

PART SEVEN

THE STORY OF THE SNAKE AND ITS TAIL

*The Problem*

This complicated *History of the Opium Problem* from about 1600 to 1950 has brought us to all the corners of the world. It is inappropriate in this last chapter to come up with something like conclusions or “lessons to be learned for the future”. This future, the history of this problem from 1950 to the present (and later!) must first be told and analyzed. The dark predictions of Ahmed Rashid in the Preface do not sound very optimistic, but we cannot avoid describing the paths to that future, analyzing the problems or testing propositions. The aim of this last part is to do this concisely and not very systematically.

If this history needed to be abridged to a few one-liners, we could use: “The West produced the Opium Problem for and from the East” or “In the period 1900-1950 the West stumbled into the reverse movement” or “The West has now become the China from after the Opium Wars” or “The Snake (for many in the proportion of a Dragon) has bitten in its own tail which can lead to a lethal injury” (Rashid’s prediction).

Interested readers cannot be satisfied with this. For them, the following reflections are made, which supplement those given after every part of the study. First, they *describe* more or less basic elements of *the Opium Problem*, starting with a kind of problem definition. Next, the specific *history* of this problem will be annotated through some main features, followed by *interpretations* of both the problem and the history at issue. In short: the *History of the Opium Problem* is too complicated to be captured in one-liners or in conclusions.

1.

The following six main elements of the original Opium Problem show its complexity from the very beginning of its existence.

There is, first, a *producer/production Opium Question*. It is formed by a Dutch overproduction of opium in Bengal and an underconsumption of VOC opium in Malabar and the inability of the VOC to pay for the Malabar pepper in cash. This is, in my view, the origin of the Opium Problem in world history.

Using opium (for the East) in order to buy a bulk good like pepper (for the West) leads to the creation of opium *as a mass product* with some invented market price. This was not a simple question of supply and demand, but more a matter of “challenge and response” in the framework sketched. From the end of the 18th-century onwards, the English had to cope by exchanging opium for Chinese tea; this also increased the activities of all competitors in both the tea and the opium trade and production.

If the Dutch had not waged so many wars against their competitors, they would have had cash enough to pay for the pepper: instead, they decided to use opium as money. From a commercial point of view, certainly a clever idea at the time, and in the long term it provided the Dutch, English and French with unheard profits unmatched by any other trade product until oil.

The effects after 1663 were that all competitors of the Dutch (first and foremost the English, but also the Portuguese or French) started to increase the production of opium and used it in exchange for pepper or as money to buy other products. This attracted merchants from everywhere, including pirates, “smuggling” or selling the stuff and eager to make a profit as the Dutch were doing. The consequence was that, particularly with opium, the harsh competition led to large quantities of cheaper opium on a market: even the Dutch with their import and export monopolies had to exchange one pound of opium for 110, 100, 60 and even 50 or 40 pounds of pepper.

Second, there is a *quality Opium Question*: the VOC Bengal quality was soon given a higher commercial and user’s value than the indigenous one from the Middle East or from Malwa. The English experienced the same opium competition between Bengal and Malwa about 150 years later and solved it by military and bureaucratic force. After this internal Indian Opium War (ca. 1800) the English had to deal again about 75 years later with the same kind of difference between the Bengal opium and the indigenous Chinese one.

This leads, next, to a *consumer Opium Question*. The quality differences already determined to a large extent not only the price, but also the kind of consumers. In the former period the relatively small quantities were consumed by the elite as medicine, for pleasure and, eventually, for killing competitors. Now a tension arose between the rich and the poor or less rich people. This developed in such a way that by the end of the 19th-century, the “less rich” were transformed into the poor thanks to the intro-

duction of a new management construction called the *Opiumregie*. The poor often had to consume poor quality stuff mixed with all kinds of undefinable fillers; more often than not, this was an additional assault on their health.

Another crucial element of the consumer side is that the intruders actively searched for consumers, if needed by force, in order to continuously enlarge the opium market. The most "healthy" supply and demand was formed by as many addicts as possible. The continuous state of war introduced in the realm by the assaults of the Portuguese and Dutch created this market through the fighting customs of the many thousands of *nayros*, indigenous warriors.

Whether a *social-cultural Opium Question* arose on the Malabar coast should be studied anew. Anyway, travelers' reports mention several times how these *nayros* were stupefied by the drug and killed en masse by the Western weapons. Furthermore, the frenetic attempts to spread Christianity lead to remarkably xenophobic, intolerant or racist remarks and probably segregation measures. In addition, opium was reserved for the pagan primitives and not for the Europeans.

This immediately created the *moral Opium Question*: the Dutch decision-makers knew *beforehand* how bad this product was from the literature (Van Linschoten, ca. 1595) and from the Portuguese with their rather extensive health infrastructure in Goa. The medical doctor Willem Schouten and other contemporary travelers also warned of opium's bad effects, but this was used as a reason to blame the victims, not to accuse the producers and traders as, for instance, a Persian ruler did as early as 1621. Because this indigenous ruler prohibited opium use in a production area, a *legal Opium Question* developed as well.

This original six-fold Opium Problem developed in history in the sense that new elements were added, but nothing of the original complexity was lost. In particular after the second half of the 19th-century, the medical and pharmaceutical elements were added in both Europe and Asia. Furthermore, the criminalization of the Opium Problem after about 1890 led to the establishment of an extensive underground and gangsterism.

## 2.

The Opium Problem did *not* exist in the Asian world before the 1660s. There was no opium *problem* in European societies and the Americas before the middle of the 19th-century. No opium problem in all non-Asian societies before that date. There was also no such problem in

Spanish and Portuguese Asian colonies before the competition with the Dutch got out of hand. This is remarkable since they knew about opium and its qualities. The knowledge of “Asian opium” (*afyūn*) was spread in Europe by the Portuguese. They had done much research, on which the other Europeans relied. Apart from a few Portuguese sources, the Dutch and English learned something about Asian opium for the first time in Van Linschoten’s writings about *amphioen* (ca. 1595).

### 3.

The competition among Western “colonizers” and traders in Asia must have been an astonishing and ridiculous spectacle for the indigenous people. Until the 17th-century the usual reasons for waging war inside Europe were of a religious and dynastic-political nature. For centuries trade *as such* was peaceful, including in the much more developed Arabian or Chinese trade networks; “warring trade” was identical with piracy.

However, from that period onwards and mainly outside Europe, the *combination* of religion, dynasty (state) and trade led to Western “monopoly wars”. This is nothing but the dynastic motive to become sole ruler in a market. It was the normal European way of communication with the people in the East and of the mutual European competition in the East. The result was always: the *elimination* of a specific market and, therefore, of the very basis of trade; trade in an imperialistic framework can never be “free” and was, therefore, directed by war, repression, intolerance and exclusion.

New research must be done on this topic, but also on the question of why the West started communicating in such a belligerent way with territories outside Europe from the beginning. The former answer “the Western need for slaves” is no longer sufficient. The world’s latest experiences in the Afghan opium war demand a new explanation, in which the course of the opium history should be a main feature.

### 4.

Before 1950 there were three different *opium circuits* with their own resources and histories:

a. the internal European one in which Levant (mainly Turkish) opium is distributed through Mediterranean ports like Venice and Marseille. The opium from this source is used, processed, consumed from about the

15th-century, in fact, only for medical purposes at least until 1900. The parties involved were, in particular, West European merchants, distributors (folk-healers, apothecaries, pharmacists, medical doctors) and all sorts of consumers in town and country. Until about 1860 this trade and consumption were fully legal.

Opium was one of many hundreds of ingredients used in all kinds of healing practices; it was normally mixed with other substances and never used pure. This purification, characteristic of modern science, happened in the middle of the 19th-century in the framework of a new division of labor: apothecaries, pharmacists and medical doctors, backed by a new pharmaceutical industry, distanced themselves from a “lay public” and marketed new opium products like laudanum, heroin, morphine, codeine, etc. They were used in West Europe and the USA to cure many pains and sorrows as separate medicines for all ages.

These drugs were now only available on prescription. The new professionals were superimposed on “everybody and everything else” as masters in a health infrastructure strongly intertwined with state institutions and the pharmaceutical industry. They were mainly responsible for the “side-effects”: addictions, criminal circuits, extensive policing, new authoritarian laws and so on. From this background developed the internal-Western Opium Problem at the end of the 19th-century.

b. the internal Middle Eastern-Indian one in which mainly Persian and Indian opium is distributed through ports along the coasts of the Arabian Sea like Hormuz, Surat or Cochin. The opium from these sources is produced, processed and distributed mostly for medical aims (mixed with other substances), but also for recreational purposes at the many courts. In addition, it is said that it was used by warriors going into battle and as a poison to kill competitors in princely milieus. This concerns the period from the 13th-century to the middle of the 17th-century.

c. the external European circuit prepared by the Portuguese but really opened up by the Dutch VOC as it distributed opium as a bulk product for the first time, and poppy as a cash crop. This happened after 1663 when the Dutch chased the Portuguese away and defeated them on the Malabar Coast (southwestern India), while importing opium as payment for Malabar pepper. This Opium Box of Pandora was opened exclusively in Asian countries in the framework of Western imperialism and colonialism.

## 5.

The most spectacular example of how the “Western Snake” (this time in the shape of the American CIA) bit its own tail is the transformation of the British colony Burma into one of the largest narco-military powers in the world (see ch. 24), which is probably the main opium, heroin, etc. producer for American and European consumers.

Even today, Myanmar is handled with kid gloves as a consequence of the outworn American containment policy of the Cold War. Japan, as the USA’s first Asian partner, gave Myanmar \$1.2 million to eradicate opium cultivation: in the Shan area opium farmers should be encouraged to shift to alternative crops (2003). It did not help the opium farmers, as the following quotation reveals, but benefited their military rulers.

Therefore, McCoy’s highly relevant statement at the time of the Vietnam War still sheds light on the present situation in which Myanmar and Afghanistan play the leading roles in opium business:

After pouring billions of dollars into Southeast Asia for over twenty years, the United States has acquired enormous power in the region. And it has used this power to create new nations where none existed, handpick prime ministers, topple governments, and crush revolutions. But U.S. officials in Southeast Asia have always tended to consider the opium traffic a quaint local custom and have generally turned a blind eye to official involvement ... [which] has gone far beyond coincidental complicity; embassies have covered up involvement by client governments, CIA contract airlines have carried opium, and individual CIA agents have winked at the opium traffic. As an indirect consequence of American involvement in the Golden Triangle region, opium has steadily increased [until about 1996. HD.], no. 4 heroin production is flourishing, and the area’s poppy fields have become linked to markets in Europe and the United States. Southeast Asia’s Golden Triangle already grows 70 percent of the world’s illicit opium and is capable of supplying the United States with unlimited quantities of heroin for generations to come.<sup>1</sup>

### *Its History*

## 1.

It is inappropriate to start this *History of the Opium Problem* in prehistory or antiquity, in old Indian or Chinese history before the attempts to eliminate them by aggressive representatives of the “white race” with their

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<sup>1</sup> A. McCoy et al., p. 353.

Christian civilizing mission. In all these periods, there was no opium problem whatsoever. *If* the poppy was used among many other herbs, it was for its oil or taste of its seeds, for the energy generated by burning its stems and bulbs. Only in a few cases was its juice used as an ingredient in a specific medicine for a few people. This was true for both the European history of medicines and pharmacy and for the Indian or Eastern one; for the European *teriaca* as well as for the Eastern Ayurveda prescriptions.

It, therefore, makes no sense to refer to these old histories to legitimize drug use or production today or to start popular histories of opium and other drugs to suggest that “people” are addicts *by nature*. This is certainly not the case for opium or cocaine and, of course, for their derivatives: the Opium Problem came into existence after the middle of 17th-century in the framework of Western imperialism.

## 2.

A geographical limitation of this *History of the Opium Problem* is the following. Although European imperialism also affected Africa and the Americas, it is only in Asia that opium became a spectacular means of European economic and political repression and the largest and most long-lasting source of extracted wealth. In the Americas opium was introduced not earlier than the 19th-century. Coca leaves, an indigenous South American product, were also used locally by the Spanish intruders like opium (17th-century), but as cocaine its use dates from the end of the 19th-century. Opium in Africa is a recent phenomenon now that Nigeria has been transformed into an important drug traffic center between the East and the consumer markets of Europe and the USA.

## 3.

From about 1450 small quantities of opium were not exceptional within the normal (and legal) European and later American cash “medical trade networks” on shop levels. Four hundred years later, this was still the case.

In the East, however, a very different situation existed. The quantities traded after 1650 were very much larger (bulk trade) and mostly not for medical aims, while the trade networks were narco-military ones. During a large part of this period, there was a fundamental weakness: “the West” had *nothing on offer* for “the East”, while they could get pepper, spices and many other interesting products and resources only by cash payments. Therefore, this trade was largely transformed into barter until far in the 19th-century: opium for pepper (Dutch), opium for tea (British).

## 4.

It was the *Dutch East Indies Company* (VOC) which introduced the Opium Question into world history in the period 1663 to about 1700 along the Malabar coast by starting the exchange of opium for pepper on a large scale. It is worthwhile recapitulating this historical introduction.

Until the 1660s the Dutch bought opium through the “normal” market route: in the available markets, for current prices, cash money for quite “normal” customers (the VOC itself or for its royal clients). Over the *whole* period of about 1620-1663 the maximum amount purchased and sold in this way was in total 6,000-7,000 pounds or about 160 pounds per year on average.<sup>2</sup> Indeed, this half a pound a day is a very small quantity and was used in all probability largely as medicine or as gifts to authorities. It was, therefore, a product which yielded no profit relative to its cost, certainly not for a company accustomed to 200% profits or more on its deals.

From 1663 onwards, once the Dutch were the military masters of the coast, a new policy was adopted: opium in exchange for pepper, which resulted over the next 35 years in an exchange of about 500,000 pounds, which is about 12,500 pounds per year on average or 35 pounds a day. This equals the regular consumption of many people. Only as an indication of how many, a simple calculation is sufficient: with a daily use of 2 grams per person, about 9,000 persons could be supplied. But the story is not just that 500,000 pounds of opium were exchanged for 40 million pounds of pepper only on the Malabar coast over 35 years (average of 80 lb pepper for one pound *amphioen*, the current Dutch word for opium).

It is the first time in history that quantities of opium like this were in circulation; it is the first time that they were needed to buy the top-priority product of all European colonial trade (until the beginning of the 19th-century), pepper. And it is the first time that opium replaced large payments with cash money.

## 5.

A major element in the opium history is, thus, the close connection between Western imperialism and colonialism in the East and opium importation. This happened, first, with the explicit aim to earn as much money as possible and to create the possibility to transport pepper, tea, etc. to Europe. From the end of the 19th-century, the European powers

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<sup>2</sup> See, for example, O. Prakash (1984), p. 193-195 and *passim*.

changed their *raison d'être* in the East from trade profits into exploitation through colonization. Now, opium was given an additional purpose: to make the workforce more willing, and weaken human protests.

### *Interpretation History*

#### 1.

The valuation of trade products varied greatly in the many landscapes and territories encountered: Japanese silver could be exchanged for gold in China; saltpetre was worthless or not needed in northern India, but in Europe the possession of it decided whether one could win a war or not; etc. The consequences were that Europeans always had to choose between piracy, war, robbery, conquest, paying with silver and gold bullion or bartering Asian products with Asian products. The last aspect led to an energetic intra-Asian trade by Europeans. Thanks to this, they became strong competitors of the traditional Arab, Indian and Chinese maritime traders.

The overland-trade was too difficult for Europeans and remained, therefore, in the hands of the indigenous merchants and other interests. For the new European merchant-conquerors, this overland-trade became "smuggling", which should be eliminated (stimulus for many guerrillas). Apart from the lethal competition among the European competitors, there were endless reasons on sea and land for small or large conflicts with indigenous interests. The West and the East were caught in a permanent war after the arrival of the European Christians. A Kipling question, "whether the twain shall meet", was most likely inspired an utopian naiveté.

#### 2.

It would be a serious mistake to perceive the *History of the Opium Problem* separately from the history of imperialism and colonialism of the East. This started with the Portuguese and Spaniards, then the Dutch, a bit later the English and the French; the Danes, Swedish, Russians, etc. somewhere in between. I am not referring to a chronological sequence.

After a short period in which the Portuguese were "alone", representatives of nearly all these Western countries were "on the scene". In different periods, different intruders held the hegemonic position somewhere in Asia. The Dutch and the English were the most spectacular ones and covered the largest territories. All this seems obvious, but it is not.

For the opium history, complementarity is important. In some way or another, all foreign intruders played a more or less important role, because after the Dutch brought large quantities of opium into the markets of several coastal areas in Asia, in due time all the others took over this lucrative initiative and spread the use of opium among a much larger population. The most successful were the English and their assault on China.

This led to reactions among indigenous merchants (both inside and outside “their” countries) which again deepened the penetration of opium with all its devastating social and economic consequences.

All these interests competed with each other in reaching the customers, needing as many addicts as possible, lowering prices to enter the markets, and increasing prices once a monopoly position was achieved.

### 3.

Recently, the centenary of the *Shanghai International Opium Commission* of 1909 was commemorated in Shanghai with much pomp. The *United Nations Office on Drugs and Crime* (UNODC) belonged, of course, to the organizing institutions. In many publications and websites this important event in 1909 nowadays leads to often contradictory comments.

It will be difficult to discover the differences between 1909 and today in one of the first sentences of a report:

Although the original plan was to limit the conference to the situation in Asia, it was argued that the issue could only be addressed if all the major producing, manufacturing and consuming nations attended. A compromise that ensured that delegates only acted in an advisory capacity to their governments allowed most of the colonial powers of the time to attend.<sup>3</sup>

China was in 1909 the only nation which could report progress in the prohibition of opium. It was at the time the country with perhaps the largest production and, certainly, the largest consumption. However, the whole world knew that the British Empire was the most responsible party and which Western nations it supported in their drive to fabulous drug profits.

In 1909 it was the British who objected against a realistic reporting of the drug relationships. The “poor addicts” stand was chosen to polish the

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<sup>3</sup> On the UNODC website [www.unodc.org/unodc/en/frontpage/this-day-in-history-the-shanghai-opium-commission-1909.htm](http://www.unodc.org/unodc/en/frontpage/this-day-in-history-the-shanghai-opium-commission-1909.htm).

image of the British imperial producers, let alone the involved financiers, bankers, traders or American shippers.

Of course, the other main producers-distributors like the Dutch or Japanese supported the British. Also in all following international conferences, nothing was said nor researched about the backgrounds of these producers or financiers of the Opium Problem. It took 90 years before a program against money laundering could be started by UNODC in 1997, and only because the USA had launched the so-called *War on Terrorism*.

The British objections in 1909 aimed at a bilateral agreement with China without interference by third parties. Officially, they promised to gradually eliminate their opium sales to China, while apparently expecting that China would not eliminate its own poppy cultivation. As the British inspector Hosie could see and report: the Chinese government largely kept its word, to everyone's surprise. Alas, in the period of the Chinese warlords until their defeat by the People's Republic Army and the CCP, this promising result was largely negated.

The centenary of the 1909 Shanghai conference also led to the publication of a history of this period. The preface by Antonio Maria Costa, Executive Director of the UNODC, starts with the following paragraph:

For those who doubt the effectiveness of drug control, consider this. In 1906, 25 million people were using opium in the world (1.5% of the world population) compared with 16.5 million opiate users today (0.25% of the world population). In 1906/07, the world produced around 41,000 tons of opium—five times the global level of illicit opium production in 2008. ... the illegal production of opium is now concentrated in Afghanistan (92%). Same for coca. ... Today coca leaf production is concentrated in three Andean countries: Colombia, Peru and Bolivia. International drug control can take some of the credit.

At the moment Costa has the best information about the drugs markets at his disposal. However, one may seriously doubt whether this is also the case for the historical data. Was, for instance, the world production in 1906 'around 41,000 tons'?

In 1922 the *Opium Commission of the League of Nations* estimated the annual world production at 3,515 tons. At the same time the *Committee of Experts* of the League estimated it as 8,600 tons, of which 5,000 concerned the Chinese production.<sup>4</sup> This last figure is also the bottleneck in the reasoning: for 1906 one expert gave 584,000 *pikul* as the total Chinese production and another 76,063 *chests*, which decreased to 40,000 *chests* in

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<sup>4</sup> Quoted by T. Tong Joe, p. 12, 13.

1909-10.<sup>5</sup> If one accepts that a *pikul* and a *chest* are both about 62 kg, one arrives at estimates for China alone between 36,208 tons and 4,716 tons, respectively (2,480 in 1909-10). An impossible result relative to Costa's 41,000 tons for the whole world; this apart from the temptation to show the *absolute* number of 1.5% and 0.25% of the world population in respectively 1906 and 2008!

#### 4.

At the *end* of the 19th-century, both Asian and West European developments were interrelated in some way thanks to the following developments:

- a. the Western chemical industry and science had replaced the herbal basis of drugs;
- b. the Western pharmaceutical industry and science had replaced the traditional herbal knowledge and experience;
- c. the Western missionaries replaced the usual opium-is-good-for-the-Orientals into an opium-is-bad-for-the-Western moral (and, therefore, less good for the Orientals);
- d. the Western national states, based on moral and racist concepts, started to replace the liberal non-intervention of the state by increasing intervention into the private lives of its own citizens.

### *Interpretation Problem*

#### 1.

The "mechanism" for why the situation grew from bad to worse in French Southeast Asia can be summarized as follows. The French colonists, like all other colonial regimes, were urged by the mother country-state (which was attacked from all sides, including by the anti-opium lobby) to curb opium consumption and, therefore, the related criminality. At the same time, however, these regimes wanted (and were urged by the mother country) to increase the colony's profitability. The moral wishes could be met and the greed of the colonial bureaucrats satisfied by increasing the prices on all levels and, therefore, negatively affecting the "public" consumption.

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<sup>5</sup> *Idem*, p. 25; the last two figures are from Holmes in note 4, which was published in the *Encyclopedia Britannica*.

But if these bureaucrats were not personally involved in the smuggling, they had detailed knowledge about the smuggling they stimulated. The bureaucrats' high monopoly prices stimulated the smuggler's lower prices, while increasing consumption and criminality. The strict oikoidal wish 'to remove the private profit motive that had encouraged consumption and addiction'<sup>6</sup> had, therefore, the reverse effect: opium smuggling in Indochina became more widespread after 1900 with the 100% state monopolies and was so strongly stimulated that it evolved into a real scourge.

This criminality led to new state measures, (secret) military and police organizations, more widespread corruption or a stronger competition between the various colonial governments. Through this spiral the (colonial) state and its (expatriate) bureaucrats proved their necessity: for a long period they had built up substantial experience with the smuggling phenomenon, especially with opium from the beginning of the 17th-century.<sup>7</sup> That this occurred only after the foreign powers themselves defined what was "smuggling" and criminality was silenced loudly.

The problem is, of course, that the Western state and its self-styled monopoly is representative of the foreign conquering state only. Basic to this state is, first, the policy from the mother country that the main tasks of the colonial state are to organize the *exploitation of the colony in favor of private interests in the mother country* by means of securing the safety (military) and create the preconditions for continued undisturbed exploitation (infrastructure works; legal facilities; police). The second policy guideline of the mother country immediately limits the first: the *colony has to pay for itself*. The third maxim adds to the effects of the second one: the colony has to *contribute to the wealth of the mother country-state*. This last maxim led to an acceleration of the exploitation, which would have been unnecessary if the mother country had paid for its bureaucrats.

Thus, the colonial bureaucrats (military, police, officials) had to remain very involved in the narco-military organization of the opium, cocaine,

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<sup>6</sup> E. van Luijk, J. van Ours, p. 1.

<sup>7</sup> E. van Luijk, J. van Ours demonstrate how scholars can become ideologues of a specific state policy. They had no realistic view on the effects of state monopolies in this period but concluded (p. 16) 'that the change in policy *per se* did indeed induce a substantial reduction in opium use. Apparently, by taking over the opium market the government removed the profit motive to stimulate consumption' (italics by authors. HD). Simply astonishing is the 'lesson' they derive from their analysis, 'that the consumption of even addictive drugs is price-responsive, and a policy of socializing the hard-drug trade need not be as immoral as it sounds' (p. 16, 17). What the state is doing cannot be immoral ...

heroin, etc. trade because their own income depended on the drugs profits, their own status in the bureaucratic hierarchy depended on the result of their work in the exploitation of the colony; their own possibility to make a fortune as an expatriate in the colony depended on their freedom to exploit an underground. It is only through fear and terror that this underground spread and gave these bureaucrats the freedom to fill their pockets undisturbed.

The French colonialism was quite different in its ideological setting from the Dutch or English. This concerned not only the superior position of the bureaucracy and its direct rule. In the East Asian setting it concerned the way the model French *gouvernement* opium monopoly became organized in a highly centralized and repressive way. But the most astonishing development was still to come.<sup>8</sup>

## 2.

“Opium management” by the American state was handled by McCoy et al. as the introduction of the “surveillance state” at home, imported from the colony (Philippines), where the practice of it was tested in rather rigorous form. Based, however, on this new history of the opium problem, the mechanism could receive a more universal character.

In the first place the Portuguese started in the 16th-century with a system of passports for all traders, so that their traffic and the content of the cargo could be controlled. This was done to limit the Dutch or Arabian competition and “smuggling” (their definition). The control was executed by Portuguese warships mainly in the Arabian Sea and along the Indian West coast.

The Dutch not only copied this system in the VOC period in the East Indies, but extended it much further in several ways. The Chinese traveler Ong-Tae-Hae reported that already before 1780, Chinese groups needed passports to travel around and to check whether they lived in “ghettos”. Apparently, this surveillance was introduced after the Dutch massacred about 20,000 Chinese in Batavia (1740), their main competitors in the opium trade (instead of “pious consumers”) who were always accused of “smuggling”, etc.

The French introduced the *Opiumregie* system after about 1870 in Indochina. This was also copied by the Dutch and extended into a detailed

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<sup>8</sup> A. W. McCoy et al. See also for an update on [www.a1b2c3.com/drugs/opi011.htm](http://www.a1b2c3.com/drugs/opi011.htm) based on the 2003 edition.

control system of the private lives of the addicts and users, who needed specific licenses. They established a special Opium police as well with an extensive and expensive surveillance apparatus with its own navy to control the many government opium dens and “smuggling”.

All these measures were a consequence of the opium monopoly position of the states, which they spontaneously claimed for themselves to ensure regular revenues to sustain their officials, the state bureaucracy, the army and navy. They were in fact only directed against *specific foreigners* and added, therefore, to the general racism in the colonies and at home (the Dutch, English or French did not consider themselves as foreigners: the colonies were their property, weren't they?).

The main effect of all these practices was that foreign criminals were automatically created.

This was also the consequence of quite different surveillance practices, which were described for the city government of San Francisco already around 1880, and foreshadowed the countrywide repression of non-conformist behavior of their *own* citizens by the Anslinger administration later. This is the first narco-policing of the *own* Western citizens.

While the opium surveillance activities in the Philippines colony were directed to the *specific foreigners*, in the San Francisco case their own citizens became foreigners for the bureaucracy and its leadership.

### 3.

At the end of Part 2 we showed how around 1900 the “British-Induced Opium Problem” had proliferated into a world drug problem, still with opium as its nucleus, but now with derivatives like heroin and morphine and alternatives like cocaine. The latter three products added brand-new techniques from a rather new technology (chemistry) to the opium production and trafficking. Before they left the German laboratories and factories (Bayer, Merck, etc.) or US gadget shops and created an immense drug problem, we had entered the first decade of the twentieth-century.<sup>9</sup>

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<sup>9</sup> As was the case for opium, it is useless and ahistorical to refer to some old practice from Peruvian Indians for cocaine comparable to the qat chewing in Yemen, Somalia, etc. Certainly, the Spanish colonists did deal a bit with coca leaves like the Portuguese or Dutch with *Papaver somniferum*, but they never created a problem comparable to the Opium Problem, nor made coca into a business product outside the Potosi mines in Bolivia. Coca was used there to stimulate the miners to work harder and longer. The Spaniards were much less commercially oriented than the Portuguese; they were the settler colonists who used drugs to extract more energy from the slaves on their plantations, mines, etc. No, cocaine was re-invented by German chemists as a new drug in the second

The problems related to these new chemical products became first and foremost confined to the Western world, in particular the USA. In addition, the whole infrastructure created by the opium production and trade through the official and illicit channels has made it much easier for these new Western products to find a world market. In reverse, the opium which was largely confined to the East Asian countries could now come much more easily into the Western hemisphere, not in the least because heroin and morphine are derivatives from the same *Papaver somniferum*. Therefore: without opium, no heroin and morphine. Indirectly, the enormous financial profits created by the opium production and trade must have been the stimulus to give cocaine its very quick expansion.

To show how the West received “a cigar from the own box” and created many present world problems with its new chemical products, it is not necessary to go into detail about the chemical background and characteristics of the products involved. The experience with opium and the Opium Problem was definitely the basis on which the new products could be launched successfully. That happened in particular in the period 1900-1940. What happened during and after World War II was an exponential growth of the same problem.

#### 4.

The chapter devoted to a *History of the USA Opium Problem* became a consumer-oriented story for two main reasons: after the Civil War the USA discovered a serious Opium Problem at home. The very fine Christians with their bright Bible knowledge who now occupied this ex-British colony discovered nearly always the mote in their brother's eye and never the beam in their own. Certainly, in particular the USA was increasingly the victim of massive opium imports from all corners of the globe.

In addition, its own new pharmaceutical industry, mainly busy with opiates and cocaine-related medicines, contributed seriously to the medicalization of Americans. Secondly, the “side effects” of this victimization were counterattacked in several ways:

- a. the prevailing view of the opiate addiction as a vice;
- b. the guilt was largely placed on the back of the Chinese. At the end of the 1960s, a serious researcher of the narcotic problem wrote that

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half of the 19th-century and became a commercial product creating a Cocaine Problem in the beginning of the 20th-century.

there is a mystic scene of oriental opulence where languid mandarins gently puff ivory-inlaid pipes, filling the air with a sinister blue haze.<sup>10</sup>

- c. the pharmaceutical industry not only created part of the problem, but also came with the “solution”: medicines to cure and the experts to prescribe these medicines (further medicalization);
- d. the spiritual or moral experts had the same double-sided “face”: they created the “vice” and the “crime”, after which could come the solution: the religious prescriptions (of competing sectarians) and the establishment of a rigorous legal and prison system;
- e. the bureaucrats on the different (competing) political levels created the “vice” by adding a big increase on top of the normal market prices through taxes and duties, which made the products so expensive that smuggling had to be organized which later was called the “underground”, the “mafia” and “organized crime”.

It is not surprising that David Courtwright concluded his in-depth study on the addiction problem before 1940 with a devastating criticism:

Another fundamental feature of American narcotic laws is that they were passed, interpreted, and defended on the basis of misleading, even fraudulent, information. In attempting to assess the extent of addiction at different points in time, I have necessarily considered a variety of official estimates. These figures consistently were shaded either upward or downward, depending on whether government officials were attempting to obtain more stringent regulations or defending the stringent regulations already in place. The ethic that intelligent narcotic policy should be predicated on accurate data was almost totally lacking prior to 1940 ...<sup>11</sup>

## 5.

The following table is appropriate here without much comment. It documents an important supply side of the Opium Problem and how the “bite of the snake” functions. It, furthermore, shows the development of that “cosy” Turkish opium scene for medical aims only of the 19th-century into a post-World War II global production center (see ch. 8). This scene has now definitely lost its innocence. The expenses are related to bribes, travel and conversion; X in the first row is related to seed and labor. It is evident that there were more drug supply routes, but they did not differ much in principle.

<sup>10</sup> W. Eldridge, p. 1.

<sup>11</sup> D. Courtwright, p. 7.

Table 50. A Supply Side of the Opium Problem Around 1970 (in US\$)<sup>12</sup>

	Weight	Buying Price	Selling Price	Expenses	Profit
<i>Opium</i>					
Turkish producer to first middleman	10 kg	---	180	X	180 minus X
First middleman to agent	---	180	250	---	70
Agent to Istanbul exporter	---	250	280	---	30
Crossing of Syrian border	---	280	650	90	280
Cost of conversion of opium into base morphine	---	650	850	60	140
<i>Morphine</i>					
Crossing of Lebanese border	1 kg	850	1000	50	100
Refining of morphine in Lebanon	1 kg.	1000	1200	50	150
Transport to Beirut (couriers and accomplices)	---	1200	1500	75	225
Beirut–Marseilles (couriers)	---	1500	2000	100	400
Commission to local agent in Marseilles	---	2000	3000	200	800
Conversion to heroin in Marseilles	---	3000	4000	150	850
<i>Heroin</i>					
Marseilles–New York (couriers)	---	4000	7000	500	2500
Entry into US	---	7000	12500	1000	4500
American wholesalers	---	12500	22500	---	10000

These are moderate wholesale prices; exaggerated figures circulate widely like, for instance, 28,500 dollars a kilo in New York or 36,000 dollars a kilo in Chicago; the UN even calculated a street selling price of heroin of 430,000 dollars a kilo in 1971 ! In the American streets at the time, pure heroin was sold in bags of 5 milligram for US\$5. However, too often the addict had to pay this price for heroin “cut” with 50% lactose. Whatever the substance, 1259 people died as a result of a heroin overdose in 1971 in New York alone.

<sup>12</sup> C. Lamour, M. Lamberti, p. 67, 68.

*What Could Be Done?*

This question was posed by Alfred McCoy at the end of a most thrilling and influential scientific analysis of the modern opium problem.<sup>13</sup> The painstaking way in which he uncovered the role of secret services like the CIA in the narcotic business as the main tool in a dubious and unsuccessful foreign policy has undoubtedly produced shock-waves among largely embedded journalists, politicians and bureaucratic decision-makers. The cure of the “Commissies Problem” in Asia, mainly directed against China, has become the Western nightmare no. 1. That it was proved once again how naively the new imperialists entered the international scene with conquering plans, fully overestimating their own capabilities, is one side of McCoy’s study; an important aspect, but still a side-show, in this history of the Opium Problem.

Concerning this Problem, he demonstrated how from before World War II until the 1970s, Western governments and their bureaucratic institutions, in particular their police and army, were unable and too often unwilling to stop neo-colonial policies in which the narcotic business (always accompanied by illicit weapons deals) is a most important element.

His study also had a moral incentive: ‘to end America’s heroin plague’. It is not McCoy’s fault that his nearly heroic attempt did not have the result he hoped for. ‘Obviously, something must be done,’ he wrote, proposing to use one of the following three strategies:

- (1) cure the individual addicts; (2) smash international and domestic narcotics syndicates; or (3) eliminate illicit opium production. Since it is extremely difficult to cure individual addicts without solving the larger social problems and almost impossible to crush the criminal syndicates, the only realistic solution is to eradicate illicit opium production.<sup>14</sup>

One point can be made immediately: the first strategy does not concern my study, and there are many means available and experimentally proved for the individual curing of addicts. For the Asian countries the social treatment Chinese addicts got after 1950 seems to be the most successful one. In addition, however dramatic personal problems may be, they are minor compared to the problems related to the other two strategies. Therefore, we shall concentrate on them here.

<sup>13</sup> A.C. McCoy et al., p. 354-362.

<sup>14</sup> Idem, p. 355.

Many scholars followed McCoy's example and documented the direct (and most often indirect) assault of British and American policymakers on East Asia, more specifically on China. Carl Trocki's conclusion, twenty years after McCoy, is still correct, alas, ten years after his own well-known study:

Ironically, it was the combination of opium and warlords which on the one hand destroyed the Qing, but on the other sowed the seeds for the next opium plague, one which would sweep out of Asia and wreak a kind of poetic justice on the former colonial powers.<sup>15</sup>

Indeed, the boomerang effect of this kind of Western assault on Asia has received new a much broader empirical basis, a more complicated historical explanation and meaning in this study.

This opium history demonstrates that one thing never can be left out of consideration: to question the role of the state which hides itself in the West behind dubious Christian morality and policing or suggesting it would save its citizens from the bad world outside; it is a state which acts, *once out of sight of its citizens*, in (neo)colonies, as the worst violator of everything it stands for at home.

The Chinese history teaches us how difficult it was to resist these attacks by the West, but it succeeded by *partly* copying the quasi-invincible strongest weapons of the West, its technology and dubious imports of opium. It demonstrated an effective case of import substitution, in economic terms, while half a century later a regime came to power which effectively eradicated opium production, consumption and trade. An example to be followed by "the West"?

Other proposals to solve this opium problem are given time and again. They are mostly far from realistic. One has to consider the different market constellations also in the prohibition of private opium consumption in Western and Eastern countries, because in the former it was/is confined largely to the well-to-do circles and in the East to the poorer ones. Addens' reasonable four-point program to solve the opium problem was directed only at combating Eastern opium consumption: 1. an improvement in labor conditions; 2. better medical provision for the population; 3. control of the production of raw opium, including the prevention of illicit traffic and 4. 'above all, the filling up of the spare time of the populations by recreation and sport for instance'.<sup>16</sup> An interesting approach with

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<sup>15</sup> C. Trocki (1999a), p. 171.

<sup>16</sup> T. Addens, p. 86.

reminiscences of the successful 1950 anti-opium programs in the new China.

It is now 60 years later. The latest information about Chinese criminality refer 'to the golden years of social order in the 1950s when ... it was not necessary to lock one's door at night'.<sup>17</sup> Whether this was a myth or not is not important here: *if true*, the present situation sketched seems alarming. The author writes:

About 40 per cent of the heroin from the Golden Crescent of Afghanistan and Pakistan ... is now trafficked into China and beyond. The same percentage of the heroin originating in the Golden Triangle of Laos and Burma also flows into China ... The drug consuming market in China has exploded in recent years.

The central thesis of this new study seems to be: "the market created the crime", and this is utter nonsense. In modern China supply-demand relations for all products, services or information do not exist. That is the case, often for different reasons, in most countries in the world! She apparently does not demonstrate the relativity and proportionality of her Chinese crime and execution figures, for instance, by comparison with the "market" society par excellence, the USA: her story feeds sensationalism.

But apart from all this, the author could know that her central thesis cannot be proved or supported: the reasons she mentions herself are revealing enough. Many crimes are committed 'by itinerant rural workers fleeing the countryside, where there are too many people chasing too little work'; there is 'no criminal code' only a 'culture of punitiveness'; the corruption among police, party and government officials is widespread; large government anti-crime campaigns in the 1980s 'were encouraging crime'; serious political struggles ...

All this has nothing to do with the Market (whatever definition one uses), but with a serious malfunctioning of the state, provincial or local bureaucracies, fundamental urban-rural contradictions and discrepancies in the basic care of the people (see further Addens's proposals above). Specifically, drug criminals—social-economic criminals par excellence—can easily find out how to exploit all these bottlenecks. And, as in the case of the USA-CIA, a specific Chinese foreign policy of supporting Burma,

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<sup>17</sup> This quotation and the following data are from a review in the *Times Literary Supplement* (28-1-2011, p. 10). This is the last information I could consult for this history of the Opium Problem. It concerns a study of Susan Trevaskes (*Policing Serious Crime in China*). Of course, this book falls outside the scope of my history.

Afghanistan, and Pakistan makes China vulnerable to accepting their main export articles: drugs.

Anyway, this is not covered by this *History of the Opium Problem*. A sequel should study the reasons why the Opium Problem in the “New China” became aggravated again. In this case, one can be pessimistic about the future to which Ahmed Rashid referred in the preface; an opium future in the 1950s was for China still a ‘golden’ one.



Map 20. CIA Map of International Drug “Pipelines”, November 2009

Source: en.wikipedia.org (Drugroutemap.gif)