brown sugar," is widely used in Bombay and has a wider market than white heroin (known as "smack"), as it is cheaper. A gram of brown heroin costs Rs. 50 to Rs. 80, while white heroin sells for Rs. 250 to Rs. 400. The correspondent was told of the existence of a laboratory in Bombay that refines brown heroin to white. Otherwise, most of Bombay's heroin supply comes from Pakistan, either by road or by rail, and is shipped back out of Bombay by sea or air.

India's Central Bureau of Investigation estimates that 10% of the government-controlled manufacture of morphine from poppy seeds—in factories located at Ghazipur and Neemuch—is stolen and sold clandestinely. A foreign delegate attending the recent United Nations-sponsored seminar on drugs in New Delhi insisted that a makeshift refinery had been found by the Indian authorities at Ghazipur where the central government has a warehouse for opium and other legal toxicants. He charged that illicit opium was diverted to the factory for conversion into heroin for illicit sale.

The dens are not the only places, however, where drugs are found in Bombay. On the streets of Colaba, addicts are seen hanging around, waiting for the supplier to arrive. Sleazy joints make their way to five-star hotels where upper- and middle-income-level business executives and Arabs from West Asia are the new clients.

Although the drug trade in Bombay is in no way slowing down, India's capital city of New Delhi is fast becoming a strong contender. Here also, drug soliciting has become quite common outside swank hotels. Greatly contributing to the New Delhi problem is that 10,000 Afghan refugees, uprooted by the Soviet invasion of that nation, now live in India's capital city, many of whom are engaged in racketeering and trafficking. New Delhi also has a large hippie population living in pest-infested localities sucking up cheap drugs.

Another town where drug peddlers freely transact business is the "holy city" of Varanasi, where even the priests are said to deal drugs. Here opium can be bought in the streets for Rs. 1,000 a kilogram, which has given a boost to the manufacture and sale of morphine and heroin. The process of manufacturing morphine and heroin is so simple that students at the Benaras Hindu University were found to be engaging in it. One student was reportedly found running a mini-morphine plant in his living quarters. A Central Narcotics official recently reported that drug peddling had increased in Varanasi more than five-fold during the past five years, but that "its detection has declined." He reported this is largely due to the involvement of "big guns" in the racket.

An anonymous narcotics dealer, meeting with an Indian journalist recently, claimed that he obtains hashish and charas from Khandawa, Nanali, Nepal, Chitral (a town near the India-Pakistan border), and from sources in Afghanistan. He reported obtaining heroin and morphine from Ghazipur and Varanasi. The dealer also revealed that all of the "big fish" in the drug business operate their own legitimate businesses

with international connections—in exporting, for instance.

Another area in India where drug addiction has proliferated in recent years is Punjab, particularly in those districts closest to the India-Pakistan border. According to a study by Indian researchers in 1981, home-brewed alcohol is being replaced by opium in Punjab. In the absence of prior survey data, it is not possible to determine by how much opium addiction has increased. But the effects of increased opium addiction are extremely evident in Punjab; drug addicts and drug dens are now easily spotted in even villages and towns in Punjab.

## Smuggling increases

While the increase in drug addiction cannot be properly documented, the increase in narcotics smuggling out of India is not a matter of speculation. In recent months, Indian newspapers have carried the stories of one narcotics arrest after another. Here is a sample of recent arrests published in New Delhi newspapers:

- On Jan. 24, more than 21 kilograms of heroin, valued at Rs. 2 crores (\$2 million U.S. currency), was seized at Chanakyapuri in New Delhi.

- On Jan. 28, contraband heroin valued at Rs. 50,000 was recovered by the Chandni Mahal police in New Delhi.

- On Jan. 30, customs officers at Hong Kong arrested an Indian coming from Calcutta carrying 600 grams of cannabis resin.

- On April 9, a Tanzanian national was arrested in Pahar Ganj, New Delhi, for possession of heroin.

- On April 10, three kilograms of heroin, valued at Rs. 3 lakhs (U.S. \$300,000), was seized by the crime branch of the Delhi police.

- In early April, customs officials at New York's JFK international airport arrested six people for bringing into the United States \$88 million worth of heroin from India.

- In mid-April, a former army official from Kanpur was arrested near Bhopal—following a shootout with the police—carrying 15 kilograms of opium.

- On April 24, Cochin customs officials seized hashish worth \$500,000 in U.S. currency. The consignment, labeled as marine products, was addressed to a firm called Phoenix Foods Inc., in New York City.

## The major drug route

Bombay and its surrounding area is assessed to be India's center of drug trafficking. Indian intelligence sources report drug-trafficking links, through the transit junction of Bombay, to not only Pakistan and Iranian connections, but also speculate there are drug links to Australia. Several Australian nationals were arrested in Bombay last year for attempting to smuggle narcotics into India.

The major drug route, according to intelligence reports, includes Karachi, Amritsar, New Delhi, and Bombay. Recent seizures made in New Delhi were also tied to Indian smugglers from Lucknow and Amritsar. Last year, when

three Air India drug smugglers were arrested in London, it was found that the consignment was sent by a Chandigarh firm to an address in the United Kingdom.

Drug trafficking across the India-Pakistan border has increased multifold in recent years. Among the factors thought to have caused such a rise is the policy of Pakistan, which assumed a leadership role in heroin production, and then toughened its laws, forcing drug dealers to move across the border. Another significant factor is increased unrest in the Indian state of Punjab, bordering Pakistan.

Heroin appears to be brought primarily by road across the Indo-Pak border into Punjab. One recently apprehended pusher told Indian police that he procured his heroin cache from a Pakistani national in Amritsar, a city in Punjab just 20 miles from the border. It was to this same supply point that authorities also traced other heroin trafficking cases, including a gang led by a major in the army. The major had been stationed in Punjab, and had maintained regular links with Pakistani nationals making frequent trips across the border.

The detection capability of India's intelligence service is quite primitive—further complicated by the fact that many of these officials have themselves been paid off from the lucrative market. According to one narcotics agent, a popular method of carrying heroin across the border is by mixing it

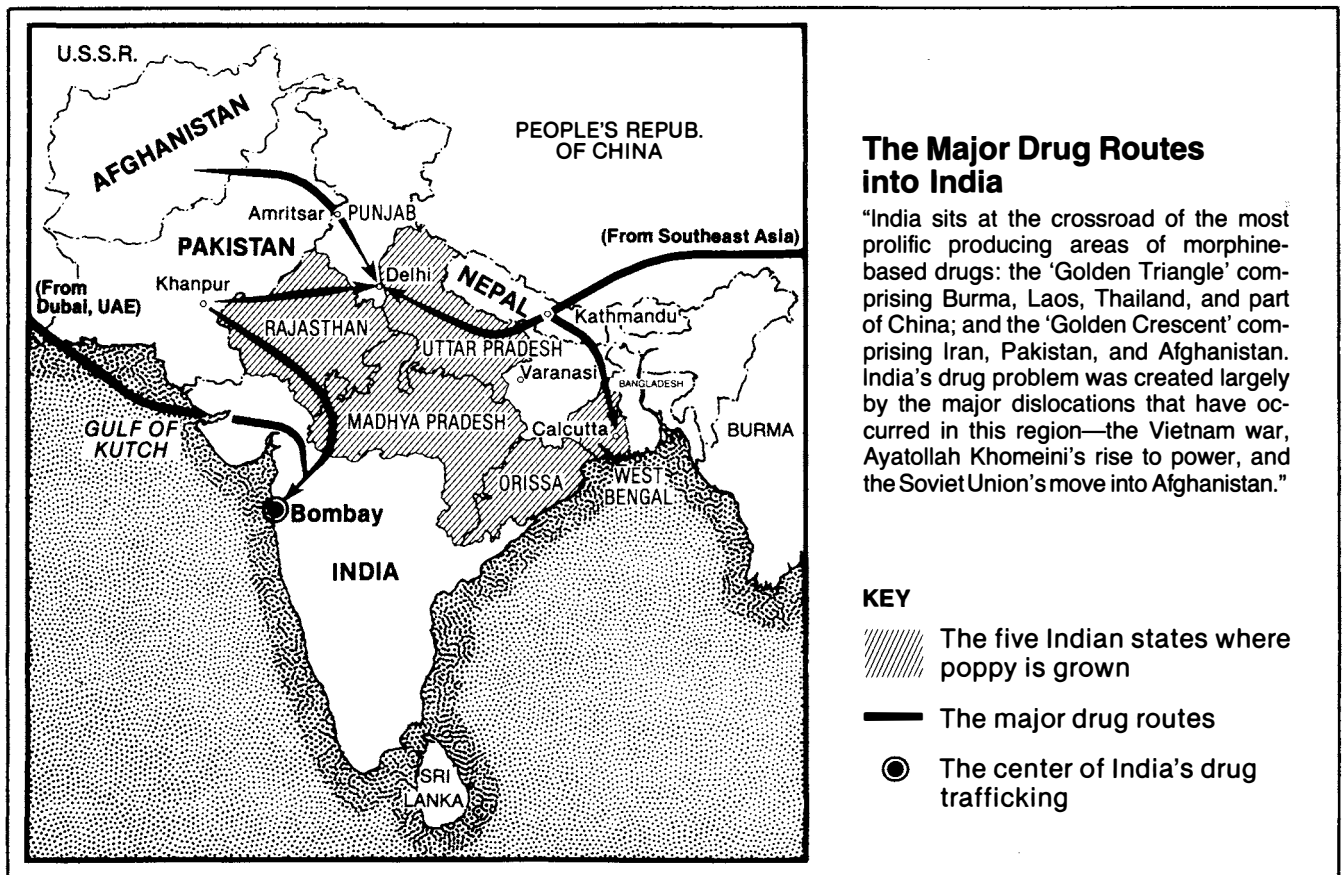
with gasoline, kept in small cans as an emergency fuel. Once the vehicle reaches its destination, the gasoline is evaporated, and the heroin collected.

Amritsar, which now has an international airport with flights leaving for Kabul and London, is the destination for Pakistani and Afghan heroin. Construction of this airport was the result of a Sikh demand. From Amritsar, where an active drug-peddling network functions, the drug moves south toward New Delhi and Bombay to supply foreign tourists, as well as the international drug mafia who operate from these two major cities. The heroin that goes to Calcutta is brought in from the Golden Triangle area. Besides these two "foreign" sources of heroin, there exists a large supply source in Ghazipur and Neemuch where an illegal heroin refinery has been recently located. In 1981, Delhi police found a heroin factory operating in the slum district of East Delhi.

### The Bombay nexus

A classic case was that of one Ajit Mohan Balse, who was arrested on May 31, 1983, at the Frankfurt airport in West Germany. Interpol officials were tipped off that he was carrying two kilograms of heroin in his luggage. This caused a sensation in India in that Balse was an Air Force pilot who had settled in the United States 15 years before.

Balse, it seems, had high connections, and during a visit



to Bombay, was given a guided tour of the drug dens by the Bombay police. The U.S. Drug Enforcement Agency, who suspected Balse of being a drug peddler, tipped off the Directorate of Revenue Intelligence about his activities. On March 31, one Mr. Hill of the DEA, posing as part of the "mafia" approached Balse for heroin. A deal was carefully worked out. As a test of Balse's supposed honesty, the member of the "mafia" asked him to deliver 2 kilograms of white heroin at Frankfurt. On successful completion of the deal, he was told that a bigger offer would be coming. Balse was kept under close watch during the rest of his stay in Bombay and was allowed to leave the Bombay airport unmolested.

How Balse was eventually arrested indicates how limited India's capability is in the drug enforcement area, and how dependent the country is on agencies such as Interpol and the U.S. Drug Enforcement Agency. At one time, India's Central Bureau of Investigation (CBI) had a narcotics branch; it was recently discontinued. The CBI and Indian Customs partition the work between themselves: The CBI is authorized to grab hauls of narcotics wherever they are found and make arrests; Customs can make a seizure only if the narcotic is found in preparation for export or at the airport. If Customs suspects anyone of having opium—they have no institutional intelligence apparatus for this purpose—they have to contact the CBI who in turn conducts the raid.

It is clear from the way the drug trafficking is multiplying that a well-organized underground network is functioning within the country. After drugs were found inside the Golden Temple in Amritsar last month, the Indian government identified six wealthy New Delhi businessmen involved in the trade. Although the network's kingpins—whose financial strings are controlled from Hong Kong and the West—have been elusive, international intelligence authorities have established that the heroin generally leaves Pakistan by way of Karachi and Quetta. There is also no doubt that the illicit opium smuggled out of India to Singapore or Bangkok is due to the "high connections" of the smugglers.

There is another report which suggests that the big guns in the narcotics trade from the Asian theatre are based in Dubai. Dubai had long been the center for gold smuggling. Most of the smuggling *from and into* India via Dubai goes through Kutch on the west coast. According to trade sources, Kutch started to become popular in the narcotics game in 1982. Now, a steady stream of narcotics comes in through Kutch, joining up with those from Nepal and Uttar Pradesh around Bombay and Delhi, from where it is moved out to the western world.

Other well-known targets for drug pushers are the diplomats. A well-known industrialist in South Delhi, for instance, is known to possess a harem of young women who are used as bait to catch foreign diplomats. Once the target is hooked, the diplomat is blackmailed and eventually turned into a drug carrier. There have been over two dozen such cases in 1983, it is reported.

## Drugs smuggled out of warehouses

Opium is reported to be regularly smuggled out of the government warehouses and sold in the underground market. The opium produced in India is supposed to be under strict government control, sold only to research or pharmaceutical laboratories in India and other countries. Yet, it is alleged that the smugglers' agents, with their contacts in government factories in Ghazipur and Neemuch, are able to buy from the factories.

Out of 250,000 farmers in Rajasthan, Uttar Pradesh, and Madhya Pradesh, who grow opium under license in about 50,000 acres, and who are obliged to sell the entire crop to the government, some reportedly hold back a portion of their products for personal use by under-recording production. Later, this is sold to smugglers at double or triple the price paid by the government.

Many doubt the "ignorance" of government officials in this matter. Residents of one of the opium-growing areas claimed that the official merely "feigned" ignorance. Officials in the government factories have managed to avoid further probes on this issue. But the fact is, the farmers' production quotas are based on acreage, and not on actual production.

Another unknown quantity is the amount of morphine smuggled out of Neemuch and Ghazipur factories. At the factory of Neemuch, it is possible to sell smuggled opium to traders who are operating just outside of the factory premises. Although the Central Industrial Security Force patrols the factory perimeter, they have been reported to turn a blind eye to these known dealers for a payoff. One worker, who was caught several years ago, confessed that he had designed special shoes with cavities inside, by which he carried morphine out of the government factory. An investigation was initiated with no results, but mafia involvement was evident when the shoemaker's son was found drowned in a well near Ghazipur.

The amount of smuggled opium is reported to be substantial. According to a report published in 1982, out of 884 tons of opium cultivated in Chittorgarh, a major opium-growing district in Rajasthan, at least 300 tons over the last two years have been smuggled out.

The big money lure and the ineffectiveness of India's CBI in detecting narcotics trafficking are the reasons encouraging many small operators to set up business. Even in small towns, it has been realized that there is more profit in the trade in morphine than in raw opium. Shabby, ill-equipped processing units have popped up even in the neighborhood of the opium factories.

So far, only a small dent has been made by law enforcement against such illegal operations. For every seizure that is made by the CBI or Customs officials, it is estimated that at least two operations go through. For each ill-equipped refinery that is shut down by police, at least five new ones come up within a month.