

MAFIA MECCA

In the shadows cast by colourful market stalls in Kathmandu, in the crowds of pilgrims and holy men and tourists, lurks a menacing underground involved in the unholy rites of black market dealings and a growing heroin trade.

On the face of things, Kathmandu seems like part of the exotic Lost Paradise depicted in travel brochures: sacred cows wandering behind Buddha-dazed hippies; lamas chanting in magnificent temples; snow-capped peaks looming on the horizon. Yet a decidedly unholy side of the city is coming to the fore. A mecca for pilgrims for centuries, Kathmandu is fast becoming heir to the great tradition of Asian decadence embodied in Shanghai in the '30s and Saigon in the '60s. Long ago, when it was an outpost on the Great Silk Route, the city's bazaars teemed with hardened traders doing brisk business in salt, spices and jewels. Now the underworld markets are flooded with priceless temple art, contraband gold and large quantities of hard narcotics.

Like a snake that's shed its skin, a new Kathmandu has come into being; one that fuses the sacred with the profane. Prayer flags mingle with pay-offs; the devout rub shoulders with the debauched; Terry and the Pirates run amok amidst monks in ritual garb. Embracing unscrupulous expatriates, scheming ganglords and corrupt officials who'll spare no expense or blood in protecting their turf, the underworld is one of Kathmandu's few growth industries. But it is by no means apparent; the city's Eastern inscrutability throws up some pretty plausible facades and the tourists who flock there in ever-increasing numbers can go away thinking they've been somewhere unspoiled.

The first circle of the underworld revolves around stolen art, a trade more or less the preserve of Westerners. Since it opened its doors to foreigners 30 years ago, Nepal has attracted a sizable expatriate community, most of whom live in Kathmandu. At first attracted to the East for religious or aesthetic reasons, many end up supporting themselves by devious means; joining what one diplomat calls "The Rugs and Drugs Crowd" — West Coast and a little seedy, whether they're Australian, European or American'.

And the temptations are rich indeed. Kathmandu's shrines and temples — loaded with centuries-old stone idols, brass statues, erotic sculpture and wood carvings worth fortunes — have been systematically looted.

It's estimated that over half the city's original art has vanished. 'Kathmandu used to be an open-air museum. Now a tradition that's lasted nearly 2000 years has disappeared in 30 years,' says a German whose photo-documentation for a book he's writing includes pictures of idols plucked bleeding from their niches. Protective bars and gratings have done little to thwart such robberies. A Nepali art professor says that out of Nepal's 200 most famous paintings from the eleventh to nineteenth centuries only three remain in the country. 'The museums in the West are to blame,' he says, and the fabulously wealthy collectors who don't care how art works get into their hands. So widespread is the thievery that the market for stone idols in London and New York is now saturated.

ORGANISED CRIME

As in other Asian cities, there has been a rise in the power and influence of gangs. In Kathmandu, one group in particular — the fierce Manangis tribe — is responsible for most of the organised crime activity, including the city's booming black market for gold and contraband currency. Direct descendants of Ghengis Khan, whose marauding horsemen swept across Asia centuries ago, the Manangis were originally from a stone-age village perched high in the Himalaya, but members have migrated to the city to seek out a fortune. Although not as bloodthirsty as the Yakuza of Japan or the dreaded Triads of Hong Kong, they can be just as ornery. A penchant for viciousness lies hidden beneath oriental reserve, signs of breeding bought at the best Asian boarding schools and good-natured drinking and archery contests.

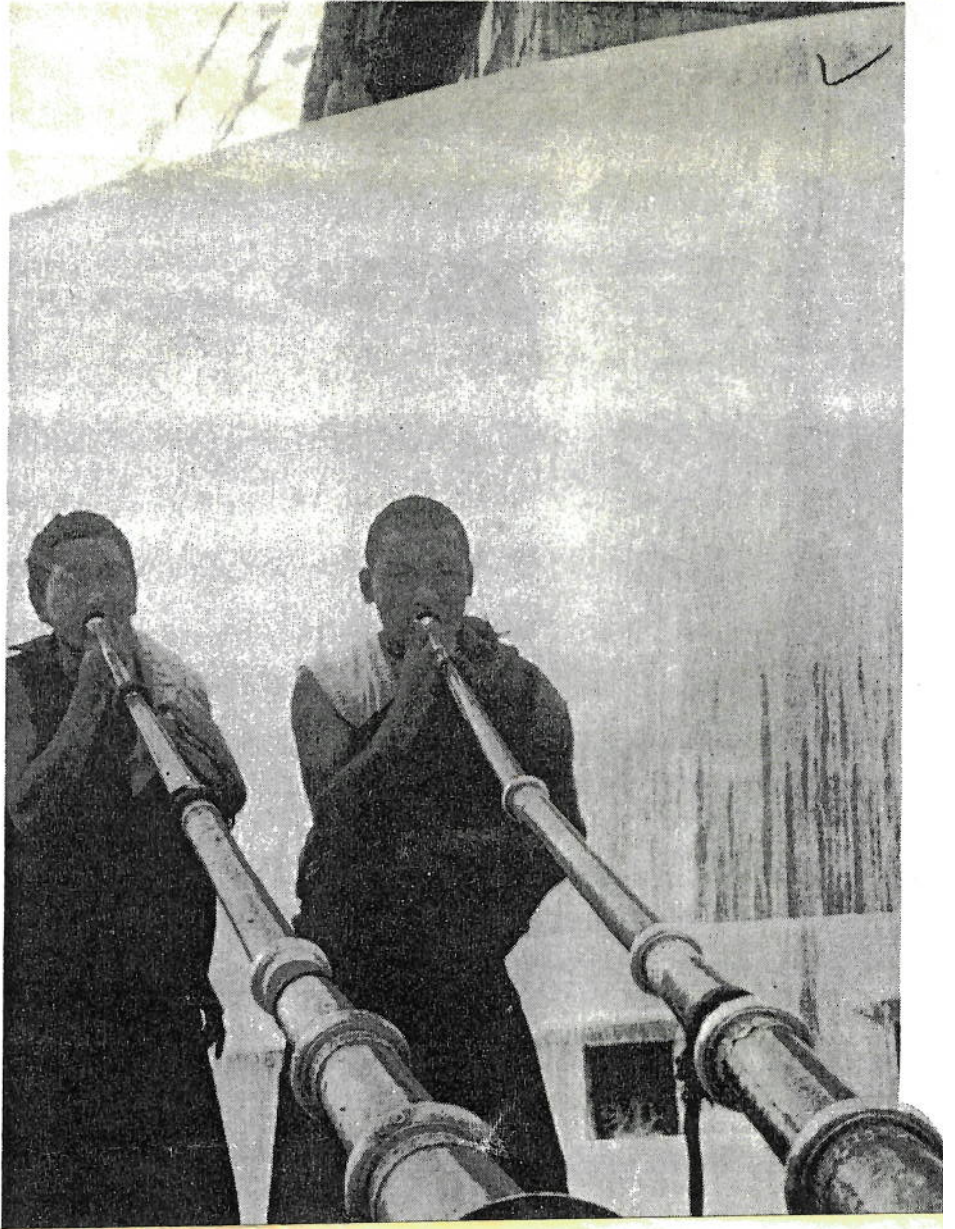
While the demand for foreign goods and gold in Kathmandu is seemingly insatiable, availability is hindered by a currency

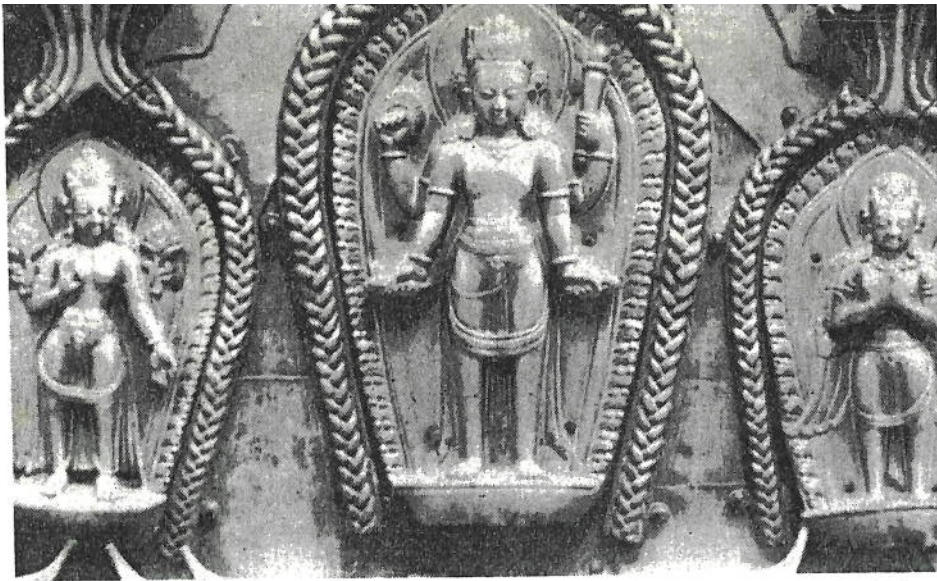


import restrictions. Consequently, the black market thrives, with the Manangis paying generous rates to visitors for foreign currency, which is then sent out of the country to buy contraband materials to smuggle back in. Practically a parallel economy, the black market network involves a broad range of people, from touts who walk the streets advertising back-alley money exchangers to fabulously wealthy bankers in Hong Kong and Singapore who launder huge sums of illicit cash aided by sophisticated computer hook-ups. Authorities make only token efforts to harass these operations; the location of money exchangers and the central black market banks are widely known. Kathmandu's notorious black market attracts the currencies of underworld figures from all over Asia as well as those of diplomats and development officials who use it to profit from personal paychecks, and, it's rumoured, from their government budgets.

While no one bothers the Manangis about accumulating US dollars for black market investments, authorities often pose problems for getting the cash out of the country and the contraband back in, usually because they want a cut. Smuggling methods and routes are constantly changing; when one is

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Photographs by Mohammed Amin, from 'Journey Through Nepal', just published by Bodley Head at £22.50.

Another indication of the scale of the drug flow is the jump in the number of addicts in the city itself. When arrangements for outgoing shipments fall through, dealers have found a ready market in the restless, unemployed youth and students, and have flooded the city with 'Brown Sugar' — a cheap grade of heroin consumed through a snorting method called 'chasing the dragon'. In 1980, say missionaries working with addicts, there were hardly any local junkies. Now more than 15,000 wander the streets with liverish, hollow eyes.

Just how much heroin is moving through Kathmandu is unknown, but informed observers say it equals many, many hundreds of millions worth. The amount confiscated is laughably low — a tribute to the influence of the druglords and to the fact that Kathmandu doesn't get priority attention from Interpol and the DEA because it's only a distributor, not a producer.

From what is known about this shadowy, entirely new link in the international drug chain, Nepalis use the two usual methods for smuggling — secreting packages in crates and cargo as well as hiring couriers — but add local touches. Kathmandu's artisans have become adept at sealing heroin inside bronze and brass artwork, burnished for an effect that throws off the scent. A lot of the city's legitimate-seeming businesses are fronts — the rug trade and the trekking industry serve as particularly good cover. Diplomats have been hired occasionally as couriers, but the mule of choice is the Sherpa — the famed mountain guides known for loyalty and dependability. Tricking a gullible tourist into writing a letter of sponsorship for a visa, Sherpas will then carry a drug package westward — according to one missionary with nearly 30 years in the country, the drug business is not restricted to the usual criminal types. All kinds of people, even those with very high status, are in on it.

DEGENERATE SLIDE

Ironically, it's the country's spiritual tradition that's partly to blame for this degenerate slide. Ethical codes are different in Asia than in the West; some would say they're twisted. The penalties for killing a cow, for instance, are worse than those for killing a man. Many, however, trace Kathmandu's penchant for the illicit to a belief in tantra, a secret Hindu and Buddhist doctrine that blurs the line between devotion and debauchery. Tantra holds that there is no 'bad' activity or energy, that everything is holy and that the path to true spiritual liberation requires an equal awareness of vice and virtue. Mistakenly, many people, especially Westerners, think tantra sanctions self-interest — even criminal exploitation.

Standing to gain financially, religious leaders haven't been quick to set straight this tantric confusion. Lamas, the priests of the Buddhist faith, often tell their followers that donations to the temple can earn them good karma to offset the bad accrued in shady dealings. A lot of the money behind the dozens of new monasteries being built in Kathmandu right now can be traced to conscience-stricken black marketeers and drug dealers.

One of the world's five poorest nations, with an annual per capita income of \$160, Nepal is one of the West's favourite charities, with hundreds of millions of dollars flowing in every year.

Customs jobs at the airport are notoriously corrupt posts said to be so lucrative for payoffs that it rotates every six months among a set of highly hung cronies. But what's happening in the ministries is only a mirror of what's going on in the secretive, medieval-like Royal Palaces. As some insiders in Kathmandu tell it, the aristocracy know their number's going to be up soon and want to get richer while they can. While there is little hard evidence — foreign aid donors prefer not to know — it is widely believed that millions in development money have been diverted to private pockets.

PALACE AIDE LINK

As hard as it is to believe it of heads of state, the drug trade seems to be an equal focus of their influence. Several couriers arrested in Europe last year confessed to links with high-ranking palace aides. In August, 1984, a high-ranking official close to the Royal Family was stopped in Los Angeles in a plot to bring heroin into the US inside soccer balls used by the Nepali Olympic team. So potentially embarrassing was this to foreign relations that the State Department intervened. The arrest was struck from the record and kept out of the papers, presumably in return for a favour the Nepalis did for the US in letting a senator's daughter off the hook when she got herself in drug-related trouble in Nepal.

International drug enforcement agents have been itching to move against highly sanctioned drug operations, said to net the drug barons hundreds of millions of dollars. In March 1986, they got their chance, when two Managi couriers died in a Bangkok hotel room after the heroin-packed condoms they swallowed ruptured. Interpol officials were alerted to a directory found in the room listing names of prominent Nepalis as contacts, including a highly placed physician, said to supervise the condom swallowing and retrieval processes. Interpol sent its own team into the country, a move supported by the US DEA. The Interpol team moved against an aide of the Royal Family, in one of his houses finding \$2 million in Nepali currency, \$4 million in gold and \$60,000 in US cash. Another house they wanted to search stood barred to them.

While diplomats admit to 'not being able to get past the gates', enough has emerged from inside the palace through Kathmandu's often accurate rumour-mill to describe its inner workings and the lives of the enigmas who reside there in a bizarre cross between medieval court intrigue and twentieth-century decadence. Court astrologers advise the King on which gate to enter and exit, and when to sleep with his wife. Every year a young virgin, proclaimed to be a 'living goddess', anoints him, extending his mandate to rule. One of the King's chief spiritual intercessors is a Hindu holy man who cuts off part of his own arm upon royal request to appease menacing spirits.

For a country with an easy-going reputation, such repression is stark. Newspaper editors are routinely thrown into jail for the slightest political dissension, joining political activists who've spent years behind bars. Foreign correspondents are harassed; critical articles in the international press are censored before they reach the news stands. 'You'd better watch your step,' one long-time expat advised me. 'Don't let people know where you're staying. You might get visitors in the night.'

But heavy-handedness is only eroding the monarchy's image in the eyes of the people. Such instability could be of major geopolitical significance. A vacuum in Nepal, long a buffer between India and China, could bring the two most populous nations on earth into conflict. Last year there was a rash of terrorist bombings aimed at the Palace, which retaliated with mass detentions. Optimistic analysts predict things coming to a head within ten years. Pessimists say five. The Royal Family recently acquired land in the Maldives Islands, a potential sanctuary if things get rough.

Superstitious by nature, the average Kathmandu sees signs of looming royal trouble in places analysts don't look. According to myth, all will be well in the Palace as long as the bats which nest in nearby trees continue to fly over it every evening as they've always done. Well, the bats are still flying over except when the King's helicopter — fully fuelled and ready to fly if the Royal Family needs to bolt — is warmed up at the end of every day. Scared away by the chopper's whirling blades the bats are noticeably absent from the darkening sky. □