This report from the Drug Enforcement Administration (DEA) delineates the extent of drug trafficking in the United States at the beginning of the twenty-first century as well as the recent history smuggling activities. It also looks at prices, purity, and the proliferation of drug laboratories.

The illegal drug market in the United States is one of the most profitable in the world. As such, it attracts the most sophisticated, aggressive, and ruthless drug traffickers. Drug law enforcement agencies face an enormous challenge in policing the country's borders. Each year, according to the U.S. Customs Service, 60 million people enter the United States on more than 675,000 commercial and private flights. Another 6 million come by sea and 370 million by land. Amid this voluminous trade, drug traffickers conceal cocaine, heroin, marijuana, MDMA, and methamphetamine shipments for distribution in U.S. neighborhoods.

Besides criminal groups based abroad, domestic organizations cultivate, produce, manufacture, or distribute illegal drugs such as marijuana, methamphetamine, phencyclidine (PCP), and lysergic acid diethylamide (LSD). By growing high-potency sinsemilla, domestic cannabis growers provide marijuana that easily competes with other illegal drugs. With demand for methamphetamine remaining high, especially in the West and Midwest, so, too, does the number of illicit laboratories that supply methamphetamine to a growing number of addicts. Additionally, a small number of chemists manufacture LSD that is subsequently distributed primarily to high school and college students throughout the United States.

**COCaine**

According to drug abuse indicators, the use of both powder and crack cocaine have stabilized, albeit at high levels. The trafficking, distribution, and abuse of cocaine and crack cocaine have spread from urban environments to smaller cities and suburban areas of the country, bringing a commensurate increase in violence and criminal activity. The level of violence associated with cocaine trafficking today, however, does not compare to the rampant violence of the 1980s when the crack epidemic was at its worst.

**Trafficking by Colombian and Mexican Organizations**

According to a recent interagency intelligence assessment, approximately 65 percent of the cocaine smuggled into the United States crosses the Southwest border (U.S./Mexico). Cocaine is readily available in nearly all major cities in the United States. Organized crime groups operating in Colombia control the worldwide supply of cocaine.

Over the past decade, the Colombia-based drug groups have allowed Mexico-based trafficking organizations to play an increasing role in the U.S. cocaine trade. By the mid-1990s, Mexico-based transportation groups were receiving up to half the cocaine shipment they smuggled for the Colombia-based groups in exchange for their services.

Today, traffickers operating from Colombia continue to control wholesale-level cocaine distribution throughout the heavily populated northeastern United States and along the eastern seaboard in cities such as Boston, Miami, Newark, New York, and Philadelphia. There are indications, however, that other drug trafficking organizations are playing a larger role in the distribution of cocaine in conjunction with the Colombian organizations. Dominican drug trafficking organizations have traditionally been responsible for the street-level distribution of cocaine.

By distancing themselves from overt acts in the United States, Colombian drug lords hope to minimize the threat that the United States will gather sufficient evidence to support an extradition request.

**Crack Cocaine Trafficking**

Crack, the inexpensive, smokable form of cocaine, continues to be distributed and used in most major cities. While cocaine use in the United States has declined over the past decade, the rate of use in recent years has stabilized at high levels. Crack cocaine usage, which initially drove these rates, has similarly stabilized, and shows some indications of declining although it also remains at a high level. Street gangs, such as the Crips and the Bloods, and criminal groups of ethnic Dominicans, Puerto Ricans, and Jamaicans dominate the retail market for crack cocaine nationwide.

**Prices and Purity**
Cocaine prices in 2001 remained low and stable, suggesting a steady supply to the United States. Nationwide, wholesale cocaine prices ranged from $12,000 to $35,000 per kilogram. Average purity for cocaine at the gram, ounce, and kilogram levels remained stable at high levels. In 2001, the average purity of a kilogram of cocaine was 73 percent. Typically, cocaine HCL is converted into crack cocaine, or "rock," within the United States by the secondary wholesaler or retailer. Crack cocaine is often packaged in vials, glassine bags, and film canisters. The size of a crack rock can vary, but generally ranges from 1/10 to 1/2 gram. Rocks can sell for as low as $3 to as high as $50, but prices generally range from $10 to $20.

**HEROIN**

Heroin is readily available in many U.S. cities as evidenced by the unprecedented high level of average retail, or street-level, purity. Criminals in four foreign source areas produce the heroin available in the United States:

- South America (Colombia),
- Southeast Asia (principally Burma),
- Mexico,
- and Southwest Asia/Middle East (principally Afghanistan).

Over the past decade, the United States has experienced a dramatic shift in the heroin market from the domination of Southeast Asian heroin to a dominance of the wholesale and retail markets by South American heroin, especially in the East. In the West, by contrast, black tar and, to a lesser extent, brown powdered heroin from Mexico have been, and continue to be, the predominant available form.

The increased availability of high-purity heroin, which can effectively be snorted, has given rise to a new, younger user population. While avoiding the stigma of needle use, this user group is ingesting larger quantities of the drug and, according to drug treatment specialists, progressing more quickly toward addiction.

**South American Heroin**

The availability of South American (SA) heroin, produced in Colombia, has increased dramatically in the United States since 1993. SA heroin is available in the metropolitan areas of the Northeast and along the East Coast. Independent traffickers typically smuggle SA heroin into the United States via couriers traveling aboard commercial airlines, with each courier usually carrying from 500 grams to 1 kilogram of heroin per trip.

**Mexican Heroin**

Nearly all of the heroin produced in Mexico is destined for distribution in the United States. Although illegal immigrants and migrant workers frequently smuggle heroin across the U.S./Mexico border in 1- to 3-kilogram amounts for the major trafficking groups, seizures indicate that larger loads are being moved across the border, primarily in privately owned vehicles. Once the heroin reaches the United States, traffickers rely upon well-entrenched polydrug smuggling and distribution networks to deliver their product to the market, principally in the metropolitan areas of the midwestern, southwestern, and western United States with sizable Mexican immigrant populations.

**Southeast Asian Heroin**

High-purity Southeast Asian (SEA) heroin dominated the market in the United States during the late 1980s and early 1990s. Over the past few years, however, all indicators point to a decrease in SEA heroin available domestically. Significant investigations led to the incarceration in Thailand and extradition to the United States of more than a dozen high-level violators who played key roles in moving SEA heroin shipments to the United States. Despite the recent decline in the trafficking of SEA heroin in the United States, Chinese criminal groups remain the most sophisticated heroin trafficking organizations in the world.

**Southwest Asian Heroin**

While a large portion of Southwest Asian (SWA) heroin is consumed in Western Europe, Pakistan, and Iran, traffickers operating from Middle Eastern locations smuggle SWA heroin to ethnic enclaves in the United States. Criminal groups composed of ethnic Lebanese, Pakistanis, Turks, and Afghans are all involved in supplying the drug to U.S.-based groups for retail distribution. SWA heroin traffickers and wholesale distributors generally have been consistently cautious, rarely conducting heroin business with persons not of Southwest Asian or Middle Eastern ethnicity.

**Purity**
On the street, heroin purity and price often reflect the drug’s availability. High purities and low prices, for example, indicate that heroin supplies are readily available. The most recent data available show that, in 2000, the nationwide average purity for retail heroin from all sources was 36.8 percent. This number is significantly higher than the average of 7 percent reported two decades ago and higher than the 26 percent recorded in 1991.

**Prices**

Nationwide, in 2000, SA heroin ranged from $50,000 to $200,000 per kilogram. SEA and SWA heroin ranged in price from $40,000 to $190,000 per kilogram. Wholesale-level prices for Mexican heroin were the lowest of any type, ranging from $13,200 to $175,000 per kilogram. The wide range in kilogram prices reflects variables such as buyer/seller relationships, quantities purchased, purchase frequencies, purity, and transportation costs.

**Seizures**

FDSS statistics indicate that U.S. federal law enforcement authorities seized 2,506 kilograms of heroin in 2001, compared to 1,673 kilograms in 2000.

**METHAMPHETAMINE**

Domestic methamphetamine production, trafficking, and abuse are concentrated in the western, southwestern, and midwestern United States. Methamphetamine is also increasingly available in portions of the South and eastern United States, especially Georgia and Florida. Clandestine laboratories in California and Mexico are the primary sources of supply for methamphetamine available in the United States.

Over the last decade, the methamphetamine trafficking and abuse situation in the United States changed dramatically. In 1994, ethnic Mexican drug trafficking organizations operating "super labs" (laboratories capable of producing in excess of 10 pounds of methamphetamine in one 24-hour production cycle) based in Mexico and in California began to take control of the production and distribution of methamphetamine domestically. Independent laboratory operators, including outlaw motorcycle gangs, previously maintained control of methamphetamine production and distribution within the United States, and continue to operate today on a lesser scale. The entry of ethnic Mexican traffickers into the methamphetamine trade in the mid-1990s resulted in a significant increase in the supply of the drug.

In 2001, approximately 8,000 clandestine methamphetamine laboratories were seized and reported to the National Clandestine Laboratory Database at the El Paso Intelligence Center (EPIC). In 2001, 298 seized super labs were reported to EPIC. This represents a rise in the number of superlabs from 2000.

The supply of methamphetamine in the United States also stems from multiple small-scale laboratories, often operated by independent cooks who obtain the ingredients necessary for manufacture from retail and convenience stores. Methamphetamine produced in these "mom-and-pop" laboratories is generally for personal use or limited distribution. In 2001, the number of labs with capacities under ten pounds totaled over 7,700.

**Purity**

Until 1999, the methamphetamine problem was increasing at an alarming rate. International chemical control efforts reduced the supply of those chemicals needed to produce high-quality methamphetamine. As a result, the national purity level for methamphetamine has decreased dramatically. The average purity of methamphetamine exhibits seized by DEA dropped from 71.9 percent in 1994 to 30.7 percent in 1999.

**Prices**

Methamphetamine prices vary throughout different regions of the United States. At the distribution level, prices range from $3,500 per pound in parts of California and Texas to $21,000 per pound in southeastern and northeastern regions of the country. Retail prices range from $400 to $3,000 per ounce.

**MARIJUANA**

Marijuana is the most widely abused and readily available illicit drug in the United States, with an estimated 11.5 million current users. At least one-third of the U.S. population has used marijuana sometime in their lives.

Marijuana smuggled into the United States, whether grown in Mexico or transshipped from other Latin American source areas, accounts for most of the marijuana available in the United States. Marijuana produced in Mexico remains the most widely available. Moreover, high-potency marijuana enters the U.S. drug market from Canada. U.S. drug law enforcement reporting also suggests increased availability of domestically grown marijuana.
Domestic Marijuana

According to 2000 Domestic Cannabis Eradication/Suppression Program (DCE/SP) statistics, the five leading states for indoor growing activity were California, Florida, Oregon, Washington, and Wisconsin. DCE/SP statistics indicate that the major outdoor growing states in 2000 were California, Hawaii, Kentucky, and Tennessee.

Mexican Marijuana

Organized crime groups operating from Mexico have smuggled marijuana into the United States since the early 1970s. These groups maintain extensive networks of associates, often related through familial or regional ties to associates living in the United States, where they control polydrug smuggling and wholesale distribution from hub cities to retail markets throughout the United States.

Most of the marijuana smuggled into the United States is concealed in vehicles - often in false compartments - or hidden in shipments of legitimate agricultural or industrial products. Marijuana also is smuggled across the border by rail, horse, raft, and backpack.

Canadian Marijuana

Canada is becoming a source country for indoor-grown, high-potency (15 to 25 percent THC) marijuana destined for the United States. Canadian indoor-grow operations have become an enormous and lucrative illicit industry, producing a potent form of marijuana that has come to be known as "BC Bud."

Prices and Potency (THC Content)

Prices for commercial-grade marijuana have remained relatively stable over the past decade, ranging from approximately $400 to $1,000 per pound in U.S. Southwest border areas to between $700 to $2000 per pound in the Midwest and northeastern United States. The national price range for sinsemilla, a higher quality marijuana usually grown domestically, is between $900 and $6,000 per pound.

During the past two decades, marijuana potency has increased. According to the University of Mississippi's 2000 Marijuana Potency Monitoring Project (MPMP), commercial-grade marijuana THC levels rose from under 2 percent in the late 1970s and early 1980s to 6.07 percent in 2000. The MPMP reports that sinsemilla potency also increased, rising from 6 percent in the late 1970s and 1980s to 13.20 percent in 2000.

Seizures

According to the FDSS, U.S. federal authorities seized 1,211 metric tons of marijuana in 2001 compared to 1,236 metric tons in 2000.

MDMA (Ecstasy)

The profit margin associated with MDMA trafficking is significant. It costs as little as 25 to 50 cents to manufacture an MDMA tablet in Europe, but the street value of that same MDMA tablet can be as high as $40, with a tablet typically selling for between $20 and $30.

MDMA is manufactured clandestinely in Western Europe, particularly in the Netherlands and to a lesser extent in Belgium.

Due to the availability of precursor chemicals in Canada, a number of MDMA laboratories have been discovered operating near metropolitan areas such as Vancouver, Toronto, and Montreal. Such laboratories continue to supply U.S. and Canadian-based MDMA trafficking organizations.

Statistics show a dramatic increase in seizures of MDMA tablets. In FY 1997, approximately 400,000 MDMA tablets were seized compared to approximately 7.2 million tablets seized in FY 2001.

LSD

Lysergic acid diethylamide (LSD) remains available in retail quantities in virtually every state. LSD production reportedly is centered on the West Coast, particularly in San Francisco, northern California, the Pacific Northwest, and recently the Midwest.

LSD production is a time-consuming and complex procedure. Several chemical recipes for synthesizing LSD are on the Internet, but clandestine production requires a high degree of chemical expertise. Chemists maintain tight control at the production level, but do not necessarily participate in the distribution of the drug. LSD is produced in crystal form that is converted to liquid and distributed primarily in the form of squares of blotter paper saturated with the liquid. To a lesser extent, LSD is sold as a liquid, contained in breath mint bottles and vials; in gelatin tab form ("window panes") of varying colors; and in pill form known as "microdots."
Distribution of LSD is unique within the drug culture. A proliferation of mail order sales has created a marketplace where the sellers are virtually unknown to the buyers, giving the highest level traffickers considerable insulation from drug law enforcement operations. The vast majority of users are middle-class adolescents and young adults attracted by its low prices. Contacts made at raves and concerts are used to establish future transactions and shipments of larger quantities of LSD.

**STEROIDS**

Fitness clubs have been, and continue to be, the primary distribution centers of steroids, since bodybuilders and weightlifters comprise a predominant portion of the user population. Once viewed as a problem strictly associated with professional athletes, a recent survey of students indicates increased steroid use among boys in the 8th and 10th grades. The percentage of 8th grade boys reporting past-year use of steroids increased from 1.6 percent in 1998 to 2.5 percent in 1999, and from 1.9 percent to 2.8 percent among 10th grade boys.

Anabolic steroids are illicitly smuggled from Mexico and European countries to the United States. Recent DEA reporting indicates that Russian, Romanian, and Greek nationals are significant traffickers of steroids and are responsible for substantial shipments of steroids entering the United States. The lack of international control over foreign sources of supply, however, makes it impossible to attack the trafficking at its source.