Worldwide Heroin Situation 1991
In Southeast Asia, opium and heroin are often moved on pack animals in convoy.
Worldwide Heroin Situation 1991

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ACQUISITIONS

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This year’s Worldwide Heroin Situation report documents an explosion of opium and heroin production. The warning signals of increased heroin availability are evident. Consequently, DEA is initiating action to counter a major increase in heroin availability in the United States. DEA has designed Special Enforcement Programs focused on the highest-level trafficking organizations that are manufacturing and distributing heroin to the United States. During 1991, domestic heroin enforcement efforts resulted in 2,561 arrests (up 10.8 percent over 1990) and heroin seizures of 1.4 tons (up 70.3 percent over 1990).

Jointly, the DEA Bangkok Country Office and the Royal Thai Police seized 977 pounds (443 kilograms) of heroin in the Gulf of Thailand in May 1991—the third largest seizure in Thai history. A month later, as part of a joint investigation, the U.S. Customs Service and DEA arrested five major traffickers who were responsible for smuggling 1,089 pounds (494 kilograms) of Southeast Asian white heroin into the San Francisco Bay area. This was the largest seizure in U.S. history.

We are also moving against major heroin “kingpins.” Chang Chi Fu, a.k.a. Khun Sa, a dominant force in the Golden Triangle where approximately 70 percent of the world’s illicit opium poppy crop is produced, was indicted in the Eastern District of New York. In March 1992, another major heroin trafficker, Lin Chien Pang, was arrested in Malaysia and is now in custody awaiting extradition to the United States.

There have been some successes, but our efforts to identify, target and bring down major heroin suppliers must accelerate.

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Administrator of
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Burmesse authorities destroy opiates following a laboratory raid

WARNING

Drug production, import/export, and consumption estimates contained herein may be preliminary and are not intended for use in testimony and speeches or for public dissemination. Data contained in the annual National Narcotics Intelligence Consumers Committee Report should be used for those purposes.
Colorful, easily recognized brand names are used to market heroin.
PRODUCTION AND DEMAND

The heroin situation warrants serious concern. For calendar year 1991, total foreign seizures of heroin amounted to 17 metric tons. During 1991, 1.4 metric tons were seized in the United States. This is a significant increase from the .8 metric tons seized in 1990. The worldwide production of opium, from which heroin is derived, has generally increased over the last several years with an estimated 3,819 metric tons of opium produced in 1991, a 33-percent increase since 1988. Opium poppy cultivation takes place primarily in Southeast Asia (Burma, Laos and Thailand); in Mexico, Guatemala and Colombia; and in Southwest Asia and the Middle East (Afghanistan, Pakistan, Iran and Lebanon). Net 1991 opium production for the Golden Triangle was 2,650 metric tons; for Southwest Asia and the Middle East, 1,084 metric tons; for Mexico, 41 metric tons; for Guatemala, 17 metric tons; and for Colombia, 27 metric tons.

The key factor influencing heroin production over the next decade will be demand. Estimating other than general usage trends for heroin in the United States is difficult at best since estimates of the size of the heroin abuser population in the United States are dated. No current, reliable estimates are available regarding the number of addicts either in general or in specific metropolitan areas although it is assumed that a large addict population exists in New York City. The National Institute on Drug Abuse estimates that, in 1991, almost 700,000 people used heroin at least once during the year. There is also increasing anecdotal evidence that some abusers, perhaps new heroin abusers, are engaging in the snorting of heroin. Snorting of heroin may appeal to traditional cocaine abusers and is also a means of avoiding the use of tainted needles which can lead to the spread of highly infectious diseases such as AIDS. Moreover, the percentage of opium currently converted to heroin is such that increases in demand can easily be met without the need for significant increases in the cultivation of opium poppies.

The problem is compounded as opium production is contingent upon demand, not only for heroin, but for other opiates as well. Sizeable quantities of opiates are consumed in source countries as smoking opium or smokable heroin. Large opium and smokable heroin addict populations exist in the Middle East and Asia. Demand for opiate products in the consumer countries of Asia, such as Thailand and Hong Kong, will likely remain high for the foreseeable future. The drug abuse situation in Hong Kong could improve as it reverts to Chinese control in 1997, but it also could create a sizeable new market in China itself for opiate products.

The United States will remain the world’s most profitable heroin market, rivaled only by Europe. China will be the only country in the next decade that could challenge the United States as a market for refined heroin. The abuse situation there will probably get worse; however, one factor limiting the scope of any increase in heroin abuse in China is its historical preference for opium. The Chinese Government concern about opium abuse has historically been reinforced by strict handling of drug traffickers and abusers. The present regime would be expected to institute draconian measures if heroin abuse increases precipitously.

The U.S. heroin market will continue to be dominated by the presence of high-purity Southeast Asian heroin, particularly in the Northeast and along the East Coast. Mexican heroin will remain readily available in the West and Southwest. Middle East traffickers will continue to ship Southwest Asian heroin both to Europe and the United States. Current reports suggest that most of the heroin produced in Southwest Asia and the Middle East will be reserved for the large domestic abuser.
population in Europe. Despite widespread availability of the drug in Europe and large-scale seizures on the Continent, there has been no appreciable shift in prices downward. This suggests stability in both supply and demand.

Colombian heroin will likely capture a specific market niche on the East Coast of the United States but will not challenge Southeast Asian heroin for dominance in the near term. However, Colombian opium production could surpass that of Mexico and Guatemala if recent Colombian police estimates of increased cultivation are accurate. As cited above, Mexican heroin will continue to remain readily available in the U.S. West and Southwest. The United States will remain the principal market for Mexican-produced heroin. Opium poppy cultivation in Mexico has increased in the past as its economy has worsened. Heroin production in Mexico will focus on the "black tar," variety which is quicker and easier to make and readily accepted by heroin users in the United States. Overall, there is no significant heroin abuse in Mexico though some abuse has been reported in northern border cities. Effective eradication efforts have pushed opium poppy cultivation farther south and into Guatemala. Though opium production in Mexico and Guatemala amounts to only a small portion of worldwide output, most of the heroin produced there is meant for U.S. consumption.

Heroin is also shipped to Europe, Canada and Australia, which makes estimates of the total quantities of the drug reaching the United States difficult, but, based upon seizures and the observations of law enforcement and treatment specialists, demand for high-purity heroin appears to have increased in the United States. Additionally, periods of stimulant abuse in the United States have historically been followed by periods of increased depressant abuse.

The apparent entry of the Colombians into the heroin market must also be examined more closely. The Colombians will initially seek a specific niche within the market, but they may also prove capable of creating a wider market for the drug given their vast resources, control over trafficking routes, and access to a stable cocaine clientele in the United States. Overall, illicit opium poppy cultivation, opium production, and, ultimately, heroin production in Southwest Asia—especially in Afghanistan—will continue to increase due to improved weather conditions, lack of government control, and poor economic conditions. In Southwest Asia, illicit opium poppy cultivation is not expected to proliferate outside of traditional growing areas. No reliable estimates are available on potential capacity for new growing areas in the region; however, the break up of the Soviet Union will undoubtedly lead to increases in opium poppy cultivation. This may eventually lead to increases in heroin production in the Muslim republics bordering Southwest Asia.

Due to cultural and economic factors in Asia, heroin demand will probably not expand beyond those countries that already have an abuse problem. Although Japan possesses the economic potential to become a market for heroin, local culture and tradition have limited the widespread abuse of the drug. Japanese drug abusers prefer stimulants, which are readily available. Japan has an estimated 5,000 heroin addicts compared to about 400,000 methamphetamine abusers. In Mexico and South America, with the exception of Brazil, consumption of heroin is unlikely to increase. While Europe may see some inroads by organizations that transport Southeast Asian heroin, it is expected that European addicts will consume principally Southwest Asian heroin.

There has been some increase in demand for heroin in transit nations. Reportedly, demand for the drug in Nigeria, a major transit nation, is on the rise, and increases are cropping up elsewhere in Africa. Even so, increases in demand in the transit countries are not expected to be significant enough to affect the United States in terms of supply.

TRAFFICKING TRENDS

Heroin trafficking is compartmentalized and decentralized. Production is often controlled by groups and organizations separate from those responsible for the transport of the finished product to the consuming country. Transportation groups sometimes exist—separate and distinct from wholesale
Opium gum is collected using hand-held metal implements.

distributors—although the groups are often bound by ethnic ties or blood relations. Each time the product is transferred, responsibility is shifted. Since the association of producer to transporter to wholesale distributor is, in most cases, loose, the arrest of any one of these groups does not necessarily lead to the arrest of others in the chain. Since different aspects of the trade are compartmentalized and sometimes completely independent, there is often room for more than one organization at each level. Moreover, if one route is compromised, alternatives are available.

Ethnic Chinese and Sino-Thai traffickers continue to dominate the manufacture, importation and wholesale distribution of Southeast Asian heroin on a worldwide basis. Ethnic Chinese organizations tend to be comprised of individuals who join forces and combine resources on an ad hoc basis, with the sole intention of moving heroin from Thailand to New York City or the U.S. West Coast. Upon completion of the shipment, all profits are split and the organization may disband. Individual members of Tongs, Triads and street gangs are significant participants in these networks. Ethnic Chinese organizations involved in heroin trafficking are best viewed as syndicates with participation based upon experience, expertise, contacts and wealth. Close cultural, familial and criminal affiliations (membership in a Tong, Triad or gang, for example) are important credentials, which facilitate participation.

The expansion of ethnic Chinese and Sino-Thai traffickers into the retail level distribution of heroin in the United States has been a fairly recent development and has strengthened their control over the heroin trade. This will make law enforcement more difficult as traffickers recruit from among close-knit familial, cultural and ethnocentric groups. Ethnic Chinese traffickers will remain capable of shipping metric-ton quantities of the drug secreted
in commercial air or sea cargo; however, they will probably spread their risks by shipping multi-
hundred-kilogram quantities in multiple shipments.

Only significant political change or concerted, successful foreign government military action in the heroin source countries of Southeast Asia will have any real influence on insurgent groups which control the heroin trade. These organizations currently operate in the absence of any consistently strong government pressure. Even if major personnel are arrested, these organizations continue to operate. Changes may take place in the relative standing of each group within growing and refining areas in Burma but, in the long run, production and trafficking will continue at high levels. The future might see these groups growing stronger.

In Burma, groups such as the Shan United Army (SUA) are involved in cultivating opium poppies and refining opium into heroin. They also facilitate movement of heroin to major markets and help distribute it at the wholesale level in the United States. Highly organized and with a wealth of narcotics trafficking experience, the SUA has contacts throughout the world that are involved in the trafficking of heroin and in the transfer of narcotics-related proceeds. That this group has remained a dominant force in the worldwide heroin trade as long as it has is an indication of its power, tenacity and connections. Corrupt government officials in a number of countries, such as Burma, Thailand and Taiwan, have provided this group and others with support ranging from a “hands-off” attitude to active support in the form of weapons and money.

Other insurgent trafficking groups in Burma, such as the United Wa State Army (UWSA) and the Kokang Chinese, play a major role in heroin production and trafficking. They also have contacts in Southeast Asia who support their trafficking activities. These two groups account for most of the heroin trafficking increase through China. Their grip on the heroin trade is based on prime locations and political connections. Even so, high-level supporting members of these organizations, who engage in international travel, may still be successfully targeted, arrested or incarcerated through aggressive enforcement operations.

West Africans, though not a new group in terms of Southwest Asian heroin trafficking, have emerged as major traffickers of Southeast Asian heroin in recent years. Prior to 1988, there were no significant Southeast Asian heroin seizures in the United States involving West Africans; however, by the close of 1988, there were three arrests, with that figure jumping to 95 arrests in 1989. During 1991, more than 660 West African traffickers were arrested in the United States. This number is expected to remain high in the near term. In response to increased enforcement and interdiction, particularly at international points of entry, Nigerian courier organizations now employ other West Africans, U.S. or Eastern European nationals in an effort to thwart enforcement. Other nationals, such as the Vietnamese, could become more involved in illicit drug trafficking as a result of poor economic conditions in their countries and increased access to the outside world.

A number of well-established polydrug organizations handle heroin trafficking in Mexico. Recent intelligence suggests that other organizations independent of these traditional family groups are becoming more active in heroin smuggling. Opium poppy cultivation in Guatemala is directly controlled by Mexican traffickers.

Colombians involved in the cocaine trade in Guatemala are now showing up in cities and towns known to trade heavily in opium. Numerous reports have confirmed involvement in heroin by both the Cali and the Medellin Cartels. Intelligence reports also confirm that interests associated with the Cali Cartel are involved in overseeing cultivation, processing and “test marketing” of heroin in Colombia and abroad. It is unlikely that the production of heroin could continue in Colombia without significant cartel interest, administration and management because these organizations exert control over the major routes as well as the markets in the United States to which the heroin is being shipped. Given their vast resources, the Colombian organizations will quickly become important players in the international heroin trade. In the short term, lingering opium poppy cultivation and heroin processing problems in Colombia will be overcome and wholesale distribution will be attempted. Continued efforts to
develop heroin distribution in the United States will result in the establishment of an effective network that initially will not be in direct competition with ethnic Chinese or Sino-Thai operations already servicing traditional heroin abuser populations.

Pakistani traffickers will continue to use established distribution networks to import Southwest Asian heroin into New York City and other parts of the United States. Also, they occasionally will deal with Afghan traffickers and other ethnic groups from Southwest Asia such as Indians. Other Middle Eastern groups that remain active in the import and distribution of Southwest Asian heroin in the United States will include Afghans, Albanians, Iranians, Israelis, Lebanese and Turks. Points of entry for Southwest Asian heroin will continue to include not only New York City, but Los Angeles and San Francisco. Significant quantities of the drug will also enter through Canada.

Historically, Italian drug trafficking organizations have been involved in European heroin trafficking and, to a limited degree, have overseen some movement of the drug to the United States. In the 1970s and early 1980s, traditional organized crime elements received morphine from Middle Eastern drug sources who smuggled it aboard large commercial ships headed for Naples and ports in Sicily. The vessels were met offshore and unloaded into speedboats headed for Sicily where the morphine was processed into heroin. The heroin was then transported to the United States and other user nations by couriers or concealed in merchandise such as food, automobiles or ceramic tiles. Once the heroin reached the United States, it was systematically distributed to U.S. “associates.” Although the majority of these U.S. associates were located on the East Coast, some were also in the Midwest and on the West Coast. Southwest Asian heroin will likely continue to be moved into the United States by these criminal organizations for the foreseeable future.

Heroin continues to enter Europe from Southwest Asia through the “Balkan route,” which runs from Iran through Turkey, Bulgaria and Yugoslavia into Western Europe. Recent intelligence suggests that the civil war in Yugoslavia has forced traffickers to

re-route heroin shipments northward through Romania and Hungary. Seventy-five percent of the heroin seized in Europe in recent years was transported via the Balkan route. Turkish traffickers dominate the Balkan route network; however, the smuggling of heroin into Europe by Nigerian trafficking organizations using commercial air connections through Eastern Europe is growing in significance.

The dramatic changes in Eastern Europe may provide traffickers with new opportunities for drug trafficking and money laundering. The emergence of a single European market in 1993 will result in increased free movement of people, goods, services and capital within Europe. This development will be fully exploited by drug trafficking organizations. Unfortunately, narcotics interdiction efforts in Eastern Europe are relatively weak and, as a result, rival ethnic groups there or in the Balkans may use narcotics production and sales as a source of revenue for the purchase of weapons and supplies.

The Commonwealth of Independent States (CIS), 11 newly independent countries of the former Soviet Union, is in the throes of dramatic political and social changes. It remains to be seen whether these new states will have the courage and ability to carry out effective counter-narcotics strategies. Land, sea and air routes are currently used to smuggle illicit drugs through the CIS. In recent years, heroin has been smuggled from Afghanistan to Western Europe via the former Soviet Union. The Central Asian republic of Kazakhstan announced in January 1992 that it intends to reinstate legal opium poppy cultivation. Other republics may follow Kazakhstan’s lead to obtain hard currency available through the drug trade. DEA is concerned that a significant percentage of that opium production may end up on the illicit narcotics market. A related concern is that the CIS transition toward a market economy may promote opportunities for money laundering.

Syria is not a significant producer of illicit drugs, but is known to be a transit point for heroin. Syrian troops control the Bekaa Valley of Lebanon where opium poppies are cultivated and heroin is produced. Some Syrian military officials
tolerate and may even facilitate the movement of narcotics in Lebanon. DEA continues to receive reports that some senior Syrian officials profit from the Lebanese drug trade. Morphine base and opium from Pakistan, Afghanistan and Iran enter Syria via Turkey en route to processing laboratories in the Bekaa Valley. Lebanese-produced heroin transits Syria for final destinations in the Arabian Peninsula, Europe and the United States. It is likely that heroin will continue to transit the region through Syria for the foreseeable future.

Traffickers already possess the capability to supply the United States with large amounts of low-cost, high-purity heroin. Although the heroin abuser population in the United States has increased over the past decade and may continue to increase in the future, it does not appear probable that a much broader segment of the general public will be added. Expansion of the heroin abuser population—cocaine abusers are likely candidates—is possible, especially given the availability of high-purity heroin capable of being snorted or smoked. The U.S. Customs Service has the resources to inspect only a very small percentage of the commercial cargo entering the United States, so easy availability is virtually assured.

Interdiction successes such as the multi-hundred-kilogram seizures on the U.S. West Coast and off the coast of Thailand in 1991 may make the use of multi-kilogram shipments and techniques such as ingestion, concealment in checked baggage, or body carry attractive as alternative methods in order to spread the risk. Mexican heroin continues to be smuggled in much smaller quantities than either cocaine or marijuana, with most of it being smuggled in vehicles or by body carry. Illegal immigrants sometimes are used to smuggle the drug in return for documentation or money. This method of operation is here to stay.

PROSPECTS FOR CONTROL

In most source areas, only a very small percentage of the land available for opium poppy growth is actively under cultivation. These areas are, for all practical purposes, beyond the control and eradication efforts of central governments. DEA has observed that, in nations where there is endemic corruption, eradication has no major impact on cultivation or production. In those cases where eradication is accomplished honestly, growers simply move their fields or otherwise engage in efforts to negate the effects of eradication such as immediately washing sprayed plants or camouflaging plants and fields. The major factor affecting opium poppy cultivation in the past has been weather conditions. In years in which drought conditions or heavy rains have occurred, crops have been substantially reduced.

There will be little sustained eradication of opium poppies in Burma in the near future. Eradication efforts in Laos are contingent upon the will of the government. Even though no accurate estimate is available for the amount of heroin produced by these Golden Triangle source areas, indications are that heroin production will continue at high levels. Only fighting between rival insurgent groups has had any significant effect on opium poppy cultivation, opium production and heroin refinery operations.

In 1991, a substantial amount of opium poppy cultivation took place in China, primarily in Yunnan Province. Expansion of cultivation in Yunnan Province and in other parts of the country will likely result in China's becoming a major producer of opium in the near future. An undetermined amount of opium poppy cultivation now takes place in Vietnam along its border with China. An expansion of opium poppy cultivation in Vietnam and in other, lesser-known producing countries, such as North Korea, could partially nullify control measures taken in major producing countries. Given the limited future prospects for opium poppy crop reductions in the producing nations, it is, however, unlikely that smaller producers will substantially increase their share of the world market.

The use of sophisticated farming technology in fertile areas in Mexico (Michoacan and Guerrero States) has produced three growing seasons instead of two. It is only a matter of time before such technology is used in Colombia. In Guatemala, opium poppy cultivators are moving fields to more remote areas—some insurgent controlled—making
Southwest Asian morphine base and heroin are produced in different consistencies and purities.

aerial eradication difficult. Intelligence reports confirm that insurgents and growers are firing on aircraft in an effort to discourage eradication.

There is only limited hope in the near term of achieving significant progress—in any of the major producing countries of Southwest Asia or the Middle East—in gaining control over opium poppy cultivation or heroin production. Syria may be induced to take some action in return for greater participation by that country’s government in the Middle East peace process. A similar opportunity may exist with Iran if it continues to seek expanded contact with the Western world. There also may be limited opportunities for gaining the cooperation of transit countries to control the flow of illicit narcotics through their nations. Major transit countries such as Egypt, Greece, India and Turkey, even though they are highly motivated to stem the cross-country flow, will be hamsstrung by a lack of resources and the relatively unsophisticated nature of their drug interdiction forces. In addition, the problem of endemic official corruption in the transit nations, which include the impoverished nations of Africa, insures reliable alternative means of re-routing should interdiction efforts become more successful.

In Iran, Lebanon and Pakistan, no current concerted efforts exist to eradicate opium poppies. It is dubious, at best, to assume that central government control will be expanded to semi-autonomous areas where opium poppy cultivation takes place on a virtually uninhibited scale; therefore, limits on cultivation are set by the vagaries of weather, not human intervention. Control of cultivation in Lebanon could be tied to diplomatic efforts in the region, which have not yet been related to the issue of drug control.

U.S. narcotics control resources are best used in countries already committed and able to apply them. A good example is Thailand, where asset seizure and conspiracy legislation was recently
passed. Training assistance provided by the United States could solidly enhance the effectiveness of these new laws and possibly stimulate interest in countries such as Burma, Laos and China.

Many Southeast Asian countries have adequate laws for investigating and prosecuting narcotics offenses. Where they fail is in applying those laws. For example, Burma, Laos and the Philippines have adequate laws on the books but fail to take adequate enforcement action against narcotics trafficking. Countries such as Malaysia, Singapore and China have some of the toughest laws in the world concerning narcotics use and trafficking. The question, especially in a developing country the size of China, is whether the national will is strong enough to force the dedication of adequate national resources to the narcotics problem. The most successful country in terms of investigating and prosecuting heroin trafficking organizations, in addition to seizing their proceeds, has been Hong Kong. Even successful countries continue, however, to be plagued by the sheer volume of traffic; the diversion of legitimate chemicals, such as acetic anhydride, for illicit purposes adds to the plague.
OVERVIEW

Heroin was readily available in those metropolitan areas that had significant heroin user populations. During 1991, the slight decline in prices at the low end of the wholesale scale combined with high purity at the retail level to show that heroin availability had increased. This development was consistent with the nationwide pattern over the past few years.

High-purity heroin from source countries in Southeast Asia (Burma, Laos and Thailand) is trafficked extensively by ethnic Chinese, Sino-Thai and West African criminal organizations to the northeastern United States. Southwest Asian heroin from Pakistan, Afghanistan and Iran is trafficked to the Northeast, the Midwest and, to a lesser extent, the West Coast. Mexican heroin is prevalent in the western, southwestern and mid-western regions of the country. Numerous small seizures of alleged Colombian-source heroin occurred during the past year, primarily in New York City and Miami, so availability of this type is currently limited.

SOURCE AREAS

Heroin available in the United States today is smuggled from three primary source regions: Southeast Asia, Southwest Asia and Mexico. Some heroin is also smuggled into the United States from emerging source areas in Colombia.

DEA’s Heroin Signature Program¹ included an in-depth chemical analysis of 600 to 700 heroin samples collected in 1991. These samples came from all DEA seizures at U.S. points of entry and from random samples from the FBI, U.S. Customs Service and other DEA seizures.

During 1991, Southeast Asia was the primary source area for heroin in the United States, accounting for 58 percent of the heroin samples examined by the Heroin Signature Program. Mexican-source and Southwest Asian heroin accounted for 21 percent each.

From 1985 to 1991, the proportion of Southeast Asian heroin samples increased from 14 percent to 58 percent. Southeast Asian heroin is available nationwide and is the predominant type of heroin at both the retail and wholesale levels in the Northeast and a number of major East Coast cities. Mexican

¹ Heroin Signature Program forensic chemical analysis links a heroin sample with its geographic source area.
heroin of the "black tar" variety, which has much higher purity than the brown variety, dominates supplies in the Southwest, most areas on the West Coast, throughout the Rocky Mountain states and into several Midwest metropolitan areas. Southwest Asian-source heroin generally mirrors the geographic availability of Southeast Asian heroin, but is more limited in distribution than Southeast Asian heroin.

PURITY

On the streets, purity is directly related to availability. Heroin purity is tracked by DEA's Domestic Monitor Program (DMP), a heroin purchase program designed to provide price and purity data on street-level traffic. During 1991, the DMP was expanded to include one city from each of DEA's 19 Field Divisions and San Juan, Puerto Rico.

According to 1991 DMP figures, the nationwide average for retail-level heroin purity was 26.6 percent. This percentage is much higher than the average retail-level purity recorded in the late 1970s and early 1980s when double-digit purity was rarely seen. This significant rise in average purity corresponds directly to the increase in availability of Southeast Asian heroin. The purity of Southeast Asian heroin exhibits analyzed by the DMP during 1991 was the highest for all sources, averaging 40.8 percent.

Heroin purity at the street level was generally highest in the northeastern United States where a large percentage of the nation's user population lives. In New York City, the central importation and distribution center for Southeast Asian heroin, the average purity of the DMP Southeast Asian exhibits was 50.6 percent. The city of Boston recorded the highest average purity of retail level heroin in all of the DMP cities with an annual average of 58.1 percent.

The nationwide average of 34.6 percent for Southwest Asian heroin samples was distantly followed by Mexican heroin, which averaged 15.1 percent purity.

PRICES

Wholesale-level prices for heroin from all three major source areas remained stable throughout the year, with only a slight drop at the lower end of the kilogram price range. The most discernible change is that lower-end prices for kilogram quantities declined over a four-year period beginning in 1988. Lower-end national prices that had bottomed out at approximately $100,000 in 1988, dropped to about $65,000 by late 1991. Nationwide prices in 1991 for a kilogram of Southeast Asian heroin ranged from $90,000 to $260,000. In New York City, heroin sold for $120,000 at the lower end. In Los Angeles, a kilogram cost the same as it did in Miami—$150,000. In San Francisco, the average price was $128,000.

The price of Mexican heroin ranged from $50,000 to $200,000 per kilogram, with lower-end prices in Los Angeles and Miami near $90,000. By comparison, Mexican heroin prices jumped to $120,000 per kilogram in San Francisco. Southwest Asian heroin cost from $80,000 to $220,000 per kilogram nationally, but generally sold for $100,000 in Los Angeles and $80,000 in New York City. The wide range in kilogram prices reflected several variables including buyer-seller relationships, quantity purchased, purchase frequency, purity, transportation costs, etc. Numerous and diverse foreign sources of supply also accounted for the wide variations in prices.

Opium gum is collected and stored.
TRAFFICKING

Southeast Asian Heroin

Major Southeast Asian trafficking organizations, often under the control of Sino–Thai and ethnic Chinese criminal groups, oversee the smuggling of Southeast Asian heroin into the United States. Ethnic Chinese traffickers in the United States with links to these international criminal groups are the most prolific importers of heroin from Southeast Asia. In recent years, these highly structured, clandestine organizations have increased the size and number of heroin shipments to the United States. Ethnic Chinese or Sino–Thai nationals are often used to transport the heroin and are generally responsible for the largest shipments—in the multi-hundred-kilogram range—of Southeast Asian heroin smuggled into the United States.

Heroin traffickers use several routes to transport heroin into the United States from Asia. One of the major routes originates in Bangkok and terminates in New York City, the largest importation and distribution center in the United States for Southeast Asian heroin. Each year, roughly half of DEA’s nationwide seizures occur in New York City. Other cities in the East, such as Boston, are also used as entry points. Boston is also a transshipment point to New York City. West Coast cities, such as San Francisco, Seattle and Los Angeles, are increasingly being used as entry points for Southeast Asian heroin shipments. Moreover, as heroin traffickers develop new routes to evade law enforcement efforts, new points of entry for Southeast Asian heroin have emerged. This is evidenced by relatively large quantities of Southeast Asian heroin seized in Anchorage, Alaska, and Houston, Texas.

Among the wide variety of smuggling methods used, those encountered most often involved heroin secreted in seagoing containerized freight, air freight cargo and international mail parcels and concealed by passengers on commercial airline flights. The largest heroin shipments are smuggled via cargo containers. In May 1991, the largest heroin seizure in U.S. history occurred near Oakland, California, when 1,080 pounds (494 kilograms) of Southeast Asian heroin was seized from a commercial merchant vessel with a cargo of plastic bags aboard. The shipment originated in Thailand and was transshipped through Taiwan prior to arrival at the California port of entry.

Another example of traffickers using commercial cargo was an extensive Hong Kong to New York smuggling ring uncovered in early 1991. This group supplied 77 pounds (35 kilograms) of heroin per month to the New York City area. Traffickers who use commercial cargo that originates in source countries frequently attempt to disguise the origin of the cargo shipment by first transshipping the cargo containers through several other countries or by falsifying the container documentation, such as occurred with the Oakland heroin shipment.

West African drug traffickers, primarily Nigerians, are becoming increasingly effective in smuggling heroin. Large, sophisticated Nigerian trafficking organizations are smuggling Southeast Asian heroin into the United States and controlling distribution rings in several major cities. Unlike ethnic Chinese organizations, Nigerian traffickers eschew bulk heroin shipments and instead smuggle numerous, smaller amounts. Their means of concealment aboard commercial airlines are either internal body carries (compressed heroin in balloons and condoms) or external body carries. Most Nigerian organizations are based in Lagos and are formed along close-knit tribal lines. Drug barons who run Nigerian trafficking organizations are well insulated from drug law enforcement officials. They direct lower-level traffickers to recruit “throw-away” couriers to travel to the United States and elsewhere. Nigerians return almost all of the profits generated in the United States to Lagos or Hong Kong for laundering.

Responding to enforcement pressure, Nigerians are recruiting members of other ethnic groups, including other West Africans, Europeans and American citizens, to work as their proxies. Since Nigerians or their proxies rarely carry more than 2 kilograms of heroin, their strategy is to trade off quantity for volume distribution. They typically flood points of entry with several couriers on a single flight. New York’s JFK International Airport is the favored entry point for Nigerian trafficking organizations, but, during the past year, Nigerian traffickers have
diversified both the smuggling routes used to reach the United States and their points of entry into the country. This is evidenced by the arrests of several Nigerian heroin couriers who attempted to cross the southwestern border of the United States. In each instance, the courier was smuggling between 1 pound (.5 kilogram) and 3.3 pounds (1.5 kilograms) of heroin.

Nigerian traffickers are most active in cities with well established Nigerian populations, such as Atlanta, Chicago, Dallas, Houston, New York and Newark as well as the Baltimore–Washington metropolitan area. According to 1991 intelligence data based on seizures, arrests and investigative reporting, Nigerians increased trafficking activity to each of these cities.

Southwest Asian Heroin

Pakistani traffickers, who smuggle Southwest Asian heroin, control importation routes to and distribution networks in New York City and other parts of the eastern and mid-western United States. Southwest Asian heroin is transshipped through California to mid-western cities as well. Pakistani traffickers regularly transact business with Afghan traffickers, Indian traffickers and other ethnic groups from Southwest Asia. Nigerians still traffic in Southwest Asian heroin, but are now more active in trafficking Southeast Asian heroin.

Several groups from the Middle East are active in smuggling and distributing Southwest Asian heroin in the United States including Albanians, Iranians, Israelis and Lebanese; moreover, significant multi-pound seizures were made in New York City from both Greek and Turkish trafficking organizations in the past year. Points of entry for Southwest Asian heroin included not only New York, but also Los Angeles and San Francisco. Significant quantities of the drug bound for the United States also enter the Canadian cities of Montreal, Toronto and Vancouver.

"Slash & burn" agriculture takes place in Mexico and throughout the lesser-developed world.
Mexican Heroin

Mexican heroin is exported to the United States by Mexican nationals and Mexican-Americans. Mexico's extended land border with the United States gives traffickers many entry points from which to choose. Heroin is smuggled across the southwestern border in relatively small amounts by large numbers of illegal immigrants and migrant workers. According to DEA reporting, even large polydrug Mexican organizations capable of smuggling multi-ton quantities of cocaine and marijuana limit smuggling of Mexican heroin into the United States to a kilogram or less per worker.

Mexican trafficking organizations often are composed of family members, close relatives and other trusted associates. Some organizations control opium production and heroin processing areas, while others wield power over the transportation and distribution networks in the United States. Mexican organizations control distribution at the wholesale level, but are not generally involved in street sales, which are often handled by local gangs. Smuggling methods include concealment in motor vehicles, public transportation vehicles, internal and external body carries, and commercial package express services. When the heroin is inside the United States, transportation is arranged to the western and southwestern states and to the Chicago and St. Louis areas, primary markets for Mexican heroin.

Colombian Heroin

Colombian-source heroin was increasingly available in the United States during 1991. According to intelligence and investigative information, Colombian traffickers were perfecting opium

In Colombia, opium poppy cultivation often takes place in remote mountain valleys.
processing and heroin production techniques and
were attempting to establish distribution outlets for
their heroin in the United States.

Seizures of heroin carried by Colombian couriers
using commercial airlines increased in late 1991,
particularly at New York City’s JFK International
Airport. Ingestion and body carrying were the pri­
mary smuggling methods with most seizures rang­
ing between 1 pound (.5 kilograms) and 4 pounds
(1.7 kilograms). While the El Paso Intelligence
Center reported that the number of seizures involving
suspected Colombian heroin increased from two in
1990 to 41 in 1991, the method of smuggling—
primarily ingestion—indicates that Colombian traf­
fickers were not yet able to supply heroin on the
same scale as ethnic Chinese, Nigerian, Southwest
Asian or Mexican traffickers. The majority of sus­
ppected Colombian heroin samples tested between
90 and 100 percent pure. Colombian traffickers are
hoping that a reputation for quality will help them
carve out a niche in the distribution chain.

**Domestic Distribution of Southeast Asian Heroin**

New York City remained a principal staging area
for Southeast Asian heroin destined for other areas
of the United States. During 1991, it supplied the
Atlantic Seaboard from Boston to Miami. Some
Southeast Asian heroin was distributed from New
York City to cities in the Midwest as well. Heroin
smuggled into the country on the West Coast was
transshipped to midwestern and eastern cities. Traf­
fickers used several methods of transportation to
move the drug domestically in 1991, including
automobiles equipped with concealed compart­
ments, private planes, buses, trains and legitimate
delivery services. In addition to moving large ship­
ments of the drugs commercially or by courier,
small quantities were also moved through the mails.

Once the heroin was smuggled into the United
States, it was transported to cutting and packaging
mills where it was diluted and packaged for retail or
street-level sale. At the street level, heroin is sold in
gram and lesser amounts. The price usually remains
stable at the street-level, but the purity varies.
Particularly in northeastern urban areas, heroin
traffickers distribute the drug in small glassine
envelopes that bear trade names so that addicts can
request specific brands. Smaller traffickers often buy
heroin in a major metropolitan area in bulk (bundles
of 100 bags) at retail prices and then return to a
smaller city to resell the individual bags for a profit.
Nigeria was a major heroin trafficking and transit nation during 1991. West Africans, particularly Nigerians, transported heroin from both Southeast Asia and Southwest Asia to Europe and the United States. Considerable involvement in the drug trade by Nigerians and West African courier organizations continued unabated throughout 1991. Central government drug law enforcement in Nigeria was hampered by endemic corruption.

For the first eight months of 1991, Nigerians accounted for over 60 percent of the heroin seizures at New York City’s JFK International Airport. Nigerians and West Africans operated sophisticated drug trafficking and money laundering organizations across the globe. In response to increased scrutiny by inter-national customs authorities, Nigerian and West African organizations turned to the recruitment of foreign nationals including U.S. citizens and permanent resident aliens living in the United States. In addition to their heroin trafficking activity, Nigerians also established links with organizations that move cocaine to Europe and engaged in the bartering of heroin for cocaine in Latin America.

Heroin entered Nigeria from Southwest and Southeast Asia for transshipment to Europe and North America. Limited quantities were diverted for an expanding domestic market. Most heroin originated in Pakistan or Thailand, but some of Burmese origin was purchased in India. It usually entered Nigeria by air and land routes that varied in reaction to law enforcement pressures. Of the seven known courier groups based in Nigeria, membership remained principally Nigerian although other West Africans were occasionally involved.

The number of heroin traffickers arrested in Nigeria declined in 1991 due, in part, to the increased use of non-Nigerian couriers; however, average confiscations from arrested couriers were larger.

Improved detection forced couriers to use less desirable access routes resulting in high arrest rates for Nigerians abroad.

In order to counteract the increasing numbers of Nigerians involved in drug trafficking, Nigeria requires its citizens to obtain clearance from Nigerian drug authorities prior to applying for a visa for travel to Thailand. The government plans to extend such requirements to other trafficking areas as well. Endemic corruption, as well as the use of false documentation, has, however, diminished the effectiveness of Nigerian drug law enforcement measures.

A 1990 Memorandum of Understanding was signed by the United States and Nigeria, which established a joint narcotics task force. The task force was directly responsible for the disruption of three major trafficking organizations in 1991. During the period from January to September 1991, Nigerian enforcement officials seized 121 pounds (55 kilograms) of heroin and arrested 179 individuals on drug-related charges. During the same period in the United States, about 313 pounds (142 kilograms) of heroin were seized from Nigerians, 281 of whom were arrested. About $157,000 in drug-related proceeds also were seized.

Other transit points for Southwest Asian and Southeast Asian heroin located in sub-Saharan Africa included Chad, Cote d’Ivoire, Ethiopia, Ghana, Kenya and Senegal. Interdiction and enforcement in most African nations remained hampered by scarce resources, competing priorities, and increasing sophistication in smuggling techniques. False personal and commercial documentation was used by smugglers to further complicate the detection efforts of technologically inferior security forces. The diversion of police and military resources to internal security missions further exacerbated the situation.
Opium poppy cultivation in Burma.
BURMA

Approximately 62 percent of the world's illicit opium poppy cultivation takes place in Burma where, in 1991, 395,200 acres (160,000 hectares) produced an estimated 2,585 tons (2,350 metric tons) of opium. Virtually all cultivation took place in areas controlled by insurgent groups such as the Shan United Army (SUA) and the United Wa State Army (UWSA). Although accommodations with the UWSA were reached under the Burmese Government Border Area Development Program, this approach did not give the government direct control over any opium poppy cultivation areas. This program, affecting only a small fraction of the total area under cultivation, helped local governments obtain rural development projects if they shut down opium poppy cultivation or opiate refineries. The prospect for any real impact on future opium poppy cultivation by government eradication in Burma is slight.

Most growing areas in Burma are controlled by insurgents with the most opium poppies grown in the Shan State. Heavy cultivation exists east of the Salween River and in eastern and southern parts of Shan State, with some minor cultivation in southern Kachin and Chin State near India. Most opium poppy fields there are on hillsides prepared for planting by slash and burn methods. Seeds are sown from September to October and harvested from January to March. Farmers in Burma receive only subsistence prices for their crops and must sell exclusively to insurgents.

Most processing of opium and heroin in Southeast Asia in 1991 occurred in Burma with only minimal processing in Laos and Thailand. This has been the case for several years. In this regard, the SUA and the UWSA insurgent organizations operated large heroin refineries, mainly along the Thai border. Even so, processing was often accomplished in crude, temporary structures. Equipment was hidden in the jungle until the start of the processing season. The Kokang, Wa and Kachin ethnic groups also operated large heroin refineries located on the Chinese border.

In Kachin State, the Kachin Independence Army still depends on drug revenues to support its operations. The SUA, under the leadership of Chang Chi Fu a.k.a. Khun Sa, remained the dominant drug trafficking group in 1991. They were little affected by combined government and UWSA military action. The UWSA was the SUA's major rival, particularly along the southern border.

Smuggling illicit drugs to the outside world was also controlled by the well armed insurgents noted above. The SUA dominated the export of refined heroin to the West. The other groups tended to produce illicit narcotics consumed by the large and growing indigenous addict population.

Heroin is sold openly in Yunnan Province on the Chinese side of the border adjacent to the insurgent refineries. Some of the trafficking through China may be originating from Kokang and UWSA refineries in northeast Burma. Drugs exported from there include opium, morphine base, heroin base and heroin no. 4. In contrast, Khun Sa's SUA controls primary transit routes through southern Burma to the Thai border. While Thailand remained the principal exit to the world market, increasing amounts of opiates passed through southern China to Hong Kong or south through Rangoon toward Malaysia and Singapore, and eventually headed west through India and Bangladesh. Heroin was also shipped to southeastern ports along the Tenasserim Coast for transit down the Andaman Sea to western locales via southern Thailand, Malaysia, Singapore and Hong Kong.

Heroin produced by insurgent groups other than the SUA does reach Western distribution networks, but not to the same extent. Heroin produced in areas controlled by groups such as the Burma National Democratic Allied Army, the UWSA, and the
Kachin Independence Army does not yet enjoy the international reputation for quality associated with heroin produced by the SUA. Government support of the UWSA allowed for expansion of heroin operations along the Chinese border and to portions of southern Shan State along the Thai border in 1990. The government also struck militarily at other insurgent groups such as the Karen ethnic organizations adjacent to UWSA border enclaves.

The 1988-89 halt in aerial eradication of opium poppies in Burma and diminished enforcement efforts led to large increases in opium cultivation, heroin refining and drug trafficking. DEA's Rangoon Office issued an encouraging report in January 1991 about the eradication of 1,499 acres (607 hectares) of opium poppies in Kokang-controlled areas.

**LAOS**

Laos has the second largest amount of opium poppies under cultivation in the Golden Triangle, (73,174 acres (29,625 hectares)), which produced an estimated 292 tons (265 metric tons) of opium in 1991. Crop substitution projects funded by the U.S. State Department and the UN International Drug Control Program resulted in a slight reduction of opium poppy cultivation from 1990. In Laos, as in Burma and Thailand, most of the opium poppies were cultivated in remote areas by hill tribes. Large-scale eradication was not attempted because of the fear that hill tribes would react violently. Because the Lao Government has access to most areas of the country and can attempt to reduce opium poppy cultivation through crop substitution, continued reductions in opium production are possible. It remains to be seen whether the mettle of the Lao Government is equal to the task of carrying out a comprehensive curtailment program with countrywide impact. Any steps they do make will require the support of the military; however, reports are still being received concerning Lao military figures involved in trafficking activities.

**THAILAND**

Opium poppy cultivation in Thailand was estimated at 7,410 acres (3,000 hectares) in 1991. Opium poppies are grown almost exclusively in the north at elevations above 3,000 feet by nomadic hill tribes not culturally or even linguistically associated with the predominate ethnic Thai population. Opium poppies are planted between late August and late October. Harvesting occurs from November to March. Opium poppies are still used for medicinal and culinary purposes as well as for consumption by hill tribe addicts. In recent years, traditional growers have been joined by "commercial" growers financed and managed by heroin traffickers. The Thai army sometimes takes action against the growers by manually eradicating their crops, but usually does not arrest them because of their ties to local Communist insurgent groups. In response, growers are intermixing crops, dispersing fields, and staggering growing cycles. Eradication of some 2,964 acres (1,200 hectares) of opium poppies occurred in 1991, up from 1,778 acres (720 hectares) in 1990. Opium production was 39 tons (35 metric tons) in 1991 compared to 44 tons (40 metric tons) in 1990.

Crop substitution and eradication of opium poppy cultivation areas have continued to reduce the opium poppy crop. Current opium poppy cultivation is less than half that of five to six years ago. Thailand has nearly reached the point of maximum return on crop substitution and eradication programs. Remaining opium poppy cultivation is in remote areas under the control of independence-minded hill tribes. In an effort to avoid poppy eradication, these people have reduced field sizes and moved cultivation into less accessible areas. Regardless of these actions, the amount of opium poppies cultivated will stay small in comparison to that cultivated by other growers in the region.

Thai, as well as Sino-Thai, financiers and middlemen continued to play a major role in trafficking from Laos and Burma throughout 1991. Thai military,
Opium poppy cultivation in Laos.
Police and civilian officials along the border have long dealt with minority groups there for security and economic reasons, which has led to some corruption. Border inspections, for example, remained less than stringent in high traffic areas due to intimidation or widespread petty bribery. Thailand's sophisticated international transportation system provided convenient conduits for drugs flowing from the region. Government road building and economic development projects that strengthened the transportation infrastructure also contributed to the decline in opium poppy cultivation by removing some acreage from service. Ironically, such initiatives have inadvertently facilitated the transport of refined heroin from laboratories operating in the area.

Illicit narcotics were transported from Thailand by air in passenger and cargo planes, by sea in ocean-going transports and fishing trawlers, and overland by truck to Malaysia. Unfortunately, the sheer volume of legitimate international trade in the region made interdiction difficult. Thailand was also used as a conduit for precursor chemicals that were later diverted to heroin refining laboratories. In recent years, traffickers have made overtures to develop an in-house capability for the production of acetic anhydride and other precursor chemicals.

Even though traffickers have continued opium poppy cultivation outside of Thailand with impunity, they have not been so lucky in the distribution of their product. Heroin seizures in 1991 increased to 1.9 tons (1.7 metric tons) compared to 1.2 tons (1.1 metric tons) seized in 1990. In May 1991, a joint investigation by U.S. and Thai agencies netted 977 pounds (443 kilograms) of heroin from a fishing trawler off the coast of Thailand. About 1,830 pounds (830 kilograms) of opium also were seized in 1991 from five heroin refineries that were later destroyed. This compares to only two refineries destroyed in 1990. Arrests fell from 56,000 in 1990 to a projected 47,300 for 1991; however, the percentage of arrests made for export or sale of narcotics rose from 6.5 percent to 7.2 percent in 1991. Other investigative leads obtained from a June 1991 DEA seizure of 1,089 pounds (494 kilograms) of heroin in Oakland, California, were being pursued.

DEA reported 30 arrests of major violators in Thailand in 1991. Although no Thai officials were arrested for involvement in narcotics trafficking, the Thai government revoked diplomatic immunity for a London-based diplomat caught smuggling heroin into England. This action allowed British authorities to arrest the individual. Throughout most of the year, Thailand's control efforts were hampered by the lack of an asset seizure law and conspiracy statutes that would facilitate prosecution of major violators. Finally, in August 1991, Thailand passed a narcotics conspiracy and asset forfeiture law. A new extradition treaty with the United States also came into effect in May 1992.

OPIATE TRAFFICKING IN OTHER ASIAN COUNTRIES

Australia

Almost all of the heroin consumed in Australia is imported from Southeast Asia. Ethnic Chinese, often from Hong Kong, control most of the Southeast Asian heroin importation and wholesale-level distribution of the drug in country. Australia has the potential to serve as a transit nation for Southeast Asian heroin to the United States given its close proximity to source nations, developed transportation infrastructure, growing domestic market for both heroin and cocaine, and sizeable Asian organized crime activity. During a nine-month period ending in September 1991, 88 pounds (40 kilograms) of heroin were seized in Australia as compared to 154 pounds (70 kilograms) seized during all of 1990.

China

During 1991, opium poppy crops were cultivated in Yunnan Province near the border with Burma and Laos by farmers ethnically related to Burmese and Lao hill tribes. A large percentage of the heroin shipped through China was trucked by road through Yunnan, Guangxi and Guangdong Provinces into Hong Kong. Seizures were made in those areas as well as at international airports and on trains in Shanghai and Guangzhou. Some heroin precursor chemicals manufactured in China, such as acetic anhydride, were reportedly diverted to clandestine Golden Triangle laboratories.
Opium poppy cultivation in Thailand.
China stepped up its counter-narcotics activities in 1991 by launching a "People’s War Against Drugs." This involved, in part, participation in a UN International Drug Control Program-sponsored regional counter-narcotics project with Burma and Thailand. China also participated in a multilateral chemical action task force plenary session in Washington, D.C., and is considering putting under control all 12 chemicals listed in the 1988 UN convention. (China now controls only three listed chemicals.)

During the first half of 1991, the Chinese Public Security Bureau reported the seizure of 1,976 pounds (896 kilograms) of heroin resulting from 1,512 drug cases. Police reported the seizure of some 1.5 tons (1.4 metric tons) of heroin in 2,143 cases in 1990. Thirty-five drug traffickers were sentenced to death in October 1991 at Kunming, China. At the same time, almost 5.5 tons (5 metric tons) of opium were publicly destroyed. The Chinese Government also reported the destruction of six million opium plants (which probably had been earmarked for domestic consumption) in a 15-acre (6-hectare) field in Inner Mongolia. Police have reported the stockpiling of heroin on the Chinese side of the China–Hong Kong border.

**Hong Kong**

Hong Kong is a major transit country for injectable heroin no. 4 and a significant drug money transit and laundering haven. Heroin found there originates principally in the Golden Triangle and is moved there by air, overland from China or by sea. Complicating matters is the intermixture of heroin with the considerable amount of international cargo that legitimately transits the Crown Colony. Authorities estimate that upwards of fifty percent of all heroin enters Hong Kong by way of southern China with a sizeable portion of Southeast Asian heroin probably re-exported to the United States.

Extensive ethnic Chinese triad activity abets both local and international trafficking in Hong Kong, but these groups are thought to be moving control of their criminal enterprises overseas in anticipation of Hong Kong’s annexation to China in 1997. Through September 1991, Hong Kong authorities seized approximately 205 pounds (93 kilograms) of heroin and 112 pounds (51 kilograms) of opium. Extensive cooperation with foreign law enforcement officials in 1991 resulted in several successful actions including the freezing of over $45 million in drug-related assets. Nine individuals were extradited to the United States to face drug charges. This was made possible by a joint drug designation agreement between the United States and Hong Kong.

**Indonesia**

On two occasions in May 1991, heroin was seized at New York City’s JFK International Airport following its transit through Indonesia. In addition, illegal heroin refining operations are rumored to exist on fishing vessels operating in the Straits of Malacca. Although no firm evidence exists, similar rumors also have arisen regarding Vietnamese fishing fleets operating in the area. Indonesia imports and processes significant amounts of acetic anhydride to support legitimate domestic enterprises. Current indications suggest no significant diversion of the chemical to the illicit drug trade.

**Japan**

Japan continued to serve as a transshipment point for heroin due to its highly developed international trade infrastructure. There is no sizeable indigenous heroin addict population. Almost all heroin that transits the country is destined for end users in other nations.

**Malaysia**

Smokable heroin no. 3 is consumed in Malaysia, which was a transit country for injectable heroin no. 4 during 1991. Heroin base was smuggled into Malaysia from Thailand and Burma. Conversion into heroin nos. 3 and 4 was accomplished locally. Although no opium poppies were grown in Malaysia, illicit heroin processing and trafficking remained serious problems. Trafficking monopolized by ethnic Chinese organizations was responsible for the transshipment of heroin no. 4 to Australia, Europe and the United States but, no seizures of the drug occurred in Malaysia during 1991. Likewise, raw opium seizures declined in 1991. Despite severe penalties for drug trafficking, no significant decrease of production or trafficking occurred.
Effective controls along the land border with Thailand continued to force more smuggling by fishing boats from Burma and Thailand, particularly into the islands of Penang and Langkawi in northwest Malaysia. Corruption exists in some Malaysian enforcement agencies in this area where ethnic Chinese triads or gangs control most narcotics trafficking. A senior police official was removed following a 1991 investigation into charges concerning missing drug-related proceeds. Nigerians have been caught smuggling heroin to the United States from Thailand through Malaysia in the past, but no arrests occurred in 1991. Recent intelligence suggests that some of the considerable quantities of imported acetic anhydride are being diverted to heroin refining operations in Burma and Thailand.

Nepal

Nepal was used as a transit country for heroin routed from Pakistan through India and onward to Europe and the United States in 1991. Some narcotics entered Nepal from Burma, Hong Kong and Thailand. Drug couriers from Afghanistan, India and Nigeria were apprehended in the mountain nation during 1991. In addition, there were arrests of Nepalese on drug-related charges in Australia, Germany, Great Britain, Hong Kong and the United States in 1991. In response to this growing narcotics activity, Nepal is expected to form a dedicated narcotics enforcement unit in early 1992.

Philippines

The Philippines continued to be a significant transit country for heroin destined for Australia, Western Europe and the United States last year. Nigerian traffickers occasionally used the Philippines as a transit country. Filipino and ethnic Chinese traffickers also used the Philippines as a staging and transit area for heroin shipments during the past year.

Singapore

Singapore was used as a transshipment point for drugs destined for the United States and may become important as a financial center for narcotics-related proceeds in the future. During 1991, Nigerian heroin traffickers, originating primarily from Thailand, increased their use of Singapore as a transit country for heroin destined for the United States and Europe.
COLOMBIA

Colombian traffickers are poised to become sizeable opium poppy cultivators and heroin exporters. Reports have existed of sporadic opium poppy cultivation in Colombia since the mid- to late 1970s. Recent government counter-narcotics operations as well as investigative reporting reflect significant expansion of opiate activity during 1991. Unofficial government estimates of opium poppy cultivation have risen from 1,482 acres (600 hectares) to a significant 7,410 acres (3,000 hectares). Recently, some reports suggested that cultivation could have a range from 25,000 to 37,050 acres (10,000 to 15,000 hectares). During two weeks in August 1991, police officials eradicated 2,275 acres (921 hectares) of opium poppies in Huila Department. Many new opium poppy cultivation sites are located in areas under insurgent control, and expansion has been precipitous. Although there are many inexperienced growers planting the crop, current projections indicate that, during the next five years, opium poppy cultivation is likely to increase in a more controlled fashion as major trafficking organizations seek to impose control and stability over the process. A number of groups in the country now have the capability to produce kilogram quantities of extremely high purity (80 to 90 percent) heroin. Opium poppy cultivation in Colombia has been reported in 12 departments with heavy cultivation in...
Caqueta, Cauca, Cundinamarca, Huila and Tolima Departments. Wide dispersal of growth and other indicators suggest that opium poppy cultivation in Colombia is now well entrenched and expanding.

The Government of Colombia has approved the aerial application of herbicides. In 1991, the Colombians eradicated 3,698 acres (1,497 hectares) of opium poppies in manual eradication operations. In 1991, cultivation occurred predominantly in mountain ranges, usually on mountainsides. Campesinos were provided seed and trained by traffickers to collect opium gum. Plots ranged in size from 25 to 37 acres (10 to 15 hectares). Occasionally, plots from 99 to 296 acres (40 to 120 hectares) were encountered. Cultivation is believed to take place year-round resulting in three harvests every 15 months. Opium poppy plants in Colombia, although high in morphine content, tend to produce less gum. In addition, gum collection still suffers from inefficiencies as campesinos seek to master harvesting techniques. Total opium yield for 1991 was estimated at 19 tons. A kilogram of opium sold for $1,600 to $5,800 locally.

Evidence of opiate processing in Colombia solidified when Colombian National Police seized six morphine laboratories in November 1991. Five of these were located in Huila and a sixth was in Tolima. No heroin refining laboratories were discovered in 1991. (In February 1992, a laboratory was discovered south of Neiva in Huila Department.) Reports persisted in 1991 concerning the presence of Southeast Asian “chemists” brought in by traffickers to oversee the production of heroin and to train locals. No arrests of foreign chemists occurred in 1991. During the year, the price of a kilogram of heroin in Colombia ranged from $45,000 to $75,000. No specific group appeared to dominate the heroin trade in Colombia during 1991; however, evidence suggests that traffickers and buyers in the cultivation
areas enjoyed ties to both Cali and Medellin interests. Other reports were received that confirmed the bartering of cocaine for heroin by Colombian organizations. It is known that some Southeast Asian or Southwest Asian heroin transits Colombia destined for the United States. This suggests that not all of the heroin trafficked into the United States by Colombians originates at present in Colombia; however, it does suggest that the proportion of heroin originating in Colombia will increase dramatically in the near term.

GUATEMALA

Intensified Mexican eradication and control efforts in Mexico in 1991 forced traffickers to increase cultivation efforts in Guatemala where such activities are less threatened by governmental action. In Guatemala, opium poppy cultivation takes place in high, narrow mountain valleys mostly in Huehuetenango and San Marcos Provinces. Most opium poppy cultivation areas in Guatemala are under the control of insurgents, complicating limited aerial eradication efforts undertaken by the government. Mexican opium poppy cultivators and heroin traffickers provide financing, seed and expertise to Guatemalan growers. Opium poppy cultivation will likely continue in this area, but control may increase, particularly if combined U.S. and Guatemalan eradication efforts are continued.

As mentioned above, peasant farmers in San Marcos and Huehuetenango Provinces cultivated opium poppy from seeds often provided by Mexican traffickers. U.S. Government-supported eradication efforts resulted in the destruction of 1,423 acres (576 hectares) of the 4,251-acre (1,721-hectare) opium poppy crop in 1991. After eradication, there were an estimated 2,228 acres (1,145 hectares) of opium poppy as compared to 2,087 acres (845 hectares) under cultivation in 1990. In 1991, this crop had the potential to produce 19 tons (17 metric tons) of opium. Heroin processing from this opium occurred in Mexico; however, reports suggest that opium gum was occasionally converted into morphine base in Guatemala.

In September 1991, the government’s Treasury Police created a 45-man manual eradication company in San Marcos Department, and a similar force was created in November in Huehuetenango. (In 1992, the San Marcos unit was expanded to 93 soldiers.) Using U.S.-provided vehicles, radios and rations, the company eradicated 49 acres (20 hectares) of opium poppies during its first two months of operation. In an effort to control opium poppy production, the Government of Guatemala also conducted aerial eradication with great success.

MEXICO

Opium poppy cultivation areas in Mexico have expanded in recent years to include most of the western coastal states down to the border with Guatemala. Total opium production in Mexico for the 1991 growing season was estimated at 45 tons (41 metric tons), down from 68 tons (62 metric tons) in 1990. Opium gum in Mexico was converted mostly into "black tar" heroin and smuggled into the United States for consumption by addicts in the U.S. West and Southwest. The Mexican Government has engaged in intensive eradication efforts, some with the participation of U.S. representatives.

Mexican opium poppy cultivation, once largely confined to the Mexican tri-state area of Sinaloa, Chihuahua and Durango, has expanded over recent years. Cultivation of opium poppies is found throughout the western side of the Sierra Madre Mountain range. Southwestern states are now producing more than the traditional tri-state area. Higher yields also are achieved in this area compared to the northwestern states. In most areas, 22 pounds (10 kilograms) of opium gum are obtained from each hectare of opium poppies. In Guerrero, yields of 33 pounds (15 kilograms) per hectare are achieved. Traditional opium poppy harvests occur from December to January and from February to April. Year-round cultivation takes place in southwestern Mexico due to favorable weather conditions and the use of advanced agricultural techniques.

The Government of Mexico reported destroying 15,415 acres (6,241 hectares) of opium poppies in 1991. Approximately 302 pounds (137 kilograms) of heroin, 183 pounds (83 kilograms) of opium gum and 547 pounds (248 kilograms) of opium poppy seeds were seized through September 30, 1991, by the Mexican Attorney General’s Office (the Procuraduría General de la República (PGR)), the
In Mexico, opium poppy cultivation often takes place in remote mountain valleys.

Defense Secretariat, the Naval Marines and the Federal Highway Patrol.

Both traditional brown and black tar heroin are produced in Mexico. However, the largest percentage of heroin currently produced in Mexico is the black tar variety. The black tar heroin production technique allows conversion of opium gum directly into heroin at the field or at a nearby ranch or village. Mobile laboratories are used that move with the harvesters as they collect the opium gum. The black tar procedure allows the average laboratory operator to produce 6.6 to 11 pounds (3 to 5 kilograms) per day during the harvest season. This product can be on the road to the United States in less than two to three days after the opium gum has been collected in the mountains.

Mexican heroin is smuggled into the United States by well organized family groups that have existed for decades, some of which are also deeply involved in cocaine trafficking. In 1991, Mexican heroin trafficking to the United States continued to be dominated by Mexican nationals and Mexican-Americans. In general, Mexican heroin is smuggled across the U.S.–Mexican border in relatively small amounts by illegal immigrants, migrant workers and Mexican nationals related to families involved in opium poppy cultivation or heroin production.

Means of importation include concealment in private motor vehicles or public transportation, external body carries, and the use of commercial cargo and commercial package express services. Points of entry for Mexican heroin destined for the western, southwestern and mid-western United States are found along the entire U.S.–Mexican border. Corruption of public officials remains a matter of serious concern, which is being addressed by the Mexican Government. The Salinas government has toughened penalties for drug-related offenses and moved swiftly to dismiss officials suspected of corruption.
AFGHANISTAN

Afghanistan is the world's second largest producer of illicit opium. Most of Afghanistan's total 1991 production of 627 tons (570 metric tons) was grown in Nangahar Province and the Helmand Valley. In 1990, there was a drop in cultivation in the Helmand Valley which had previously accounted for about 19 percent of production. The reduction was mandated by the former political leader of the area in an effort to secure political recognition. However, after his assassination in 1990, cultivation and production resumed at pre-1990 levels.

In 1991, most opium from Afghanistan was processed into heroin at crude laboratories in Pakistan. Trafficking occurred along the borders with Iran and Pakistan. The former Kabul regime in Afghanistan exerted little control over production and trafficking. Seizure statistics announced by the Kabul Government are suspect and often cite Mujaheddin or Pakistani involvement in trafficking. Unconfirmed reports suggest that the government may have condoned production and cultivation in some areas. There was also a lack of control in Mujaheddin-dominated areas where most of the cultivation and production occurred. Although a number of Mujaheddin commanders opposed drug trafficking, others tolerated growth and sale by farmers who depend on opium poppies for their livelihood. Some commanders may even have used drug revenues to finance their operations. Both the National Commander's Shura 1 and the Afghan Interim Government in Peshawar, Pakistan, have declared their opposition to narcotics cultivation and production.

Opium poppy farming methods in Afghanistan have remained unchanged over the decades. Plowing, for example, is not mechanized but, instead, is performed with a wooden plow pulled by a cow. In the fall, after the land is plowed, it is fertilized with cow dung. Sometimes, if available, commercially-produced fertilizer is used, and the land is leveled with a board. Fifteen to thirty days later, the farmer broadcasts opium seeds by hand. When the plants have reached a height of two inches, the farmer thins the plants by simply tearing out the plants randomly. A second thinning is performed when the plants have reached a height of about five inches. As opium poppy plants require moisture before the onset of winter, and rainfall is not guaranteed, farmers often must irrigate the fields. They flood the fields with water from irrigation ditches and block the water in the fields. After the opium poppies have bloomed and the petals have dropped, the bulbs are scored. Everyone assists in this labor intensive effort. The bulbs are scored two to four times, always in the evenings. In the morning, the bulbs are scraped using a metal implement. The gum is then collected and placed on opium poppy leaves. Usually, four to five leaves are used to collect 300 to 400 grams of opium gum. The leaves are then tied together to seal in moisture. The "leaf containers" are transported to a house and put into cotton sacks. The stored opium stays moist for several months.

Opium is also stored in plastic sacks that hold approximately 15 pounds (7 kilograms). In these sacks, the opium will remain moist for a year or more; however, traffickers prefer the opium dry to cut down on transportation weight. Some opium poppy pods are boiled and the liquid is used for medicinal purposes such as treatment for stomach disorders or as an anti-diarrhea medicine. The farmers also collect seeds and then pull the remaining plants out of the ground and burn them. Opium farmers usually rotate crops yearly. Field sizes vary from garden-size plots to several acres. Not all fields are clandestine, per se, as some have been located near houses, schools or built-up areas, and are easily visible from the roads.

1 The Shura is a central assembly of Mujaheddin military commanders.
Opium poppy cultivation and heroin laboratory activity in Afghanistan and Pakistan.
Opium traffickers purchase the opium from the farmers. In the past, farmers have transported the opium to a central market in a major city such as Landi Kotal in Pakistan, near the Northwest Frontier Province (NWFP) of Pakistan. The traffickers normally pay the farmers up front for the opium. Sometimes, farmers will agree to plant a certain number of opium poppies and will receive advance payment from the traffickers.

Mules, donkeys and buses are used to transport the opium into Pakistan. One route used is the major highway that leads from Kabul through Jalalabad over the Khyber Pass to Landi Kotal and Peshawar, Pakistan. Other routes divert from this main artery and cross into Pakistan on paths which avoid major border checkpoints.

Some laboratory conversion of opium into morphine base or heroin takes place in Afghanistan. However, most of the opium is converted in Pakistan. A typical heroin laboratory in Nangarhar may produce smoking heroin for local consumption. A medium size lab may simply consist of two rooms with several barrels, one press, approximately thirty buckets and up to eight workers. The laboratory operator may buy directly from the farmer or may contact a trafficker to act as a middleman. Usually, heroin is prepared to satisfy a specific order.

PAKISTAN

Pakistan was both a producer and a transit country for opiates in 1991. Near perfect weather contributed to a 1991 production total of 198 tons. Opium poppy cultivation in Pakistan extends from Kala Dhaka on the east bank of the Indus River to the other side of the river and northwest through Gadoon-Amazai, Buner, Malakand, Dir and Chital. Southwest of Malakand, it extends all along the border

In Pakistan, opium poppy fields are terraced, irrigated and well-tended.
Laboratory activity in Pakistan is rudimentary but effective.

with Afghanistan through the tribal Agencies of Bajaur, Mohmand, Khyber, Orakzai, North Waziristan and South Waziristan. Opium poppies are both rain-fed and irrigated in the tribal areas of Khyber, Bajaur and Mohmand, and in the Dir District of the NWFP. The bulk of Pakistani-produced opium was converted into morphine base or heroin in laboratories located in the tribal areas of the Khyber Agency southwest of Peshawar, and scattered in remote areas of Mohmand Agency and Baluchistan.

The government continued to enforce an opium poppy cultivation ban in areas under its control, and 1,082 acres (438 hectares) were eradicated in 1991. Near perfect weather, upward movement in heroin prices, and a change in government in 1990 contributed to increased cultivation and production of opium in 1991. The government maintained a credible opium poppy ban in some areas under its direct control; however, the ban was offset by increased production in areas of nominal central government control.

Processing of opium into heroin took place in the Khyber, Mohmand and Bajaur Agencies of the NWFP and in remote regions of Baluchistan. There may be upwards of 200 small, mobile clandestine laboratories operating in these areas controlled by independent, heavily armed tribes with traditional cross-border connections. Few major laboratory operators or owners were arrested and few laboratories were seized in 1991. Heroin production temporarily fell in 1991 due to a shortage of acetic anhydride created when the Pakistani Customs Service seized 21 tons (19 metric tons) of the chemical in October 1990 in Karachi. The government also instituted import controls on acetic anhydride in the spring of 1991. However, production rose as supplies became available via smuggling of the chemical across Pakistan's porous borders.

In the spring of 1991, the government raided three heroin laboratories in Khyber Territory and arrested the operators. For the most part, however,
production and refining continued unabated in the NWFP during 1991. In July 1991, two major traffickers, Anwar Khattak and Iqbal Baig, were prosecuted, convicted and sentenced to the equivalent of three and one-half years in prison.

In April 1991, the government cooperated with the United States and extradited Zulqarnan Khan to the United States to face heroin trafficking charges. Nasullah Khan Henjra, also wanted in the United States, was arrested in July pursuant to a U.S. extradition request. The government also initiated cases against Sakhi Dost Jan Notezai, the reputed owner of a large amount of drugs seized in Baluchistan in 1990; two members of the Baluchistan Provincial Assembly; and a former provincial minister accused of attempting to sell 110 pounds (50 kilograms) of heroin in Karachi. Other traffickers, however, remain influential and some even hold high office in provincial and national assemblies and at the cabinet level in the central government.

In October 1991, a record-breaking seizure of 3.5 tons (3.2 metric tons) of narcotic derivatives, including morphine base, was made in Baluchistan. This reflects the scope of illicit drug trafficking in the region. This significant seizure of morphine base and hashish was the result of increased funding of the elite Baluchistan Frontier Corps, but, in general, Pakistan's performance on narcotics law enforcement, especially in the NWFP, needs improvement. Law enforcement agencies in Pakistan remained understaffed, poorly trained, and subject, at local levels, to corruption. In general, few major Pakistani traffickers have been arrested, successfully prosecuted and imprisoned. Law enforcement and prosecutorial systems have been weakened by corruption or intimidation exercised by wealthy and politically influential traffickers.

A large portion of the heroin produced in Pakistan was consumed by a sizeable addict population. International experts and Pakistani officials place the addict population between 1.2 and 1.7 million.

OPIATE TRAFFICKING IN OTHER SOUTHWEST ASIAN COUNTRIES

India

India is a major transit nation for opium and heroin produced in Afghanistan, Burma and Pakistan as well as a potential producer of these narcotics. In 1991, heroin from Afghanistan and Pakistan was transported across the Indo–Pakistan land border to traffickers and couriers who conveyed the drugs to Europe and the United States. There are reports of increasing amounts of Burmese heroin entering India through its northeast border for domestic use and, perhaps, international markets. Large quantities of acetic anhydride were smuggled through India to refineries in opium producing nations. In addition to diversion of licitly-produced opium in Madhya Pradesh, Rajasthan and Uttar Pradesh, there were reports of illicit cultivation in India.

Diversion of chemicals as well as illegal refining activity was reportedly centered in Uttar Pradesh. Within India itself, "brown sugar" heroin was the drug of choice among addicts. In Manipur State, intravenous drug use also led to high HIV-positive infection rates. The heroin addict population is believed to be from 1 to 5 million according to official estimates. Indian-produced heroin was exported to Bangladesh and Nepal.

Anti-narcotics efforts continued to receive low priority, and unsubstantiated reporting suggests that local and state politicians may have benefited from the drug trade. Some controls over the export of acetic anhydride existed within fifty kilometers of the Indo–Pakistan border and 100 kilometers of the Indo–Burmese border but were not implemented on a national scale. Indian Government officials stated that the black market price for illicit opium was thirty times that paid by the government for licit opium. Licit cultivation was cut from over 148,200 acres (60,000 hectares) in 1978 to slightly over 34,580 acres (14,000 hectares) for the past two years.
Iran

Reliable data on the illicit drug situation in Iran has not been available since the closure of the U.S. Embassy in 1979. The U.S. drug intelligence community believes that morphine base and heroin laboratories continued to operate in the Kurdish areas along Iran's border with Turkey. A significant percentage of the opiates produced in Pakistan and Afghanistan entered Iran in 1991. A portion of these, as well as locally produced opiates, remained there for local consumption. Opiates were also smuggled north to the Muslim republics of the former Soviet Union and south to the Persian Gulf. A large portion, however, transited Iran westward into Turkey. These drug shipments were destined for Europe, but smaller quantities continued on to the United States, usually by commercial air. Iranian and Kurdish groups controlled the transit of illicit drugs through Iran. Large Iranian communities in Europe and the United States facilitated drug trafficking connections to these countries.

Although the government banned opium poppy cultivation in 1980, growth reportedly still occurs in remote areas of the country near Pakistan and Afghanistan. Previous estimates have placed total opium production at 330 tons (300 metric tons). Allegedly, laboratories for producing morphine base and heroin operated in Kurdish areas in the northwest and Baluch areas in the southeast. Iranian traffickers continued to expand narcotics trafficking in the United States by exploiting the ethnic Iranian population in California.
EUROPE—MIDDLE EAST—AFRICA TRAFFICKING

WESTERN EUROPE

Austria

Austria was a transit country for Southwest Asian heroin destined for Western Europe via the "Balkan route" in 1991. Turkish, Iranian, and Yugoslav heroin trafficking organizations dominated the heroin market in Austria. Nigerian heroin traffickers also have been identified operating in Austria.

France

France remained an important transit and consumer country for Southwest Asian heroin destined for other Western European countries as well as for the domestic French market. Large quantities of heroin were smuggled into France by Turkish traffickers in Transport International Routier (TIR) trucks via the Balkan route. Lebanese, Pakistanis and Iranians were also involved in French heroin trafficking. Traffickers from Southwest Asia and the Middle East, especially Lebanon, used commercial air and containerized ship cargo to smuggle heroin into France. Southeast Asian heroin, once the predominant type available on the French market, was also smuggled into France primarily for local use. The heroin was smuggled into France from Thailand and the Netherlands by Sino-Thai and ethnic Chinese traffickers. The distribution and sale of heroin in France in 1991 was controlled primarily by French traditional organized crime figures, who were believed to be operating clandestine heroin laboratories in the Marseille area.

Greece

Greece served as a hub for extensive international trade between Europe and the Middle East. Its long, jagged coastline and outer islands contributed to its use as a transit country for drug smugglers. Sizeable quantities of heroin from Lebanon and Syria passed through Greece in TIR trucks, which are not subject to customs inspection while in transit. The trucks entered Greece on ferry lines or overland from Turkey and continued by ferry to Italy or traveled overland through Yugoslavia. Drugs were transported by Greeks and by foreigners such as Italians, Iranians, Lebanese, Pakistanis and Syrians. Most transit smugglers, however, were Greek. Recent arrests suggest involvement by Greek nationals and Greek-owned commercial vessels in transshipping drugs from Lebanon.

Italy

Italy was a major transshipment point for Southwest Asian heroin destined for Western Europe and the United States. Most of this heroin entered Italy overland in trucks via the Balkan route.

Netherlands

The Netherlands was a significant transshipment country for traffickers moving both Southwest Asian and Southeast Asian heroin destined for Europe and North America.

Switzerland

Switzerland was a consumer and transshipment country for Southwest Asian heroin and a distribution point for heroin smuggled into Western Europe via the Balkan route. Turkish traffickers dominated the Swiss heroin market.
amid a growing involvement of Yugoslav nationals and Nigerians trafficking heroin through Switzerland.

**United Kingdom**

The United Kingdom was a consumer country for heroin. Heroin was smuggled into the United Kingdom by traffickers via the Balkan route and by commercial air. Indian, Iranian, Pakistani, Nigerian and Turkish traffickers were all involved in this smuggling.

**EASTERN EUROPE AND THE BALKANS**

Sizeable amounts of heroin transited Bulgaria along the traditional Balkan route through Yugoslavia and Eastern Europe to the West. Due to the political turmoil in Yugoslavia, the increasing use of a northern route from Bulgaria through Romania and northward was seen in 1991. The difficulties associated with inspecting and keeping track of bonded TIR trucks was further complicated with the democratization of Eastern Europe. Political liberalization and the restructuring of police and security services led to opportunities for expansion by ethnic organized criminal elements.

In 1991, Bulgaria established a Central Organization for Combatting Organized Crime and Narcotics Trafficking in the Ministry of Interior. Within this organization, an International Trafficking and Intelligence Division as well as a division responsible for internal demand reduction programs were created. Bulgarian Customs reported the seizure of 320 pounds (145 kilograms) of heroin through November 1991.

Organized criminal elements in Czechoslovakia, Hungary and Poland have been reported to be trafficking in heroin from Southwest Asia. Smugglers are assuming that overtaxed customs officers at Eastern European international ports of entry offer an opportunity for easy smuggling operations.

**THE FORMER SOVIET REPUBLICS**

The former Soviet Union’s difficult political and economic transition from Communism is being exploited by several heroin trafficking organizations. In recent years, two hundred-kilogram quantities of heroin have been smuggled from Afghanistan to Western Europe via Soviet rail and marine transportation. Kilogram quantities of heroin destined for Europe from Thailand and India also have been seized at Moscow’s Sheremetyevo Airport.

Small amounts of opium have been seized in transit through the former Soviet Union. Russia’s Customs Branch seized approximately 6 pounds (2.8 kilograms) of opium in 1991. Russian Customs also seized about 29 pounds (13.2 kilograms) of heroin in 1991. Moscow’s Sheremetyevo Airport is a key transshipment point for heroin and other drugs moving through the former USSR. The opportunities for drug trafficking through Sheremetyevo are expected to grow as increasing numbers of foreign tourists and Russians take advantage of relaxed travel rules.

Opium poppy and cannabis accounted for almost 88 percent of the illicit drugs seized by Soviet authorities in 1989 according to the Soviet press. The major opium poppy growing regions in the Commonwealth of Independent States (CIS), the successor to the Soviet Union, are the Central Asian republics of Kazakhstan, Turkmenistan, Tajikistan, Uzbekistan and Kyrgyzstan. Opium poppy cultivation is a centuries old practice in those republics which border the traditional source countries of Iran and Afghanistan. A variety of opium poppy also grows in the Ukraine and southern Russia. This poppy, called nastichny (oil-bearing), has a lower opium content than the Asian strain. Some 50.4 tons (45.8 metric tons) of opium poppy straw were seized in the USSR between 1987 and 1990 according to Soviet sources.

Soviet press articles indicate that, while poppy growing seasons vary from region to region, there is typically a spring growing season and a fall growing season. Law enforcement authorities in the Surkandarya area of Uzbekistan have observed that opium poppy harvests continue for seven to eight months out of the year. Year-round hothouse opium poppy cultivation also has been reported in the Soviet press.

Kazakhstan announced in January 1992 that it intended to reinstate legal opium poppy cultivation. Other republics may follow Kazakhstan’s example...
in an effort to obtain hard currency. There is a danger that a significant percentage of this opium may end up on the illicit market. Heroin traffickers from Turkey, Iran and Afghanistan may attempt to use ethnic and religious ties with the Central Asian republics to develop new trafficking routes, processing facilities or cultivation sites.

Between 1986 and 1991, Soviet authorities carried out semi-annual opium poppy and cannabis eradication operations, code-named Operation Mak (Poppy), to destroy opium poppy and cannabis fields. These operations led to thousands of arrests and the seizure of large quantities of drugs, weapons and money. The Soviets used relatively primitive eradication methods in Operation Mak. Opium poppy and cannabis plants were usually destroyed by mechanical means (plows or flame throwers) or dug up by hand. Operation Mak may become an early casualty of the disintegration of the Soviet Union. Coordinated intra-republic eradication efforts are being undermined by political turmoil, severe budget constraints, and the collapse of the Soviet security and law enforcement establishment.

In summary, the newly independent nations formed from the former Soviet Union face the prospect of increased domestic opium poppy cultivation and heroin abuse as well as intensified international drug trafficking and related crime. It remains to be seen whether the CIS can design and implement an effective counter-narcotics strategy.

MIDDLE EAST

Cyprus

Cyprus remained a favored location for Middle Eastern, particularly Lebanese and Turkish traffickers, who were negotiating deals with third country buyers. Heroin was concealed in the substantial container traffic which transited Cyprus, and traffickers took advantage of air connections to convey illicit narcotics as well as currency and gold bullion to and from Europe. Although the Cyprus Police Force and the Customs and Excise Department co-operated fully with foreign law enforcement officials, control over drug trafficking remained complicated by the de facto political division of the country.

Egypt

Egyptian addicts consumed Southwest Asian and Lebanese heroin. Egypt’s well-developed international air system made the country suitable for the transit of heroin and opium to Europe and America. In 1991, seizures of drugs from Lebanon and Syria occurred in Egypt. In addition, some heroin may have entered Egypt through Libya.

Lebanon

In 1991, Lebanon remained a major illicit narcotics producing and trafficking country. About 37 tons (34 metric tons) of opium were produced in 1991 from 8,398 acres (3,400 hectares) of opium poppies. In the past, Lebanon was the center of a significant heroin refining trade that depended upon morphine base from Afghanistan, Iran, Pakistan and Turkey. With the assistance of foreign chemists, Lebanese and Syrian traffickers used morphine base or raw opium from those nations to produce heroin for export to Egypt, Western Europe and the United States. Current intelligence suggests that there is less reliance on imported opium products, and that opium poppies grown in Lebanon are used more and more frequently to produce the opium used in Lebanese heroin conversion laboratories.

Over 30 alleged heroin conversion laboratories have been identified in Lebanon. Lebanese laboratories tend to be sophisticated in comparison to those found in Turkey or Pakistan since they employ modern scientific equipment. Precursor chemicals appear to be readily available and may be imported from Europe. Lebanese laboratory operators often use imported “expert chemists” to accomplish the opium to morphine to heroin conversion. American, French and Turkish chemists have often been cited in reports.

Lebanon supplied regional demands for heroin and also shipped the drug to Australia, Europe, Canada and the United States. Most of the warring factions in the country were involved in one or more aspects of the illicit narcotics trade in 1991. The various Lebanese factions profited from the drug trade by providing protection for production sites and by garnering fees for false documentation used by couriers.
Drug trafficking profits were used occasionally to purchase weapons. Sixty-five percent of the country is controlled by Syria. Periodic reporting suggests that the Syrian Army exerts control over drug production in the Bekaa Valley. Almost all opium is converted locally to heroin. Heroin is also produced from morphine base imported from Afghanistan via Syria and Turkey.

Opium poppy cultivation increased from 7,904 acres (3,200 hectares) in 1990 to 8,398 acres (3,400 hectares) in 1991. Increased cultivation and heroin production have made Lebanon a significant threat. Limited eradication of opium poppies took place in Lebanon in March and May of 1991. Assisted by Syrian military forces, 31 pounds (14 kilograms) of opium and a small quantity of chemicals were seized. In September 1991, the Syrians and Lebanese forces claimed to have eradicated 296 acres (120 hectares) of opium poppies near Baalbak. Heroin from Lebanon is exported throughout the Middle East, Europe and North America by air, land and sea.

Syria

Syria is a transit point for illicit Southwest Asian narcotics. Lebanese and Southwest Asian heroin is often refined in Syrian laboratories. Lebanese heroin for Europe and the United States, and morphine base and opium from Asia enter Syria via Turkey en route to processing laboratories in Lebanon’s Bekaa Valley. Heroin also transits Syria to buyers in the Persian Gulf. Syria occupies part of Lebanon, and some Syrian Army officers may benefit from control over drug operations in the Bekaa Valley. Numerous credible reports suggest that some Syrian military units protected drug activity in the Bekaa Valley and provided transportation for the export of narcotics produced in the region. High-level officials in Damascus may also profit from their involvement in drug trafficking.

In early March and May of 1991, Syrian military forces assisted Lebanese government elements in limited eradication operations directed against opium poppy cultivation in Lebanon. The Syrian Government has cooperated in international investigations of alleged drug trafficking from Syria and concedes that individuals in the Syrian military may be trafficking in illicit narcotics. However, the Syrian Government has not released information regarding the results of any judicial inquiries into such allegations. The Syrian Government seized some 82 pounds (37 kilograms) of heroin in 1991.

Turkey

Turkey’s role as a major source country for illicit opium ceased with the Turkish opium ban in 1972. Since then, due to its location between producing countries in the East and consuming countries in the West, Turkey has become a transshipment country for opiates that originate in Afghanistan, Iran and Pakistan. Refining of some of these opiates takes place in laboratories in southeastern Turkey and around Istanbul. Turkey is a major transit country for European-bound Southwest Asian heroin smuggled west through Turkey, Bulgaria and Yugoslavia via the Balkan route. Some Lebanese heroin may also be transshipped in this manner. Some of the opiate shipments continue on to the United States.

In 1991, the Turkish National Police and the Jandarma seized 1.7 tons of heroin compared to 1.1 tons of heroin in 1990. They also seized 30 tons of acetic anhydride compared to 6 tons in 1990. Six
heroin laboratories were destroyed in 1991 compared to seven laboratories destroyed in 1990. Cooperation among Turkey, European countries and DEA led to many multi-kilogram seizures in several European countries. The majority of heroin and morphine base entered Turkey from Iran by truck or by horse or mule train. In addition to Turks, trafficking was controlled by Iranians and Kurds, who generally smuggled heroin and morphine base from Iran to eastern Turkey. Morphine base is converted into heroin in laboratories located principally in eastern Turkey. It is estimated that 60 to 70 percent of the heroin exiting Turkey left by motor vehicle via the Balkan route. Many such shipments were concealed in bonded TIR trucks.

AFRICA

Morocco

Moroccan security officials are concerned that traditional cannabis smuggling organizations may be diversifying into heroin. Some smugglers are now purchasing heroin in Europe with cannabis profits and attempting to distribute the drugs in Morocco. The government is studying evidence of increased heroin abuse in Casablanca, Tangier, Tetouan and other locales. However, drugs transiting Morocco rarely reach the United States.
## APPENDIX A
### ILLICIT OPIUM CULTIVATION ESTIMATES

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Area Under Cultivation</th>
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<tbody>
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<td></td>
<td></td>
<td>(Acres)</td>
</tr>
<tr>
<td>Burma</td>
<td>1991</td>
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<tr>
<td></td>
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<tr>
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<td>1991</td>
<td>7,410</td>
</tr>
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<td></td>
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<td>9,300</td>
</tr>
<tr>
<td></td>
<td>1990</td>
<td>13,462</td>
</tr>
<tr>
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<td>1991</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>1990</td>
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<tr>
<td>Lebanon</td>
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<td></td>
<td>1990</td>
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## APPENDIX B
### ILLICIT OPIUM PRODUCTION ESTIMATES

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<tr>
<td></td>
<td></td>
<td>(Tons)</td>
<td>(Metric tons)</td>
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</tr>
<tr>
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<td></td>
<td>1990</td>
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<td>1991</td>
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<td>1990</td>
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<td>1990</td>
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<td>1990</td>
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<td></td>
<td>1990</td>
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<tr>
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<td>1990</td>
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<td>300</td>
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<tr>
<td></td>
<td>1990</td>
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<tr>
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<td>3,819</td>
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<tr>
<td></td>
<td>1990</td>
<td>3,908</td>
<td>3,552</td>
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1 Estimates cited above reflect mean point estimates and are not intended to imply a degree of accuracy or certitude that is not obtainable due to the nature of illicit drug cultivation and production.
2 DEA believes that higher yields may exist in Afghanistan and that production could be above 990 tons (900 metric tons).
3 DEA believes that multi-cropping and the use of fertilizers in Afghanistan make the 1990 estimate the lower end of a potentially higher production range.
APPENDIX C
HEROIN AVAILABILITY IN THE UNITED STATES

1985

SE Asian 14%
SW Asian 47%
Mexican 39%

1991

SE Asian 58%
SW Asian 21%
Mexican 21%

Data based on more than 600 random samples of purchases and seizures—including seizures made at U.S. ports of entry—analyzed by the DEA Heroin Signature Program.

APPENDIX D
WHOLESALE HEROIN PRICES IN FY 1991

<table>
<thead>
<tr>
<th>Price Ranges per Kilogram in U.S. Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>$260,000</td>
</tr>
<tr>
<td>$220,000</td>
</tr>
<tr>
<td>$200,000</td>
</tr>
<tr>
<td>$180,000</td>
</tr>
<tr>
<td>$160,000</td>
</tr>
<tr>
<td>$140,000</td>
</tr>
<tr>
<td>$120,000</td>
</tr>
<tr>
<td>$100,000</td>
</tr>
<tr>
<td>$80,000</td>
</tr>
<tr>
<td>$60,000</td>
</tr>
<tr>
<td>$40,000</td>
</tr>
</tbody>
</table>

Southeast Asian
Southwest Asian
Mexican
APPENDIX E
SOUTHEAST ASIAN HEROIN PRICES

Selling Prices for the Equivalent of One Kilogram of Southeast Asian Heroin at Successive Stages of Trafficking (70 to 90 Percent Purity)

```
<table>
<thead>
<tr>
<th>Raw Opium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Shan State</td>
</tr>
<tr>
<td>$120 to $200 per kg</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pitzu (Impure Morphine Base)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand–Burma Border</td>
</tr>
<tr>
<td>$1,000 per kg</td>
</tr>
</tbody>
</table>

To facilitate smuggling from growing areas to border heroin refineries, opium (10 kgs) is reduced to pitzu (1 kg) at northern Shan State laboratories.

<table>
<thead>
<tr>
<th>Heroin Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiang Mai, Thailand</td>
</tr>
<tr>
<td>$3,520 to $4,400 per kg</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Heroin U.S. Wholesale Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 to 90 Percent Purity</td>
</tr>
<tr>
<td>$90,000 to $240,000 per kg</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Heroin Bangkok, Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 to 90 Percent Purity</td>
</tr>
<tr>
<td>$6,000 to $11,000 per kg</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Heroin U.S. Street Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 to 60 Percent Purity</td>
</tr>
<tr>
<td>$100,000 to $1,000,000 per kg</td>
</tr>
</tbody>
</table>

A gram of street heroin with an average purity of 40 percent sells for $40 to $400.

At this level, heroin is sold in ounce or multi-ounce quantities. Prices range from $900 to $14,000 per ounce and cost is related to purity.

The change in price levels as opiates move from the source to the street reflects primarily the profit realized by dealers at each level of distribution. Factors such as the geographic distance from the source (and, hence, replacement cost), increased refinement and portability through laboratory processing, and greater risk of seizure at borders and in distribution systems are also reflected in the cost. Southeast Asian opiates, from opium to heroin, are produced in Burma, Laos and Thailand. Heroin from these laboratories is usually the injectable type, no. 4, which averages 70 to 80 percent purity. Heroin base is smuggled into Malaysia for further processing. The smoking heroin, no. 3, with a purity range of 20 to 40 percent, produced in these locations is primarily for local consumption.
APPENDIX F
SOUTHWEST ASIAN HEROIN PRICES

Selling Prices for the Equivalent of One Kilogram of Southwest Asian Heroin at Successive Stages of Trafficking (50 to 90 Percent Purity)

<table>
<thead>
<tr>
<th>Stage</th>
<th>Price Range</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opium</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lebanon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 kilograms</td>
<td>$2,000 to $4,000</td>
<td></td>
</tr>
<tr>
<td><strong>Opium</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan/Afghanistan</td>
<td>75 to $80 per kg</td>
<td></td>
</tr>
<tr>
<td><strong>Morphine Base</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Van Province, Turkey</td>
<td>$3,000 per kg</td>
<td></td>
</tr>
<tr>
<td><strong>Heroin</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bekaa Valley, Lebanon</td>
<td>80% or Higher Purity</td>
<td>$12,000 to $15,000 per kg</td>
</tr>
<tr>
<td><strong>Heroin</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eastern Turkey</td>
<td>50% or Higher Purity</td>
<td>$4,600 per kg</td>
</tr>
<tr>
<td><strong>Heroin</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Istanbul, Turkey</td>
<td>70% to 80% Purity</td>
<td>$6,500 per kg</td>
</tr>
<tr>
<td><strong>U.S. Wholesale Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70% to 90% Purity</td>
<td>$80,000 to $200,000 per kg</td>
<td></td>
</tr>
<tr>
<td><strong>U.S. Mid-Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20% to 70% Purity</td>
<td>$160,000 to $700,000 per kg</td>
<td></td>
</tr>
<tr>
<td><strong>U.S. Street Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10% to 40% Purity</td>
<td>$160,000 to $1,600,000 per kg</td>
<td>A gram of street heroin with an average purity of 25 percent sells for $40 to $400.</td>
</tr>
</tbody>
</table>

The change in price levels as opiates move from the source to the street reflects primarily the profit realized by dealers at each level of distribution. Factors such as the geographic distance from the source (and, hence, replacement cost), increased refinement and portability through laboratory processing, and greater risk of seizure at borders and in distribution systems are also reflected in the cost. Southwest Asian heroin is produced in laboratories in Pakistan, Afghanistan, Iran and other Middle Eastern countries. The morphine base used in these laboratories comes from Pakistan and Afghanistan, which also are opium source areas.

1 The price of more than 1 kilogram is subject to negotiation.
2 Major port of embarkation.
APPENDIX G
MEXICAN HEROIN PRICES

Selling Prices for the Equivalent of One Kilogram of Mexican Heroin at Successive Stages of Trafficking (40 to 70 Percent Purity)

Opium
Mexico
10 kilograms
$15,000 to $80,000 per kg

Heroin
U.S. Wholesale Level
40 to 70 Percent Purity
$50,000 to $200,000 per kg

Heroin
20 to 70 Percent Purity
$160,000 to $700,000 per kg
At this level, heroin is sold in ounce or multi-ounce quantities. Prices range from $900 to $14,000 per ounce, and cost is related to purity.

U.S. Street Level
Brown Powder
5 to 25 Percent Purity
$280,000 to $2,800,000 per kg
A gram of street heroin with an average purity of 15 percent sells for $40 to $400.

U.S. Street Level
“Black Tar”
20 to 60 Percent Purity
$275,000 to $1,250,000 per kg
A gram of “black tar” heroin with an average purity of 40 percent sells for $110 to $500.

In Mexico, organizations or confederations direct virtually all aspects of heroin trafficking: opium poppy cultivation, the refining process and the movement of heroin within Mexico. In most instances, these same organizations also control the smuggling of the heroin into the United States and its eventual sale at both the wholesale and retail levels. Consequently, heroin is rarely sold at the wholesale level in Mexico, but when it is, prices are comparable to those in the United States.
APPENDIX H
CONVERSION FACTORS

1.1 Short Tons = 1 Metric Ton
2.205 Pounds = 1 Kilogram
2.47 Acres = 1 Hectare
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

Central Intelligence Agency/CNC

Department of State
National Security Agency

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 Sheriff's Association