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PRIME MINISTER

16 April 1985

DRUG ABUSE; MEETING ON TUESDAY 23 APRIL 1985

The human misery and social and criminal problems of drug abuse are severe. The Government should take strong action now to combat it, although growth in drug taking is all too likely to continue.

We have reduced customs officials by 1,000 since 1979 while drug addiction has risen sharply: our critics may wrongly suggest these are related. There is a danger we may be seen to be doing too little too late. Present plans of the Ministerial Group on Drug Abuse will run out in 6-9 months unless new resources are found for their programme.

The Home Secretary lists the action taken so far and the proposals of the Ministerial Group in the attached paper, covering work from: HO, DHSS, DES, FCO, HM Customs and Excise, ODA and the territorials. The following are the options.

1. Do we need a Cabinet level drug supremo? The Home Secretary is the right Cabinet member to direct the work of the Ministerial team chaired by David Mellor, who is doing a good job. A special drugs Minister in the Cabinet would attract too much attention whilst not being able to do anything more to cure the problem. Robert Maxwell can be answered on this basis.

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2. Should the Treasury join the Ministerial Group? Yes, the Treasury should follow up tax fraud by drug barons and could help the work of HM Customs and Excise.

3. More International Agreements? Yes. There are a number in place and more publicity and work should be given to making existing extradition, Narcotics and Council of Europe work. In particular, we must sign the Mutual Assistance in Criminal Matters Protocol, 1967 and the Convention on psychotropic Drugs, 1971. The Home Office dislike the former but are just being slow about the second.

4. What are the specific options? - Chronological order.
 - a. Source of drugs:

There is no substitute for good intelligence on drug movements.

Pakistan: source of 80% of heroin: much now from Afghanistan. One British customs official - most effective. Disagreement as to whether Zia is providing bona fide help? FCO are satisfied that there is a genuine political will. Mellor seeks 1-3 extra officials to gather information to enable interception.

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South America: major source of cocaine. Mellor asks for 1-3 officials to be posted there. This is the major danger area because there is a world glut of this hard drug.

US-type "designer drugs": these deadly home-produced US drugs - worse than heroin - can be outlawed by regulation under the 1971 Act but a public statement is needed.

India, Turkey and Far East: lesser sources of heroin but Mellor requests one customs official stationed in Bombay.

United Nations fund for drug abuse control received more than £1,200,000 last year from UK. It funds crop substitution and training. FCO approve. It is not certain whether crop substitution will be effective, especially as most of the money channelled to Pakistan can have no effect on the major source in Afghanistan.

- b. The transit of drugs
- i) The Netherlands: this major centre for the transit of heroin has one British policeman. The Ministerial group will call for another official, probably a customs officer. Dutch national action

is viewed by Scotland Yard as lax. You could take this up in bilaterals.

ii) Spain : the major transit centre for cocaine from South America. We need an official there now. The Extradition Treaty with Spain is about to be concluded.

c. Entering Britain

160 extra customs officials were in place last year. They are fully stretched and the Director of Customs requests more officials. 100 extra would cost £2 million pa. There is a limit to the number of passengers that can be stopped without bringing ports of entry to a standstill, but more tip-off gathering is crucial (eg on 28th March 1985 cocaine worth £600,000 found strapped to the body of a Briton arriving at Gatwick from Venezuela).

e. Sale and Use of Drugs in Britain

Action: drug squads are effective but 600^{police} deal with half the problem and 38 in the Met District deal with the other half. This must be resolved. Met. Police say they are overstretched and urgently need more. The Central Drugs Intelligence Unit (police and customs) is invaluable. Overlap between police and customs is being avoided with difficulty. The

outstanding dilemma can be resolved by you. You could stop the wasteful duplication between this unit and the Customs' computer unit. More revenue fraud investigators would be invaluable against drug barons who move illicit untaxed profits from drugs as quickly as possible into legitimate business (at present 100 total for all evasions). ^{inspectors are the}

The Home Secretary's statement (page 5 of Statement of 1982 flagged) on forfeiture does not feature in current plans. They should be put back on the current agenda as priority measures. The tracing of assets must be improved and the unexplained possession of assets should shift the burden of proof.

A schools' programme is planned by DES costing £5 million to establish anti-drug officers in each LEA. Instances of teachers peddling drugs (eg R v Richard Catherwood, November 1984 - an ILEA teacher) should be given severe sentences and more publicity by Ministers. Home Office work to force teachers to reveal convictions should be speeded up (they should announce a result this Summer).

f. Countering Addiction

DHSS have spent a valuable £7.5 million pump priming private initiative and voluntary agencies. This is

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excellent but much more can be done. More co-ordination and training conferences for these voluntary organisations could inspire more self-help groups and parent initiatives. This would be best organised on a regional basis and would provide good publicity for the Government. More money is needed on rehabilitation, specialist staff and more beds (there are only 150 beds for drug cases nationally). Costings attached in appendix 1 and DHSS action Flags A1-F1.

5. Should cannabis be legalised? No, there is no evidence that taking cannabis leads to hard drug taking, but may well have other health dangers (DHSS).
6. More Publicity? The £2 million publicity drive has been mostly successful. More is needed, especially of even moderate drug hauls and of convictions. Flag D - today's major success.

Conclusion

David Mellor has just returned from a successful trip to America studying their approach to the problem. But please note that America has spent \$4.5 billion with limited return. (They spent so much, partly because they waited until the fire was burning.) We recommend that you support:

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- a) more intelligence gathering officials;
- b) more customs officers;
- c) amalgamation of Data base from Central Drugs Intelligence Unit with the Customs & Excise Computer Unit;
- d) pump priming self-help groups to treat and rehabilitate addicts;
- e) an attack on the assets as well as the liberties of drug barons;
- f) more international co-operation, agreements and pressure put on the Dutch to act.

H. Booth.

HARTLEY BOOTH

NB

Interviewed: Assistant Commissioner of Police, Chief Superintendent of Met Drugs Squad, Director of Customs & Excise, Ministers and Officials in all relevant Ministries and operational work.

Visits: Central Intelligence Unit etc.

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APPENDIX 1

LIKELY RESOURCE IMPLICATIONS (OUR RESEARCH)

- MELLOR'S GROUP LIKELY TO ASK FOR MORE

	£
6 new customs officials abroad	0.5 m
100 more specialist customs drugs officials in the UK	2.0 m
<u>Police</u> : Cmnr will ask for 250 more officers for drugs work. Allow 200 from reallocation and 50 extra.	1.5 m
1 new police post abroad (Madrid)	0.1 m
DHSS extra places for detoxification, places for rehabilitation, specialist staff in each region and staffing more beds	10.0 m
DHSS further pump priming encouragement for voluntary organisations	5.0 m
DHSS regional conferences and training for voluntary organisations	0.5 m
Publicity - mostly media stories - free 'Robert Maxwell' etc but launch further initiatives	0.5 m

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DES posts for Drugs Training Officers and literature	5.0 m
25 Treasury Drugs/Fraud Investigation Unit Officials	<u>0.5</u> m
<u>TOTAL</u>	25.6 m*

* Offset money from forfeiture of drug barons' assets under new legislation from an estimated £500 million illicit profits in last two years. Also offset cost savings of opiate drugs currently destroyed by transferring usable drugs from customs warehouses to NHS use.

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THE TIMES, FRIDAY 19 APRIL 1985

£2.5m haul of cocaine at Heathrow

By Stewart Tendler

Customs investigators were questioning two Brazilians yesterday after 14 kilograms of cocaine, worth £2.5 million, were seized at Heathrow Airport in the false side of a suitcase.

The suitcase was being brought through the green customs channel in terminal two after a flight from Zurich when officers moved in at the end of an investigation code-named Operation Rattlesnake. The seizure is the largest of cocaine destined only for the British market.

Other larger seizures have been made but the cocaine was always in transit to other countries. The size of the haul this week bears out predictions by experts on both sides of the Atlantic that Britain may face a rapid expansion of cocaine use.

A cocaine investigation team has been formed by customs officers and the operation this week was the result of intelligence work and undercover observations. The seizure compares with a total of 35 kilograms of cocaine found in Britain last year.

Prime Minister

Mr. Addison - to see
cf. Pl p.c. or drugs file.
MWA 2/1

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Heroin fight foiled by Pakistan

by Simon Freeman

WESTERN EFFORTS to stem the flow of heroin from Pakistan, which provides 80% of the heroin sold in Britain, Europe and the United States, are being wrecked by corruption within the Pakistan government and narcotics agencies.

An investigation in Pakistan and Britain by The Sunday Times has discovered that:

- Drug smugglers convicted by Pakistan courts are still operating openly after bribing police.
- There are growing heroin-addiction problems among Pakistan's narcotics agencies, including key airport security officers. The Pakistan government is now sending officers to

hospitals for checks to see if they are addicts. Some officers are going to doctors privately and offering bribes to be cured.

- Regular payments are made by drug dealers to Pakistan narcotics officers. In Karachi, a heroin market is thriving under police protection.

This news comes as the heroin crisis in the West grows steadily more serious, despite the successes of narcotics agencies in seizing heroin shipments. A national survey of the drug crisis in Britain, due to be published in two months' time, is expected to show a sharp increase in Britain's addict population. The extent of the problem and its growing

threat was first revealed in a series of articles in The Sunday Times last year.

In Pakistan, however, Western narcotics and intelligence officials admit that corruption is a serious obstacle to their efforts to halt the traffic in heroin. They are becoming increasingly frustrated at the failure of the Pakistan government to tackle the problem.

They told The Sunday Times that Pakistan would remain a main exporter of heroin until the local narcotics agencies were cleaned up. One official said: "The scale of the problem is immense. The Pakistan law enforcement agencies are not interested in anything except

making money out of drugs. A lot of people here are making a fortune."

Another official said: "Very few big people in the heroin business are ever arrested here. And if they are, then they buy their freedom. We can't even give the narcotics agencies here information from our head offices without being sure they won't sell it to the drug dealers."

There are signs that Western patience with the Pakistani authorities is running out. The Americans, who plan to give more than \$3m in aid to the Pakistan narcotics agencies next

year, say they are not satisfied with their performance.

"We think the government of Pakistan should pay more attention to the work of the narcotics agencies," said Don Yellman, from the State Department's bureau for narcotics matters. "Law enforcement could be improved. We would like to see Pakistan's concern about drugs translated into action against the major traffickers."

Yellman said that American economic and military aid to Pakistan - the current package totals \$3 billion - was dependent on the country "making

satisfactory progress" in fighting drugs. He added that "narcotic task forces" set up in Pakistan and funded by America "had not distinguished themselves making arrests". He said: "The major dealers are not being convicted."

The flood of heroin from Pakistan led to narcotics agents from Britain, the United States, Australia, Norway, Holland and West Germany being posted there. The Americans plan to increase the number of their Drug Enforcement Agency officers from 11 to 14. A senior officer from British customs is currently visiting Pakistan and is likely to request that one or two more officers are sent to back up Michael Stephenson,

the customs officer who has been in Karachi for a year.

The presence of Western narcotics officers has undoubtedly meant that more heroin is seized in Europe and America. "Since I've been here there has been information which has helped make seizures in the UK," said Stephenson. "In that respect we have had success. How much success? It's too early to say."

But the work of the Western agents is being undermined. Pakistan customs, police and intelligence officials admit that drug dealers paid huge, regular bribes to local narcotic agencies to ensure the safe shipment of heroin or to guarantee they were not arrested.

There are regular seizures of heroin in Pakistan but Western officials say leading dealers are never caught. They also believe much of the seized heroin is resold by local narcotics officials. Even Pakistan officials admit that "big fish are never caught".

The arrest in Karachi last month of Mushtaq Malik, nicknamed the Black Prince because he owned a bullet-proof black Cadillac and alleged to be one of the world's richest heroin barons, does not, according to Western officials, signify a new crackdown on the smugglers. They say Malik was only arrested because he insulted a senior army officer.

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Other smugglers remain free. One man, sentenced by a military court last September to three years for drug smuggling, is living openly in an exclusive part of Karachi. One police officer said: "There's no harm in telling you. Other agencies know where he is. He must be paying them a lot of money. The bastard never paid me."

Another police officer said: "I saw him the other day. I tried to catch him but could not. I would have got a lot of money from him for letting him go."

At Sohrab Goth market in Karachi, heroin is sold openly despite the presence of traffic and other police. Several police officers said that raids on the market had been banned. "We are told that we have to consult the local people before we raid it," said one police officer.

The heroin trade has brought a new crisis to Pakistan. There were few heroin addicts there in 1980. It is now estimated that there are between 200,000 and 500,000 and the number is rising. The addict population includes growing numbers of narcotics officials.

One doctor told The Sunday Times: "We are getting heroin addicts from the customs, excise and airport security. The government is very worried. It is very sensitive. Out of 40 airport security people sent to me for screening 30 were heroin addicts. You can imagine the magnitude of the problem".

● Four Britons have been arrested in Bogota, Colombia, on charges of planning to ship £70m worth of cocaine to Britain. The men were named by Colombian police as William David Chapman, Peter David McNeil, Michael Frederick Rolfe and Anthony Henry Lavene.