

U.S. Department of Justice
Drug Enforcement Administration



The Cocaine Threat to the United States

Drug Intelligence Report

Intelligence Division

154678

**ONDCP Drugs & Crime
Clearinghouse**

March 1995
DEA-95016

The Attorney General has determined that publication of this periodical is necessary in the transaction of the public business required by law of the Department of Justice.

U.S. Department of Justice
National Institute of Justice

154678

This document has been reproduced exactly as received from the person or organization originating it. Points of view or opinions stated in this document are those of the authors and do not necessarily represent the official position or policies of the National Institute of Justice.

Permission to reproduce this [redacted] material has been granted by
Public Domain/DEA

U.S. Department of Justice

to the National Criminal Justice Reference Service (NCJRS).

Further reproduction outside of the NCJRS system requires permission of the [redacted] owner.



Drug Enforcement Administration

The Cocaine Threat to the United States

Drug Intelligence Report

NCJRS

JUL 10 1995

ACQUISITIONS

This report was prepared by the Domestic Unit of the Strategic Intelligence Section. Comments and requests for copies are welcome and may be directed to the Intelligence Production Unit, Intelligence Division, DEA Headquarters at (202) 307-8726.

March 1995

ADMINISTRATOR'S MESSAGE

During the late 1970's and early 1980's, the cocaine threat to the United States was based on the distribution and abuse of cocaine in the hydrochloride (HCl) or powdered form. The snorting of cocaine HCl, the predominant route of administration at that time, was primarily casual in nature and, for the most part, limited to middle- and upper-class users. Circa 1985 and continuing to the present, however, the threat has been defined by the distribution and abuse of cocaine in base form, commonly referred to as crack. This smokable form of cocaine, propelled by its low cost and highly addictive properties, became widely available throughout the United States and created a new class of hard-core drug users.

Crack distribution transformed the nature of the retail drug trade. Quasi-professional distribution groups developed sales networks that provided the drug at low cost to anyone desiring it, establishing the model for the sale of other illicit drugs. These groups escalated the violence inherent in drug sales to an unprecedented level—reports of drug-related murders and shootings have become commonplace. In addition, crack addicts, either seeking money to buy crack or impaired by the drug's powerful effects, have become significant contributors to urban violence. Crack's addictiveness swelled the number of hard-core addicts who strain drug law enforcement resources and social services in many communities, particularly low-income, inner-city neighborhoods already beset by a wide range of social ills. As crack distributors expand their trade, the accompanying violence and social malaise will besiege many small towns and communities across the United States.

At the highest levels of cocaine trafficking, the Colombian criminal organizations that supply the crack market in the United States continue to produce and deliver cocaine on a massive scale. In fact, efforts to expand their illegal trade are becoming bolder and more technologically advanced. For example, several Colombian trafficking organizations have acquired large, long-range jet cargo and passenger aircraft that are capable of transporting multiton quantities of cocaine over long distances. In addition, Colombian traffickers have experimented with building submarine-like vessels to transport cocaine. Law enforcement authorities must act swiftly and decisively to respond to these developments in drug trafficking.

The Drug Enforcement Administration (DEA) continues to devote resources, expertise, and dedicated personnel to dismantling the most significant cocaine trafficking organizations. In addition, DEA continues to support State and local initiatives to target and dismantle the crack distribution groups that pose such a threat to communities across the nation.



Thomas A. Constantine
Administrator

CONTENTS

iii	Administrator's Message
1	Background
3	The Cocaine Trade in Latin America
3	Cultivation and Production
4	Colombian Drug Mafias
5	Cocaine Smuggling to the United States
7	The Cocaine Trade in the United States
7	Cali Drug Mafia
8	Medellin Drug Mafia
8	Domestic Trafficking and Distribution
9	Distribution Groups
13	Retail Crack Sales
14	International Developments
15	Outlook
16	Distribution

BACKGROUND

The trafficking and abuse of cocaine, particularly in its highly addictive, smokable base form known as “crack,” combined with the severe and chronic social trauma they generate, represent the gravest problems for U.S. drug law enforcement authorities. Cocaine HCl (hereafter referred to as cocaine) is produced in South America and smuggled into the United States on a massive scale by sophisticated criminal organizations. These drug mafias also are responsible for most of the wholesale domestic cocaine traffic, supplying primary source cities with the drug. From these source cities, loosely structured but extremely violent gangs distribute cocaine to and within other U.S. cities, smaller towns, and rural areas. It is these gangs that are responsible, in large part, for converting the cocaine into crack.



Cocaine.



Crack.

The cocaine threat first emerged in the United States during the mid- to late-1970's when both the trafficking and abuse of cocaine escalated rapidly. The trade was centered in South America where Chilean, Bolivian, and Peruvian suppliers dominated coca cultivation and cocaine processing. These groups supplied cocaine to Cubans and other groups of wholesale and retail (or street level) distributors in the United States. At that time, the volume of trafficking was nowhere near today's level. Large segments of the U.S. population were unaffected by cocaine trafficking and abuse, due in large part to cocaine's high price—\$100 or more per gram. Expense, however, was no deterrent to those who tolerated the use of cocaine or viewed it as a nonaddictive “party” drug.

Circa 1980, the “cocaine wars”—a bloody spate of murders and shootings in Miami between rival cocaine trafficking organizations vying for control of wholesale cocaine distribution—focused the public's attention on the violence that accompanied the expanding cocaine trade. As a result of the struggle to control the U.S. cocaine market, Colombian traffickers replaced Cubans as the primary wholesale distributors. Two distinct Colombian groups emerged: a band of violence-prone, Medellin-based traffickers operating primarily in Miami and Los Angeles, and a group from Cali that established operations in New York City. As domestic demand for cocaine grew, the infrastructure associated with drug trafficking at the importation and wholesale levels—the production, transportation, and distribution elements—also grew as dealers competed to cash in on the boom market.

In the mid-1980's, the cocaine threat further evolved as crack cocaine trafficking and abuse swept through many metropolitan areas, particularly economically depressed, inner-city neighborhoods. In a gruesome parody of Colombian traffickers at the wholesale level, crack distributors at the mid- and retail-levels institutionalized drug distribution nationwide. Independent dealers/users—who frequently had distributed cocaine or other drugs to support their own habit—were replaced by structured, hierarchical organizations motivated by profit. Further, these groups established reliable sources of supply while creating transportation and distribution networks that employed salaried workers and enforcers.

Examined in its entirety, crack trafficking has had a devastating social impact on many metropolitan areas across the United States. Beyond the psychological and physical damage to individual users, crack distribution and abuse have degraded entire communities, particularly low-income, inner-city neighborhoods ill-equipped to cope with the wide range of social problems created by the drug. In communities across the country, the ongoing crack plague has undermined the quality of life more than any previous drug episode in U.S. history.

THE PHARMACOLOGY OF COCAINE

Cocaine is the most powerful stimulant of natural origin. In both hydrochloride and base forms, it is classified as a Schedule II drug under the Controlled Substances Act of 1970. In order to be classified in Schedule II, a drug must have a high potential for abuse and a currently accepted medical use in the United States. Furthermore, use of that drug may lead to severe psychological or physical dependence. Technically, crack has an accepted medical use only because it is one form of the cocaine alkaloid, which, as cocaine HCl, is used as an anesthetic in some surgeries. However, there is no legitimate medical use for crack itself.

Because of the intensity of its pleasurable effects, cocaine has the potential for extraordinary psychological dependency, particularly among cocaine injectors and crack smokers. Recurrent users may resort to larger doses at shorter intervals, leading to hard-core cocaine addiction. The onset of cocaine addiction varies according to the route of administration. Users who snort cocaine can maintain their addiction without the need for treatment assistance for a period of 3 to 5 years, while crack smokers often seek treatment within 6 months of first use.

The euphoria induced by cocaine use is similar regardless of the method of administration. However, different routes of administration may vary the intensity of this exaggerated feeling of excitement. For example, the effects of inhaling cocaine are felt in approximately 20 minutes and may linger for up to 40 minutes. The effects of smoking or injecting cocaine are felt almost immediately and persist for roughly 10 minutes. The resulting depression or "crash," therefore, is much greater with smoking or injecting cocaine than with inhaling it. This depression is the primary trigger of cocaine addiction; the cocaine abuser's desire to avoid this crash frequently results in compulsive use and psychological dependency.

Excessive doses may cause seizures and/or death from respiratory failure, stroke, cerebral hemorrhage, or heart failure. Psychological effects include various psychiatric disorders such as paranoia and suicidal tendencies. No specific treatments exist for cocaine overdose; nor does tolerance develop to cocaine's toxicity. There is no "safe" dose of cocaine.

THE COCAINE TRADE IN LATIN AMERICA

CULTIVATION AND PRODUCTION

Cocaine is derived from the coca plant grown primarily in Peru and Bolivia. As seen from the chart, smaller amounts of coca also are cultivated in Colombia. The leaves are stripped from the plant, dried, and then processed into cocaine base through simple chemical procedures. These procedures occur in crude laboratories located in remote regions of Peru and Bolivia.¹

While there is some cocaine production in Bolivia and Peru, most cocaine is refined in Colombia. Colombian cocaine trafficking organizations import cocaine base from Peru and Bolivia, refine it into finished cocaine at clandestine laboratories throughout Colombia, then smuggle the finished cocaine abroad for wholesale distribution. Independent

¹ For more information on coca cultivation and production, see *Coca Cultivation and Cocaine Processing*, Drug Enforcement Administration, Intelligence Division, Washington, DC, September 1993 (DEA-93054).

COCAINE PRODUCTION				
Potential Cocaine HCl Production by Country, 1993-1994				
		Net Coca Cultivation (hectares)	Estimated Coca Leaf Yield (metric tons)	Potential Cocaine HCl Capacity (metric tons)
Bolivia	1994	48,100	89,800	270
	1993	47,200	84,400	255
Colombia	1994	45,000	36,000	70
	1993	39,700	31,700	65
Peru	1994	108,600	165,300	480-515
	1993	108,800	155,500	450-485
Potential Cocaine HCl Production			1994	820-855
			1993	770-805

Source: *International Narcotics Control Strategy Report*, March 1995

Peruvian and Bolivian trafficking organizations also supply limited amounts of finished cocaine to the United States.

Some Colombian laboratory operations involve large, "industrial-type" facilities that employ 20 or more workers and produce over 250 kilograms of cocaine per week. The cocaine produced in these laboratories is smuggled to foreign markets by traffickers using a combination of air, land, and sea routes.



Typical cocaine base processing site in Bolivia.



Miguel Rodriguez-Orejuela



Gilberto Rodriguez-Orejuela



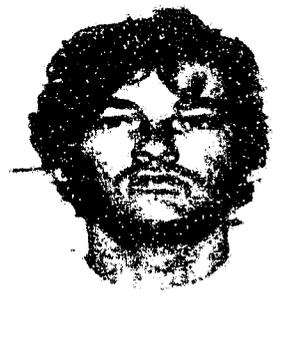
Jose Santacruz-Londono



Jairo Ivan Urdinola-Grajales



Raul Alberto Grajales-Lemos



Helmer "Pacho" Herrera-Buitrago

COLOMBIAN DRUG MAFIAS

Medellin Drug Mafia

Throughout the 1980's, Colombia's Medellin drug mafia dominated the international cocaine trade. Following the violent deaths of Jose Rodriguez-Gacha in December 1989 and Pablo Escobar in December 1993, the Medellin drug mafia fragmented and gradually lost its stranglehold on the worldwide cocaine market. Nevertheless, remnants of the Medellin drug mafia still pose a significant challenge to international drug law enforcement authorities. For example, while some Medellin drug mafia leaders remain confined in Colombian jails, their organization continues to smuggle significant quantities of cocaine into the United States.

Cali Drug Mafia²

The production of cocaine is orchestrated primarily by the Cali drug mafia, a loose association of five independent criminal organizations based in Cali, Colombia. These organizations oversee the purchase of cocaine base, the operation of clandestine cocaine laboratories, the transport of multiton quantities of

cocaine to the United States, and the wholesale trafficking of the drug to primary source cities throughout the country. Today, the Cali drug mafia is responsible for supplying most of the cocaine consumed in the United States and Europe.

The leaders of the Cali drug mafia exert direct command and control over all aspects of the international wholesale cocaine trade. They smuggle hundreds of tons of cocaine into the United States and Europe, and launder billions of dollars in drug proceeds—criminal enterprises that employ thousands of people throughout Latin America, Europe, and the United States. The scope and sophistication of their operations require the professional services of investors, bankers, lawyers, logistics experts, and chemists, as well as a traditional reliance on couriers, assassins, and other criminal associates.

Although each of the five major Cali trafficking organizations is a separate and independent criminal group, each is known to share resources when interests coincide. For example, two or more Cali organizations may combine cocaine shipments for transport to the United States. Likewise, different Cali organizations may cooperate in drug money laundering operations.

² For more information on the Cali drug organizations, see *The Cali Cartel: The New Kings of Cocaine*, Drug Enforcement Administration, Intelligence Division, Washington, DC, November 1994 (DEA-94086).

COCAINE SMUGGLING TO THE UNITED STATES

Transportation Groups

In order to transport cocaine shipments from South America to U.S. markets, the Cali drug mafia uses the services of well-entrenched smuggling groups located throughout the Caribbean, Central America, and Mexico. These smuggling groups transport multiton shipments of cocaine from Colombia by air, land, and sea conveyances to the United States directly or by way of transshipment countries.

The Colombian drug mafias often use Mexican transportation groups to smuggle cocaine through Mexico into the United States. Many of these Mexican transportation groups are polydrug traffickers with extensive experience in smuggling drugs and other contraband across the southwest border into the United States. Frequently, the transportation groups receive a percentage of the cocaine shipments in exchange for their services. In addition, these Mexican groups have become wholesale distributors of cocaine in Chicago, Denver, Detroit, and other U.S. cities.

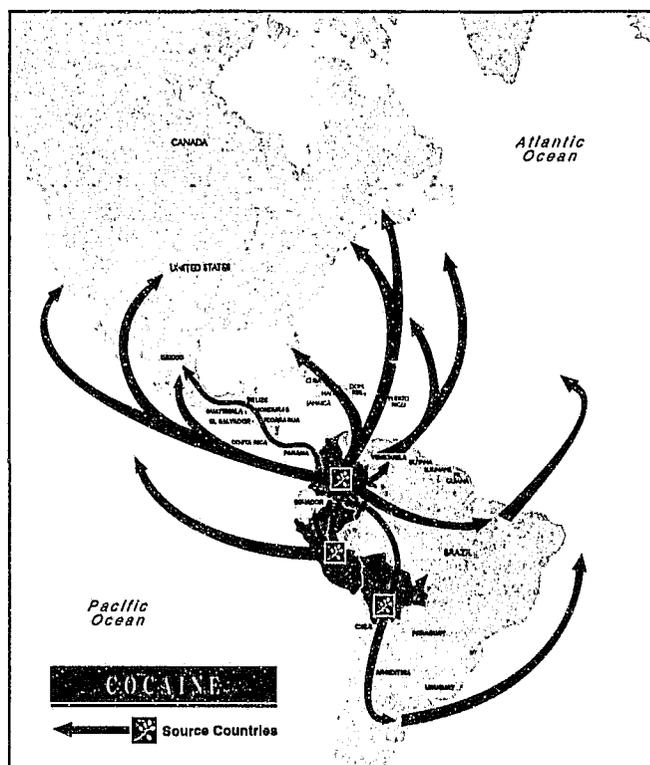
These groups control routes and pipelines into the United States. To aid smuggling ventures, they employ high-technology equipment, including night-vision goggles and radios with scramblers, as well as military hardware, such as assault rifles, hand grenades, and bulletproof vests. These Mexican organizations also use scouts with radios and scanners tuned to police frequencies to monitor law enforcement activities along the U.S.-Mexican border. Further demonstrating their smuggling resourcefulness, these traffickers have built sophisticated tunnels underneath the southwest border.

Mexican transportation groups receive cocaine shipments from Colombian traffickers and assume complete responsibility for the shipments until delivery in the United States. Multiton quantities of cocaine are warehoused in Mexico near the northern border. Frequently, smuggling organizations divide shipments into smaller quantities and transport them into the United States by smuggling organizations using passenger cars, tractor trailers, and other land vehicles.

Routes and Methods

The principal cocaine smuggling routes from South America to the United States commonly transit Mexico, where cocaine shipments often are warehoused near the U.S.-Mexican border before they are transported into the United States. Other primary cocaine smuggling routes from South America to the United States transit the Caribbean. Caribbean islands, such as Puerto Rico and The Bahamas, are used as transshipment areas for U.S.-bound cocaine. While airdrops are used by traffickers to transport cocaine from South America to Caribbean transit areas, maritime conveyances are believed to be used predominantly throughout the region.

Traffickers use **maritime** vessels to transport bulk quantities of cocaine from South America to the United States or Mexico. Maritime craft used by traffickers include commercial cargo vessels, fishing boats, specially designed low-profile vessels, and pleasure craft. Of these, commercial cargo vessels pose the greatest cocaine smuggling threat to the United States as evidenced by



numerous multiton cocaine seizures. For example, during February 1994, the U.S. Customs Service seized 3.8 metric tons of cocaine from a cargo container that had been transported from Cartagena, Colombia, to Miami, Florida.

Traffickers use a variety of **aircraft** to transport cocaine from South America to Mexico and the United States, including general aviation, large cargo, and commercial aircraft. General aviation aircraft are used to transport cocaine from Colombia to clandestine airstrips in Mexico and Central America. Increasingly, traffickers are turning to the use of larger, longer-range jet and cargo aircraft to expand their smuggling capabilities. For example, in August 1994, a Caravelle jet and shipment of 2.5 metric tons of cocaine were seized in Mexico upon arrival from

Colombia. Bulk quantities of cocaine also are transported from South America directly into the United States concealed within commercial air cargo.

The use of private and commercial **land** vehicles is the predominant means of transporting cocaine from Mexico into the United States. In one incident during July 1994, DEA El Paso seized 5.4 metric tons of cocaine that had been warehoused in northern Mexico and transported by cargo van to El Paso, Texas. Since 1992, seizures along the southwest border have accounted for the majority of cocaine seized annually in the United States. The primary importation points for U.S.-bound cocaine are Arizona, southern California, southern Florida, and Texas.

THE COCAINE TRADE IN THE UNITED STATES

CALI DRUG MAFIA

The principal Cali drug mafia trafficking groups have established "cells" that operate within a given geographic area in the United States. Primary U.S. bases of operation are comprised of cells operating independently of each other within major metropolitan areas, notably Chicago, Houston, Los Angeles, New York City, Philadelphia, and San Francisco.

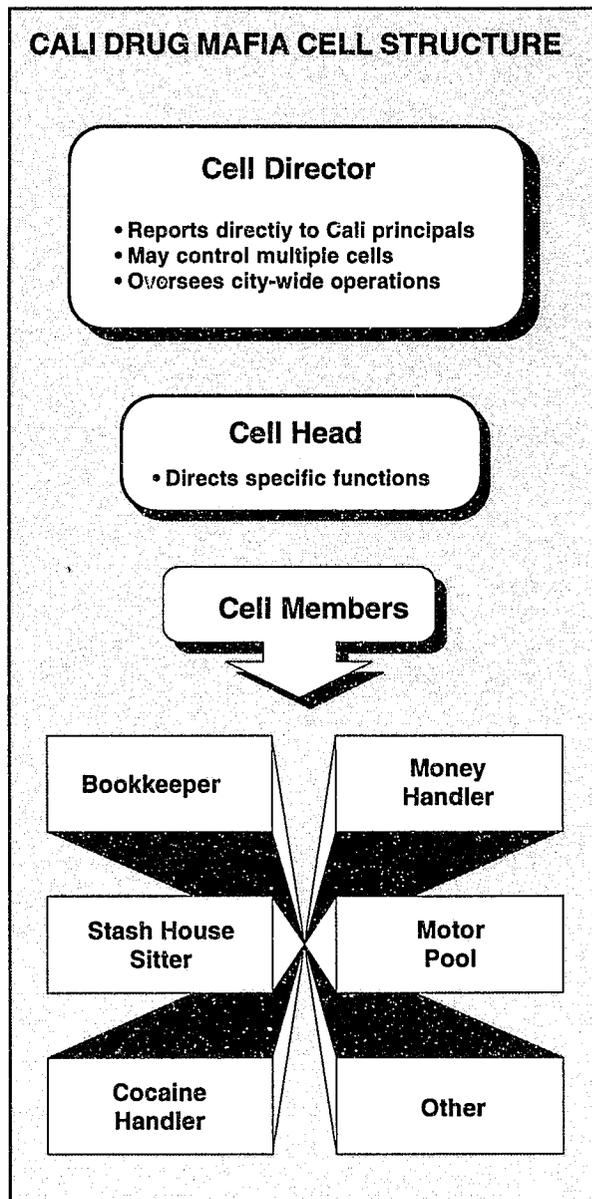
Each cell, which may be comprised of 10 or more employees, operates with little or no knowledge about the membership or drug operations of other cells. Within these cells, smaller units may specialize in particular facets of the drug trade, such as cocaine transportation, storage, wholesale distribution, communications, or money laundering.

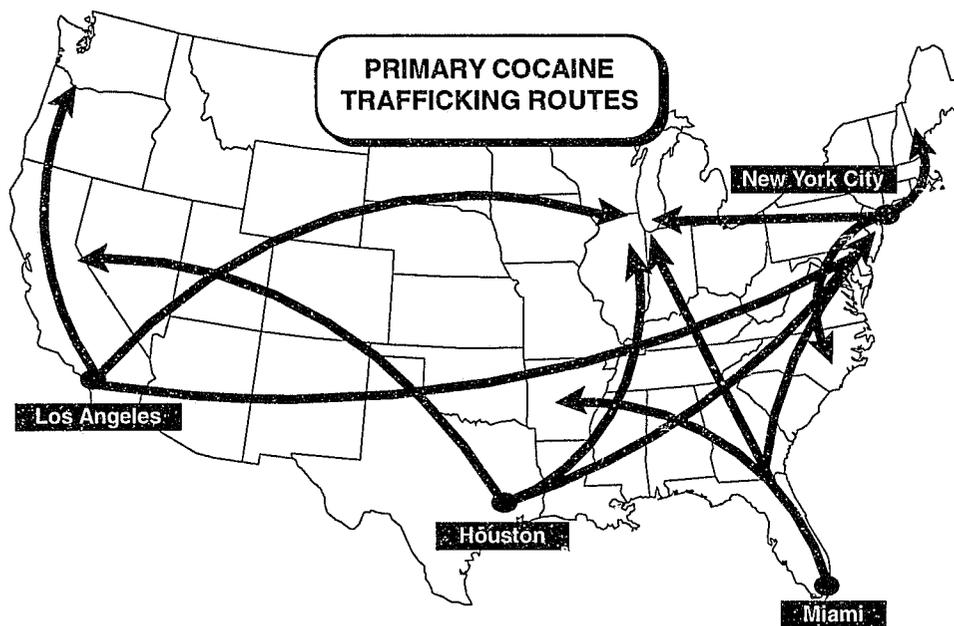
Each unit has minimal contact with other units and is directed by a manager who reports to the cell manager. Each cell manager reports to a regional director who is responsible for the overall management of several cells. The regional director, in turn, reports directly to one of the Cali leaders or their chiefs of operations in Colombia. Strict adherence to this compartmentalization insulates the leaders and other cells from drug law enforcement operations.

The cellular structure requires frequent contact between the cell manager in the United States and top-level drug mafia managers in Colombia. Cell managers use the latest technology, such as computers, pagers, and facsimile machines in their daily operations. Cellular telephones often are bought in bulk quantities and discarded after several months to thwart drug law enforcement efforts at telephone interception.

The Drug Enforcement Administration (DEA) has dismantled many Cali drug mafia cells operating in the United States. Most recently,

during September and October 1994, special agents from 10 DEA field divisions conducted the primary arrest phase of Operation FOXHUNT, a 2-year investigation. Among the 199 subjects arrested were 2 regional directors who managed Cali drug mafia operations in New York City and Los Angeles. In addition, 6.5 metric tons of cocaine and \$13 million were seized during the investigation.





MEDELLIN DRUG MAFIA

In general, the Medellin drug mafia's method of operation in the United States is less compartmentalized than that of the Cali drug mafia. The drug trafficking elements comprising the Medellin drug mafia employ a group decision-making process at the top level, as opposed to the hierarchical decision-making process employed by the Cali drug mafia. At the lower levels, Medellin trafficking groups transact business with fewer restrictions on their choice of business associates.

DOMESTIC TRAFFICKING AND DISTRIBUTION

Once smuggled into the United States, cocaine shipments are consolidated in either a gateway city or a warehouse facility near the U.S.-Mexican border. The principal gateway cities used for stashing multihundred or multithousand kilogram quantities of cocaine are Houston, Los Angeles, Miami, and New York City. After the shipments are received at a gateway city, control is relinquished back to the Colombian drug mafias.

Once the Colombians regain control over the shipments, the cocaine is divided again into multihundred kilogram quantities and is transported to cells in other metropolitan areas for local distribution. At this point, the individual cells, as well as Mexican transportation groups that were paid a percentage of cocaine shipments, divide the cocaine into smaller amounts for sale to local wholesalers who distribute 15-kilogram or less quantities. The local wholesalers sell kilogram amounts to retail distribution groups that further divide the cocaine for retail sales.

Retail distribution groups repackage cocaine purchases in ounce and gram quantities for sale by that group or other, smaller retailers. These groups include a diverse assortment of ethnic gangs that are responsible for most of the domestic street trade in cocaine and crack. While there continues to be a market for cocaine at the retail level, primarily among casual users and cocaine injectors, crack distribution and abuse now constitute the driving force behind the cocaine threat in the United States.³ Although importation of crack has occurred sporadically (small quantities occasionally are transported into Florida from a few Caribbean islands), virtually all of the crack sold and consumed in the United States is manufactured domestically.

³ For more information on crack trafficking, see *Crack Cocaine*, Drug Intelligence Report, Drug Enforcement Administration, Intelligence Division, Washington, DC, April 1994 (DEA-94016).

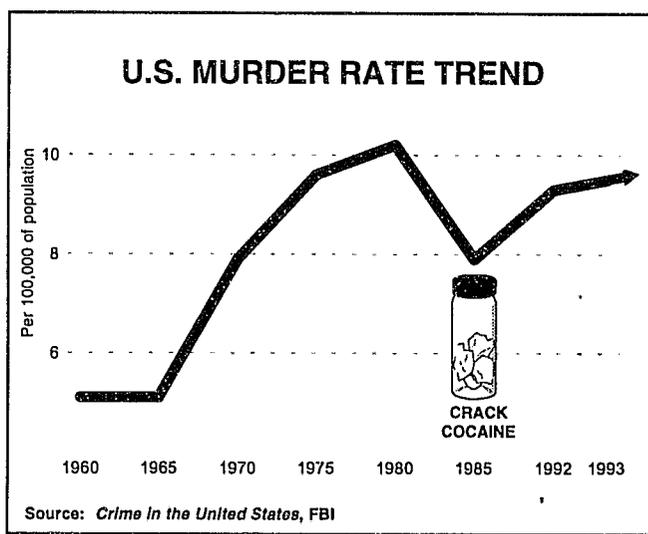
DISTRIBUTION GROUPS⁴

The numerous low- to mid-level distributors of crack form a type of cottage industry. Crack trafficking groups are structured loosely. They also are characterized by high turnover rates at all organizational levels due to either imprisonment or mistrust and competition within and among groups. At the highest trafficking levels, the crack market is controlled by four groups: Los Angeles-based street gangs and their affiliates, and Jamaican, Dominican, and Haitian criminal groups. Each group is involved in interstate and intrastate transportation of cocaine and crack from source cities to their retail outlets.

The primary crack distribution groups purchase cocaine, in amounts up to several kilograms at a time, from wholesale sources of supply that include Colombians and Mexicans. Purchases are made repeatedly, providing a constant flow of cocaine to be sold on the street or in crack houses. This mode of operation minimizes the amount of drugs or money at risk should the group be disrupted by drug law enforcement authorities or competing groups.

A combination of factors—saturated markets, low prices, violent competition, and/or effective police pressure in major urban areas—has forced some crack distribution groups, in conjunction with local gangs, to develop new markets in smaller towns and rural areas. This menacing expansion creates new problems for local drug law enforcement officials and civic authorities. The larger and more advanced distribution groups are crisscrossing the nation to find new markets, with the Jamaican “posses” spreading westward from New York City and the Los Angeles street gangs spreading eastward.

⁴ Much of the information contained in this section was derived from the annual conferences on international organized crime cosponsored by the Bureau of Alcohol, Tobacco and Firearms (BATF) and the Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network. Other sources include reports from the BATF—including *Jamaican Organized Crime* (June 1992), *Caribbean Based Organized Crime* (June 1991), and *Street Gangs* (December 1991 and January 1994)—and from the Financial Crimes Enforcement Network, specifically *Jamaican Organized Crime* (August 1992).



Drugs, proceeds, and weapons are shipped across the country by a variety of means. Commercial airlines have proven to be an effective method of transportation. When interdiction efforts at particular airports make smuggling prohibitive, couriers drive to alternative airports to evade detection. Buses, trains, and rental vehicles also are well-documented methods of shipment. False compartments frequently are built into vehicles to conceal drugs, money, and weapons. Additionally, mail services, such as United Parcel Service® and Federal Express®, are used to ship drugs and profits.

In addition to drug distribution, crack groups engage in murder, kidnapping, arson, witness intimidation, weapons violations, robbery, fraud, and money laundering. For Jamaican groups, annual criminal proceeds are estimated in the billions of dollars. Similarly, a large portion of the \$800 million transferred each year to the Dominican Republic is believed to be linked to illegal activity.

Street Gangs

In the United States, street gangs can be classified under two general types. The first type are criminal enterprises capable of extensive interstate criminal activities. These include the Bloods and the Crips—two Los Angeles-based street gangs—and the Black Gangster Disciples and Latin Kings. The second type, more numerous, are independent gangs, much smaller in membership, that beset cities across the country.

Los Angeles-based street gangs are organized loosely in small units or “sets” falling under the auspices of the two predominant gangs, the Bloods and the Crips. The street gang structure begins with diverse groups of gang members acting as street-level sellers, conducting transactions in gram or ounce amounts on street corners or in crack houses. A few of these sellers rise to become mid-level distributors, selling kilogram amounts and working between street-level sellers and major traffickers. Capable of brokering multimillion dollar transactions, the major traffickers usually are not visible as gang members and often have direct contacts with Mexican or Colombian wholesale cocaine suppliers.

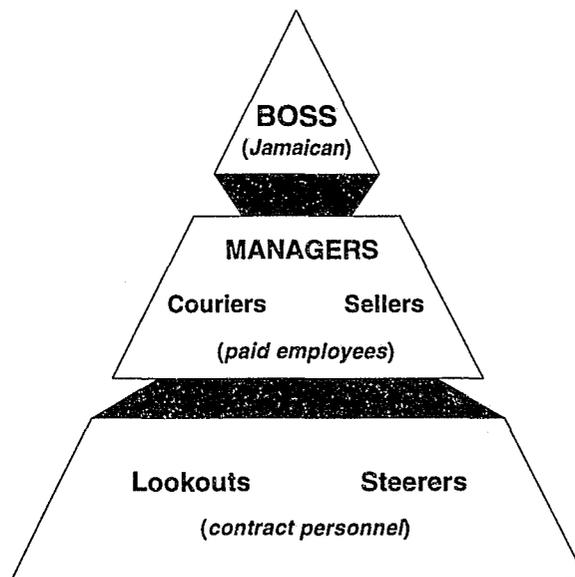
Gang members are targeting Birmingham, Denver, Detroit, Las Vegas, and Phoenix, in addition to Seattle and other West Coast cities. Recent reports suggest that these gangs also are moving into New York City. Moreover, gang members travel to smaller cities and towns, establishing crack distribution operations where there is little police pressure and/or competition from rivals. They often gain entry into a community by visiting or living with friends or relatives. In addition to securing lodgings, these visits provide access to youths—potential recruits and customers—and legitimize their presence within the community. After a short time, the gang members frequently seek out low-income, single mothers and offer them \$100 a day for use of their apartments or houses as crack conversion or distribution sites.

Jamaican Posses

Jamaican crack organizations generally consist of the Jamaican boss or bosses, under whom are managers, couriers, sellers, lookouts, and steerers, usually drawn from a pool of younger Jamaicans, African Americans, and other ethnic minorities. The boss earns most of the profit from crack sales, paying the others with either cash or crack. Many Jamaican posses are characterized by a fluid management structure; i.e., the boss may perform the duties of any of the workers as needed.

The Bureau of Alcohol, Tobacco and Firearms estimates that there are 35 Jamaican posses operating in the United States, with total membership numbering at least 11,000. Most of these posses were formed in the United States and maintain links to the larger, more established groups or “parent posses” in Miami or New York City—generally considered the hub of Jamaican posse activity. However, Jamaican posses are reaching out from traditional strongholds, targeting new crack markets in smaller cities, towns, and rural areas. States witnessing increased posse activity include Alabama, Florida, Kentucky, Mississippi, and West Virginia. Jamaican posses reportedly have been distributing crack as far west as Los Angeles.

JAMAICAN CRACK TRAFFICKING ORGANIZATION

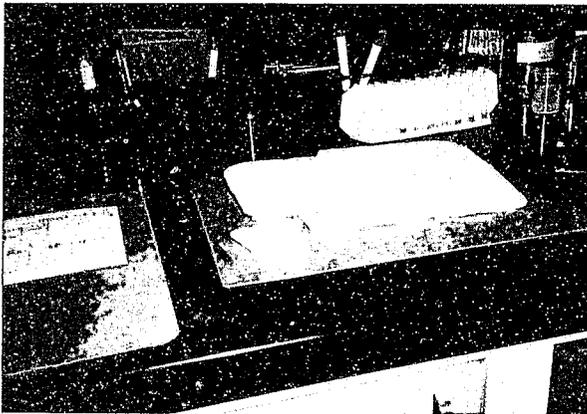


Dominican and Haitian Groups

Dominican and Haitian groups are structured in a fashion similar to the street gangs and the Jamaicans. Dominican gangs are expanding their crack networks throughout the northeastern United States. From their enclaves in New York City and Boston, these gangs are setting up distribution outlets in many cities in New York, Pennsylvania, and several New England States. Haitian traffickers operate in a limited number of major cities, primarily Miami and New York City, and have not extended their operations as widely as the other groups. Nonetheless, Haitian groups have been found operating in areas as distant as Maine. Many Haitian crack sellers are climbing the drug distribution hierarchy by starting at the lower employment levels of crack operations run by other ethnic groups.

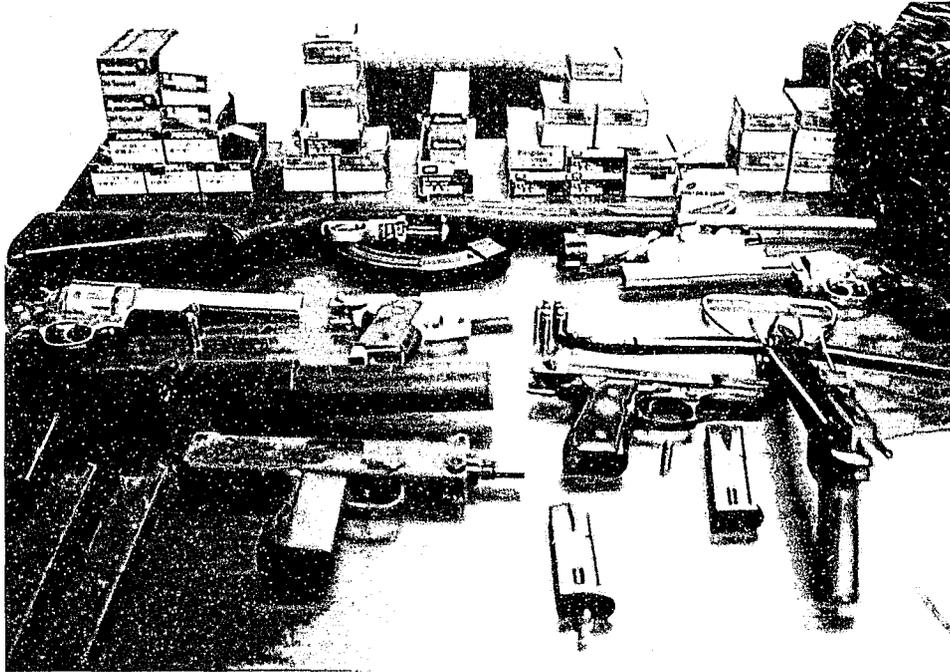


Dominican traffickers concealed crack in tennis balls to avoid detection during a search of their crack house.



One kilogram of crack.

RETAIL CRACK TRADE: SMALL-TIME SALES, BIG-TIME VIOLENCE



Weapons seized from a South Bronx-based crack distribution ring (shown above). The group sold crack in wholesale quantities—thousands of vials at a time—as well as in single-vial purchases. Change and subway tokens (shown below) were accepted as payment for single-vial purchases.



RETAIL CRACK SALES

Crack is sold on urban street corners and in crack houses throughout the United States. The drug usually is sold in individual units or "rocks" that weigh from 1/10 to 1/2 gram. The rocks commonly are packaged in small vials or glassine bags that sell for \$5 to \$20 each. Crack is sold by countless individual sellers who, upon arrest, are replaced almost immediately. Although crack sellers and users are present in almost every ethnic community and economic group across the nation, the majority are from low-income, urban neighborhoods.

The widespread knowledge of the simple crack conversion process has fostered a large number of crack sellers. These sellers are able to acquire inexpensive cocaine HCl, the essential ingredient in their product, from the readily available supply on the illicit market. In addition, crack users who are unsatisfied with the quality of crack sold on the streets can purchase cocaine HCl and convert it into crack themselves.



Abandoned building in New York City used as a crack house.



"Chocolate ecstasy" crack processed by members of the Crips street gang.

No precise estimates are available on the amount of cocaine that is converted into crack and sold in the United States; however, since the mid- to late-1980's, crack has been the driving force behind the cocaine market in the United States. The compelling demand for crack by a stable pool of hard-core addicts, combined with a decline in the casual use of cocaine over the past decade, suggests that most of the cocaine imported into the United States is converted into crack for retail distribution. Data from the 1993 *National Household Survey on Drug Abuse* help illustrate this point. The number of casual users of cocaine (individuals who have used cocaine at least once in the past year) has declined from 8.6 million in 1985 to 4.5 million in 1993, a decrease of almost 50 percent. However, the number of frequent users of crack (individuals who have used crack at least once in the past month) has remained high and relatively stable since 1988 at over 400,000.

INTERNATIONAL DEVELOPMENTS

Europe

The dynamics of the cocaine trade in Europe have not evolved to the same extent as in the United States. The threat to Europe is similar to the situation in the United States circa 1980.

Western Europe is the second-largest cocaine market in the world after the United States. Since 1990, Colombian trafficking organizations, the Cali drug mafia in particular, increasingly have been smuggling larger amounts of cocaine to Europe, as evidenced by increasing annual seizures.

In addition, the Colombian drug mafias have established relations with Italian organized crime families, Russian criminal groups, and Spanish criminal organizations to coordinate the transportation of multiton cocaine shipments from South America to Europe.

Although the Iberian Peninsula has served as the traditional "Gateway to Europe" for South American cocaine since the 1980's, authorities in

the Netherlands and Belgium, as well as in the major markets of France, Germany, Italy, and the United Kingdom, have been seizing increasingly larger amounts of cocaine. Colombian traffickers have exploited historical ties with Spain to smuggle large amounts of cocaine through Spain to the rest of Europe.

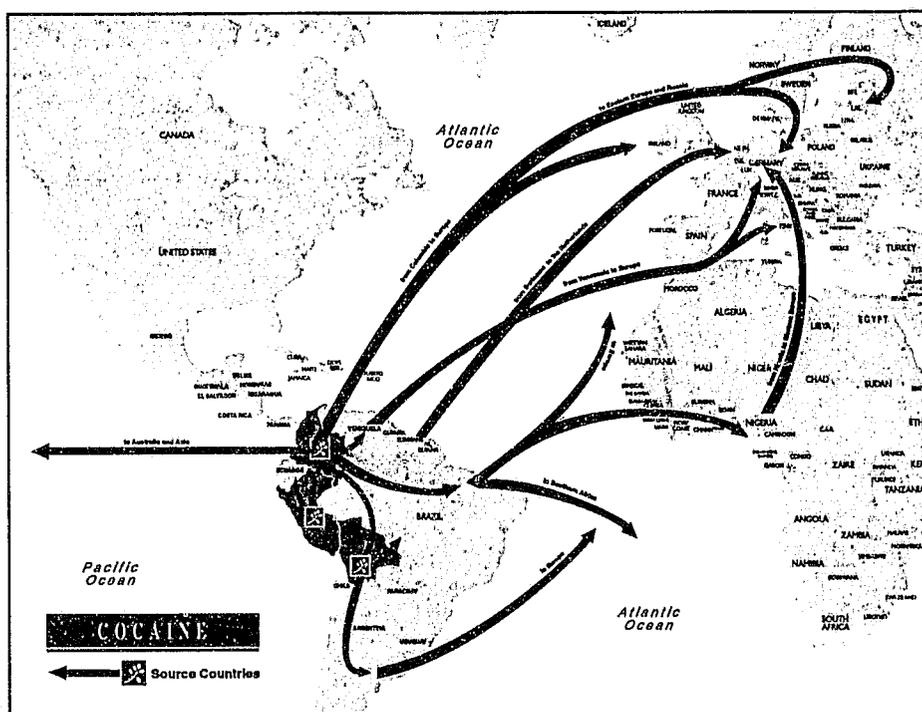
To date, crack distribution and abuse have not gained a foothold in Europe, with the exception of the United Kingdom where the market mirrors that of the United States in many ways. For example, violent Jamaican posses distribute crack in inner-city areas of major U.K. cities.

Asia

Australia is threatened by the illicit trafficking and abuse of cocaine more than any other country in the Far East. Colombian organizations have selected Australia as both a potential market and a transit country for cocaine being shipped to Japan. Since 1988, South American traffickers have been attempting to cultivate a demand for cocaine in Japan, but have met with only limited success.

Africa

Several countries in Africa also are experiencing a surge in cocaine trafficking, including Ghana, Nigeria, and South Africa. Likewise, Colombian trafficking organizations are making use of Algeria, Morocco, Tunisia, and other countries in northern Africa to smuggle cocaine to Western Europe.



OUTLOOK

The trafficking and abuse of cocaine will remain the primary threat to drug law enforcement authorities in the United States. The drug is produced, transported, and distributed by large, well-entrenched criminal organizations that will continue to supply large quantities of cocaine to the illicit market in the United States.

Domestically, the most serious problem resulting from the cocaine trade is crack-related violence. The typical crack marketplace is defined by spontaneous, random acts of violence, punctuated by turf wars, rip-offs, drive-by shootings, and arson. A chilling by-product of crack-related violence is the greatly increased risk of victimizing innocent bystanders—violent interactions often are played out on densely populated city streets.

Because crack distribution typically is perceived as a local threat in most communities, the municipal police department is the lead law enforcement agency in targeting crack distributors. However, many of the larger crack distribution groups also are involved in intrastate and interstate shipments of the drug from source cities to secondary markets. Consequently, Federal and State authorities are engaged to dismantle these higher-level distribution groups.

Furthermore, State and local law enforcement agencies and judicial systems are overwhelmed by the increasing numbers of violators and the escalating magnitude of crack trafficking activities. Consequently, assistance from Federal and State authorities is essential to dismantling these higher-level trafficking groups.

Federal targeting of the most significant crack traffickers has been effective. Destroying these organizations is the most daunting challenge facing U.S. drug law enforcement officials.

To support this mission, the Department of Justice has established several programs and funding mechanisms that target crack distribution groups, directly or through ancillary channels, and are geared to support State and local law enforcement agencies. Examples include State and local task forces, Organized Crime Drug Enforcement Task Forces, grants from the Bureau of Justice Assistance, and the designation of High Intensity Drug Trafficking Areas.

DEA is committed to dismantling cocaine trafficking organizations. DEA will accomplish this goal by targeting the highest-level violators both in Colombia—the primary source country for cocaine—and in every community across the United States.

DISTRIBUTION

The White House
National Security Council
Office of National Drug Control Policy

Department of Justice
Federal Bureau of Investigation/DIU
Federal Bureau of Prisons
Immigration and Naturalization Service
INTERPOL/USNCB
Organized Crime Drug Enforcement Task Forces
U.S. Marshals Service

Department of the Treasury
Bureau of Alcohol, Tobacco and Firearms
Internal Revenue Service
U.S. Customs Service
U.S. Secret Service

Department of Defense
Defense Intelligence Agency
National Security Agency

Central Intelligence Agency/CNC

Department of State

U.S. Coast Guard

DEA Headquarters
DEA Field Offices
DEA Laboratories

El Paso Intelligence Center
Financial Crimes Enforcement Network
National Drug Intelligence Center

International Association of Chiefs of Police (Narcotics Committee)
National Alliance of State Drug Enforcement Agencies
National Sheriffs' Association
Regional Information Sharing System

