

# Dope, Inc. expands in Asia

*Michael Billington reports on the creation of free trade zones in the formerly communist regions of Asia—fertile ground for the drug trade.*

Increasingly over the past year, the Anglo-American banking cartel better known as Dope, Inc. has extended its operations into the hinterlands of South and Central Asia. Using the British outpost in Hong Kong as a staging ground into China and beyond, the operational capacity of Dope, Inc. has expanded to include a band around the Chinese border, extending through the Soviet Asian republics into West Asia.

The result, as has been abundantly documented in the international press, is a huge increase of the flow of high-grade China white heroin into the United States during the past year.

Like the British East India Company of the last century, the current operation is proceeding under the banner of “free trade.” Moving into the Asian nations left stranded by the collapse of the Soviet empire (including Vietnam, Mongolia, and the Soviet republics of Kazakhstan and Uzbekistan), “free trade zones” under the general control and direction of Western (mostly Harvard) advisers are being established, while the economies of these nations are subjected to the “shock treatment” devised by Harvard’s yuppie economist Jeffrey Sachs, which has already succeeded in destroying the economic potential of Poland and much of eastern Europe.

The model for the “free trade zones” is the successful recreation of the 19th-century colonial “concessions” in China over the past 10 years in post-Mao China. The Hong Kong model, built with the proceeds of the lucrative opium trade of the last century, and still today the central clearing house for the bulk of the world’s largest flow of money—the Golden Triangle drug trade, reaching from Kunming down through Thailand and Burma—has been reproduced in a series of “Special Economic Zones” along the southern China coast, built in precisely the same cities that were seized by the British as booty after the Opium Wars. While providing a mass pool of cheap labor for foreign investments in export-oriented light industry, the unregulated financial environment has created the same free flow of drugs and drug money that exists in Hong Kong.

This process was a joint project of the British (through Hong Kong), Henry Kissinger (first as the U.S. envoy who “opened up” China and then in his business capacity as head of Kissinger Associates, Inc.), and the murderous Deng Xiaoping dictatorship. Now the process is being duplicated throughout Asia, at the same time that the relevant London

and Beijing banking operations are being virtually merged under the cover of the ongoing transfer of Hong Kong back to Chinese control.

## The southern Silk Road

The center of the world’s opium and heroin production is the Chinese province of Yunnan on the Burmese border (see map). When Kissinger arranged the “opening up” of China in the early 1970s, he also arranged for the redrawing of the map of the drug production area known as the Golden Triangle, leaving China out altogether. Since that time, the title of world drug king has been placed on the unlikely figure of jungle warlord Khun Sa in Burma (Myanmar), while the Chinese were painted as Sunday School clean.

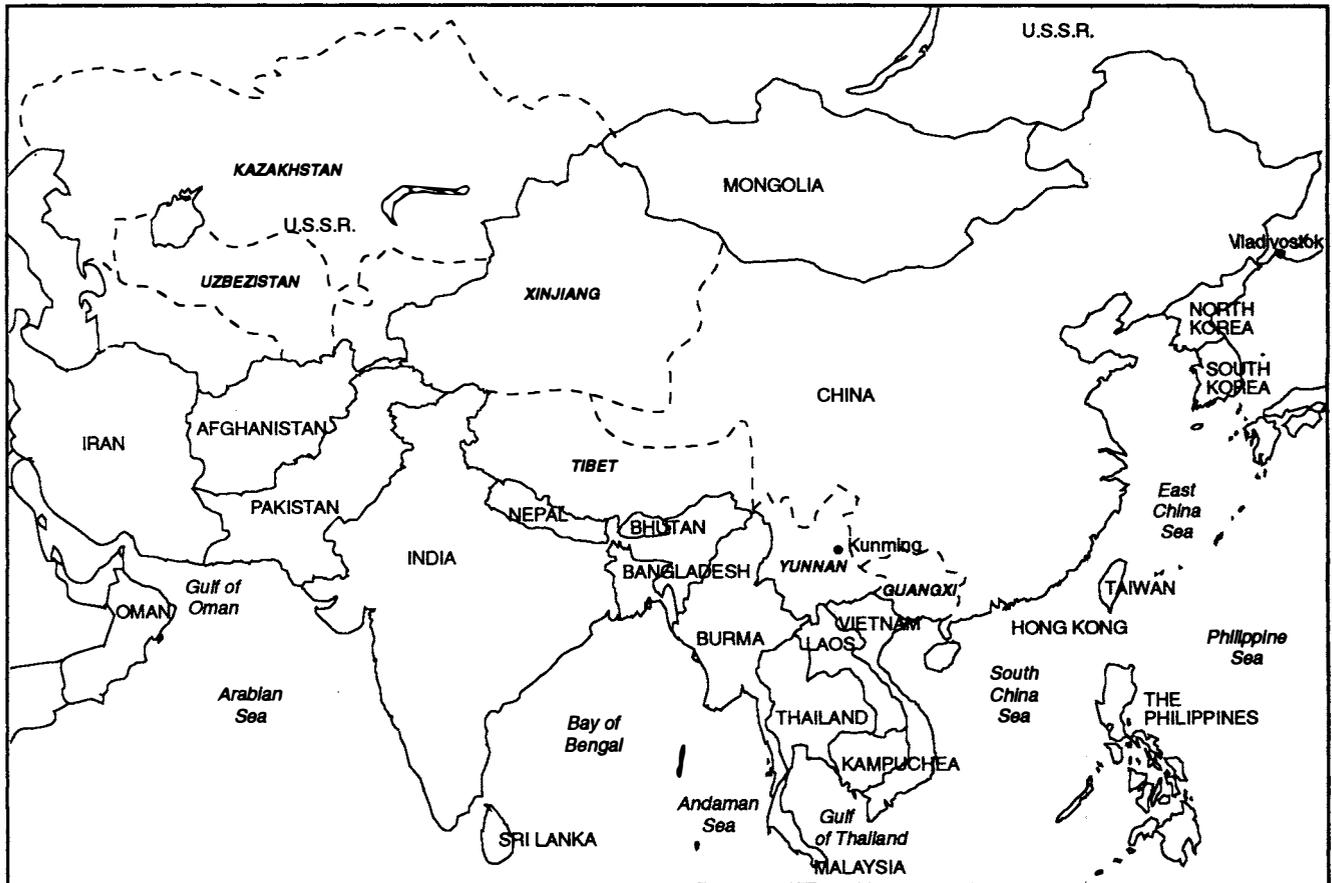
This cover has broken down now, as the economic collapse in China has resulted in the massive increase in the *internal* drug use problem in the P.R.C. Beijing blames the drug problem on “imports” from Burma, but in fact Burma is a virtual Chinese client state. While the P.R.C. supplies arms for the Burmese Army, which exercises a military dictatorship in the country, the border area has become a Chinese protectorate, with the Chinese currency (the renminbi) in use on both sides of the border.

For the first time since the 1960s, China is putting funds into the development of Yunnan. Some of the funds are to develop the massive hydroelectric potential, which is commendable, although this is only being done to provide energy via long distance power lines to the Special Economic Zones adjacent to Hong Kong.

But much of the investment is directed at opening up the old “Silk Road” routes through the Yunnan provincial capital of Kunming, which have served as the primary drug routes since the British introduced opium into China by force in the last century. Three routes are being revamped and developed, with roads, rail, and bridges: one through Burma to the west leading into Bangladesh and India, one through Burma to the south through Laos and Thailand, and one through Vietnam leading to Haiphong Harbor.

In addition, the Chinese province of Guangxi has announced the establishment of multiple free trade zones along its border with Vietnam. This puts an ominous coloring on the recent leadership changes in Vietnam, where even the world-renowned figure of Gen. Vo Nguyen Giap has been

## The dope bankers' Asian theater of operations



dumped in favor of leaders reputed to be open to the free trade demands of the West, and willing to repair the hostile relations with China on the basis of re-opening the drug routes through Haiphong.

### The Golden Crescent connection

To the west, a similar pattern has emerged among the lightly populated regions and nations of Central Asia. Mostly Muslim, and of Turkish or related nationality, the Soviet republics of Kazakhstan and Uzbekistan, the Republic of Mongolia, and the Chinese Autonomous Region of Xinjiang have all to one degree or another been brought into the orbit of U.S. Secretary of State James Baker and the Dope, Inc. economists. These areas are contingent to the second major drug production center, the Golden Crescent, spanning the Central Asian nations of Iran, Afghanistan, Pakistan, and extending up into the Soviet republics on the Chinese border.

The president of the Soviet Kazakhstan Republic, Nursultan Nazarbayev, has emerged as a favorite of the U.S. State Department, playing a lead role in the Bush-Gorbachov summit in July and as a "moderator" between Gorbachov and

Russian President Boris Yeltsin. Nazarbayev is planning the creation of 15 free trade zones on the Chinese model, following a tour of the zones on the China coast and agreements reached with the Chinese border region of Xinjiang. A University of California economist has attached himself to the communist leader, providing direction for privatization on the Sachs model.

While the free trade structures that facilitate drug trafficking are being put in place, "drug control" experts from around the world held a meeting in Kazakhstan on July 24 on "methods to combat illegal drug cultivation." Just before that meeting, U.S. Assistant Secretary of State Melvin Levitsky, who is responsible for drug matters, spent several days touring Yunnan province. These are the same State Department networks which arranged the surrender of Colombia to the drug mafia under the cover of "solving" the problem of drugs and terrorism. Their intention is to *control* the drug flow, not to stop it, with legalization on the agenda.

One of the first foreign interests to invest in this area of Soviet Asia is Shaul Eisenberg, an Israeli citizen with multiple Asian connections, who has invested in cotton production

in Uzbekistan. Eisenberg has extensive holdings in coal mines in Yunnan province, an area rich in drugs, but not in coal. Coal is, in fact, a particularly unprofitable industry in mainland China. Eisenberg showed up in Moscow for the Bush-Gorbachov summit, meeting with Gorbachov for an hour together with ex-Israeli Mossad deputy chief and ex-director general of the Israeli Foreign Ministry David Kimche. Kimche, who was the primary conduit for the covert U.S. arms sales to Iran, also brokered the establishment of relations between Saudi Arabia and China in the late 1980s, including the Chinese missile sales to Saudi Arabia.

### Mongolia's 'Sachs-change operation'

To the north, Mongolia, a vast country with only 2 million people, has become the center of attention for Secretary Baker and his friends from Harvard. Released from Moscow's grip in the aftermath of the eastern European revolutions, Mongolia has become a toy in the hands of Harvard's Jeffrey Sachs. A Harvard team of eight economists is opening up a stock market, privatizing 70% of the state enterprises, creating free trade zones, and devaluing the currency by 600%, while bragging that "the shock here is far greater than anywhere else in the former socialist world." Even the U.N. representative admits that no one is going to invest in a country that doesn't have a single spare part.

Nevertheless, six or seven free trade zones are being opened up. Naidansurenin Zolzhangal, a 26-year-old with an economics degree from Budapest University and six months' training at Harvard under Sachs, has been placed in charge of the nation's central bank and the stock market project. His vision for the nation is captured by the following comment on the certain failure of the privatized firms in the stock market: "So what if the shares fall? People have to pay for their illusions. Before, all those wise guys in the party decided for us. Now we decide for ourselves."

Completing the encirclement of China, the Russian Republic has created a free trade zone in Nakhodka, next to the Pacific port city of Vladivostok. This zone is specifically geared toward the diamond trade, with 99% of the Soviet Union's diamonds centered in the area. The diamond trade has historically interfaced with drugs and money laundering.

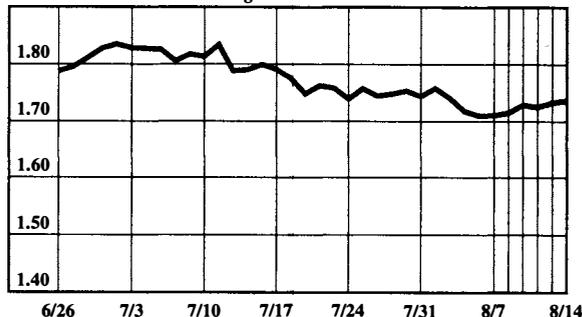
### The condominium

These various arrangements are predicated on the condominium agreements among the Anglo-Americans, the Soviets, and the Chinese. However, as the reality of the breakdown crisis on both sides of the condominium becomes increasingly apparent, these agreements could collapse. The Central Asian Dope, Inc. apparatus will have enormous strategic importance, as it did in the 19th-century "Great Game" conflicts over the colonization of Asia. Just as the "Great Game" led inexorably to the Great War of 1914, so the failure to reverse these policies today will lead to the replay of that historic tragedy.

## Currency Rates

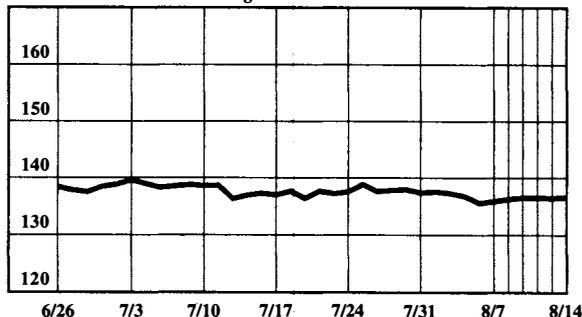
### The dollar in deutschemarks

New York late afternoon fixing



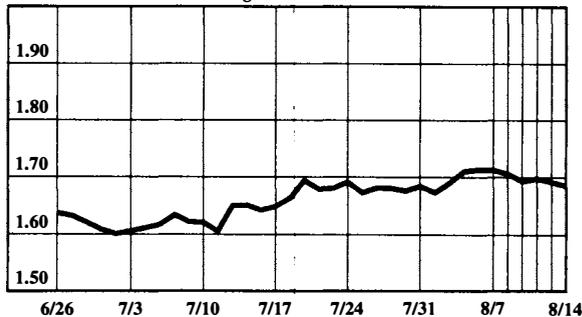
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

