

# Afghanistan: U.S. Escalates the Illegal Drug Industry

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Global Research, February 25, 2009

25 February 2009

Theme: [Intelligence](#)

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It is common knowledge that Afghanistan remains the primary source of the world's supply of opium and heroin. A recent United Nations' report claims that three quarters of the world's heroin comes from the provinces of Helmand and Kandahar. But there is also recognition that poppies are grown in almost all of the country's 34 provinces.

The western media argues that most of the production of illegal drugs is being done by the Taliban or that the Taliban is protecting the farmers. The fact that there are well known drug lords in the government of President Hamid Karzai, and many are members of the parliament, is usually ignored. Yet the Asian press carries photos of "narco palaces" in Kabul and describes the local "narcotecture." The Afghan population is well aware of the close ties between the drug lords and the government.

Of course this is quite embarrassing to the U.S. government, which put Karzai in office and created the present Afghan constitution and system of government. Thus Hillary Clinton, nominated for Secretary of State, created quite a shock when she referred to Afghanistan as a "narco state" in her testimony before the U.S. Senate.

Forgotten in all this is the key role that the U.S. government played in the development and expansion of the illegal drug industry in Afghanistan. It goes back to the decision made in July 1978 by the administration of Jimmy Carter to give aid and assistance to the radical Islamists in their rebellion against the leftist government of the Peoples Democratic Party of Afghanistan.

## The CIA and the Afghan Drug Trade

The U.S. government devoted billions of dollars to the proxy war in Afghanistan. Most of this was funneled through the Pentagon's infamous Black Budget, secret funds for secret operations. In 1981 this budget was estimated at \$9 billion but rose to \$36 billion by 1990. The CIA obtained cash to buy weapons and other equipment which was then channeled to the Islamist rebels.

In the Afghan operation the CIA provided cash to the Pakistan government, primarily through its accounts with the Bank of Credit and Commerce International (BCCI), best known for laundering illegal drug money. As John Cooley notes, "The CIA already had a history of using corrupt or criminal banks for its overseas operations." In the 1980s the CIA and the Pentagon's Defense Intelligence Agency were using the BCCI for covert operations. First American, in Washington, D.C., was one of the CIA banks of choice, and it had been acquired by BCCI.

BCCI had close links to the Pakistan government. During the Afghan jihad BCCI officials

actually took control of the customs house at the port of Karachi where shipments of arms were sent by the CIA to Pakistan's Inter-Services Intelligence Directorate (ISI). They made cash payments to the ISI, part of which were payoffs, but large sums were also needed to finance the transportation of armaments to the Afghan border and beyond. As Brigadier Mohammad Yousaf reports, much of the CIA aid came in the form of cash. This was used to purchase hundreds of trucks and thousands of horses, mules and camels, in addition to the materials needed to build the training bases for the mujahideen fighters.

The CIA would inform the Pakistan government about the shipments. When the armaments and supplies were landed in Karachi they came under the control of the National Logistics Cell of the Pakistan army and the ISI. They trucked the materials north to the various bases. On the way back the trucks carried opium and heroin for export from Karachi, mainly to the United States. Some of the heroin factories were directly under the control of the ISI, and the whole operation had the support of Pakistan General Fazle Haq, the protector of the industry. President Muhammad Zia-ul-Haq had appointed him the military commander of the Northwest Frontier Province. He was also directly involved in the heroin trade and laundering money through the BCCI.

### The Islamist Drug Lords

Many of the key Islamist commanders and warlords were heavily involved in the illegal drug industry. One was Yunas Khalis, a brutal commander who boasted of the slaughter of prisoners of war as well as defectors from the PDPA government. Based in Helmand province, he spent much of his time fighting with other commanders over the control of the poppy crop and the roads and passes from the poppy fields to his seven heroin laboratories at his headquarters in Ribat al Ali. As Alexander Cockburn and Jeffrey St. Clair point out, at this time around 60% of the crop was produced under irrigation in the Helmand Valley, developed with a grant from USAID. This is still largely true today.

The biggest producer of heroin was Gulbuddin Hekmatyar, the primary recipient of CIA funds, who maintained six heroin factories at Koh-i-Soltan. He was in competition with another favourite commander of the U.S. government, Mullah Nassim Akhundzada, for control of the poppy crop produced in the Helmand Valley. The cash from the sale of the opium and heroin was channeled through accounts in the BCCI.

In the north, poppy cultivation and heroin production were primarily under the control of commanders Abdul Rashid Dostum and Ahmad Shah Massoud, both of whom were key allies of the U.S. government, particularly after the fall of the Marxist government in 1992. The fruits of this industry were exported through the Central Asian Republics via Kosovo and Albania and into Europe. It was estimated that this source accounted for around 60% of the European market. To this day commanders in the North, now in the Karzai government and the parliament, engage in production and trade. But this is overlooked by the North American media.

It was not only the U.S.-backed radical Islamists who were in the drug business. One of the key players was Sayad Ahmed Gaylani of the moderate National Islamic Front, who was very close to the exiled King Zahir Shah. The Soviets argued that Gaylani produced and exported more illegal drugs than Hekmatyar.

Afghan poppy production tripled between 1979-82, and according to figures from the U.S.

Drug Enforcement Agency, came to dominate the heroin market in the United States and Europe. The DEA reported that by 1984 51% of the heroin supply in the United States came from the operations of the U.S. allies on the Pakistan border. The situation remains the same today. It is estimated that the illegal drug industry presently accounts for around 50% of Afghanistan's gross domestic product.

*John W. Warnock is author of Creating a Failed State: the US and Canada in Afghanistan. Halifax: Fernwood Publishing, 2008.*

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