

# National Drug Threat Assessment 2005



## *Summary Report*

National Drug Intelligence Center  
U.S. Department of Justice





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U.S. Department of Justice  
National Drug Intelligence Center

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## Overview

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The abuse of illicit drugs such as cocaine, methamphetamine, marijuana, heroin, and MDMA as well as diverted pharmaceuticals inflicts tremendous damage on society. Nearly 35 million persons aged 12 or older used an illicit drug within the past year, and approximately 3.8 million were dependent on or abusers of illicit drugs in 2003. Key trends and developments related to narcotics trafficking and drug abuse include:

### Overall Key Findings

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- Mexican criminal groups exert more influence over drug trafficking in the United States than any other group. Mexican criminal groups smuggle most of the cocaine available in domestic drug markets into the country. Moreover, Mexican criminal groups produce and subsequently smuggle into the country much of the heroin, marijuana, and methamphetamine available in U.S. drug markets. Mexican criminal groups also produce large amounts of marijuana and methamphetamine within the United States for domestic distribution. Mexican criminal groups are the predominant transporters and wholesale distributors of cocaine and methamphetamine in most regions of the country; they are the predominant transporters and wholesale distributors of heroin in western regions of the country; and they are very prominent transporters and wholesale distributors of marijuana throughout the country.
- Mexican drug trafficking organizations (DTOs) appear to be gaining control of a larger percentage of the cocaine smuggled into the United States. The estimated percentage of cocaine smuggled into the United States via the Mexico–Central America corridor increased sharply from 72 percent in 2002 to 77 percent in 2003, and preliminary data indicate that the percentage may be higher than 90 percent for 2004. Nearly all of the cocaine transported through the Mexico–Central America corridor ultimately is smuggled across the U.S.–Mexico border by Mexican criminal groups for subsequent distribution in the United States.
- Domestic drug markets appear to be increasingly supplied with methamphetamine produced in methamphetamine superlabs in Mexico.
- Production and distribution of ice methamphetamine—a higher purity, more addictive form of methamphetamine—by Mexican criminal groups has increased sharply in many drug markets since 2001.
- Colombian DTOs are increasingly relying on Mexican DTOs and criminal groups to transport South American heroin to the United States much as they rely on Mexican DTOs to transport cocaine.
- The threat posed to the United States by the illegal diversion and abuse of prescription drugs has increased sharply since the mid-1990s and is now among the leading drug threats to the country.
- Law enforcement reporting indicates that transportation of bulk currency out of the United States—primarily overland across the U.S.–Mexico border—is the principal form of money laundering by DTOs.

## Drug-Specific Key Findings

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### Cocaine

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- Key indicators show stable or slightly increased cocaine availability in U.S. drug markets despite sharp decreases in the amount of cocaine transported toward the United States from South America in 2003.
- Use of powder cocaine and crack has decreased overall among eighth, tenth, and twelfth graders since 1999.
- Worldwide cocaine production has decreased sharply since 2001, primarily because of a 34 percent decline in cocaine production in Colombia from 700 metric tons in 2001 to 460 metric tons in 2003.

### Methamphetamine

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- Methamphetamine availability has increased sharply over the past year in the Northeast Region, primarily because of an increase in wholesale distribution by Mexican criminal groups.
- The number of treatment admissions for methamphetamine has increased significantly from 58,795 in 1999, to 66,975 in 2000, to 81,799 in 2001, and 104,481 in 2002.
- National-level laboratory seizure data as well as law enforcement reporting indicate that domestic methamphetamine production has expanded to more areas of the country and that the total number of laboratories seized increased steadily from 1999 (6,940) through 2003 (10,340). However, these increases do not necessarily reflect a rise in the total amount of methamphetamine produced in the country, as the number of methamphetamine superlabs (laboratories capable of producing at least 10 pounds of methamphetamine per production cycle) operating in the United States appears to be decreasing. The number of reported superlab seizures has decreased from 246 in 2001, to 144 in 2002, to 133 in 2003. Moreover, preliminary data indicate that the number of superlab seizures may have declined significantly in 2004.
- Law enforcement reporting and drug seizure data indicate that methamphetamine production has increased sharply in Mexico since 2002.

### Marijuana

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- Marijuana use among eighth, tenth, and twelfth graders as well as college students has declined each year since peaking in the late 1990s.
- Domestic marijuana production appears to be increasing, in part because of the rising involvement of U.S.-based Mexican criminal groups in domestic cultivation.
- Mexico has been the principal source area for U.S.-destined foreign marijuana for decades, and already high production levels escalated in 2003. An estimated 13,500 metric tons of marijuana were potentially produced in Mexico in 2003—70 percent more than in the previous year. Reportedly contributing to the escalated production in 2003 were favorable rainfall patterns in the western Sierra Madre Mountains, throughout which small cultivation plots are scattered to avoid detection and eradication of the plants.

## Heroin

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- The availability of Southwest Asian heroin appears to have increased slightly in 2003; however, preliminary 2004 data indicate that availability of Southwest Asian heroin may be declining to pre-2003 levels.
- Worldwide heroin production increased in 2002, 2003, and 2004, attributable overwhelmingly to increases in production in Afghanistan.
- The smuggling of South American heroin across the Southwest Border—particularly through Texas—increased significantly in 2003; however, the total amount of heroin seized in Texas still accounts for a relatively small percentage of heroin seized in the United States each year.

## MDMA

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- The availability of and rates of use for MDMA have decreased nationwide since 2001.
- The number of domestic MDMA laboratories seized, while still very low, increased slightly in 2004.
- Shifts in transportation routes have resulted in a decrease in the amount of MDMA smuggled into the United States directly from the Netherlands and Belgium.
- Asian criminal groups are becoming increasingly involved in MDMA trafficking in all regions.

## Pharmaceuticals

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- The abuse of prescription drugs has increased sharply since the mid-1990s and now has stabilized at high levels.
- The availability of pharmaceuticals has increased since the late 1990s when legitimate distribution of pharmaceuticals increased sharply.

## Other Dangerous Drugs

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- Emergency department (ED) mentions for GHB have increased sharply since the mid-1990s.
- Rates of ketamine use are trending downward among adolescents and young adults.
- The availability of LSD is decreasing, and rates of use have decreased sharply since 2001 to very low levels.
- ED mentions for PCP are increasing despite declining past year rates of use.

## Inhalants

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- Rates of use for inhalants declined overall from 1995 to 2002; however, use among eighth, tenth, and twelfth graders rose significantly from 2003 to 2004.



## **Steroids**

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- Steroid use among high school students has risen overall since the early 1990s but now appears to be fluctuating among twelfth graders and declining among eighth and tenth graders.

## **Money Laundering**

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- Interagency estimates indicate that the cost to society from drug trafficking and abuse in the United States is between \$60 billion and \$108 billion.
- Government estimates indicate annual retail-level cocaine purchases at \$36 billion, heroin at \$10 billion, marijuana at \$11 billion, methamphetamine at \$5.4 billion, and other substances at \$2.4 billion.
- Law enforcement reporting indicates that transportation of bulk currency out of the United States—primarily overland across the U.S.–Mexico border—is the principal form of money laundering utilized by DTOs.

# National Drug Threat Assessment 2005 Summary Report

The abuse of illicit drugs such as cocaine, methamphetamine, marijuana, heroin, and MDMA as well as diverted pharmaceuticals inflicts tremendous damage on society, particularly on the millions of families that have a member struggling with illicit drug dependence or addiction. According to Department of Health and Human Services data, nearly 35 million persons aged 12 or older used an illicit drug within the past year, and approximately 6.8 million were dependent on or abusers of illicit drugs in 2003, the latest year for which such data are available. Data also show that the number of drug treatment admissions to publicly funded treatment facilities in 2002 reached their highest recorded level at nearly 1.1 million.



Primary Market Areas (PMAs) for cocaine, methamphetamine, heroin, and MDMA are those cities or regions that are leading consumption areas for these drugs based on analysis of public health data. PMAs also are among the leading national-level distribution centers for wholesale quantities of these drugs based primarily on law enforcement reporting and analysis of drug seizure data. PMAs for marijuana are based on national-level distribution alone because rates of marijuana use are relatively high and stable in markets throughout the country. Although a specific methamphetamine PMA is not identified in central or southeastern states, methamphetamine trafficking and abuse are a very significant and increasing threat throughout those regions. (See summaries of PMAs identified in each drug section contained herein.)

The Southwest Border area is the principal arrival zone for most illicit drugs smuggled into the United States as well as the predominant transit zone for the drugs' subsequent distribution throughout the country. According to El Paso Intelligence Center (EPIC) drug seizure data, most of the cocaine and much of the heroin, marijuana, and methamphetamine available in domestic drug markets are smuggled into the country via the Southwest Border. As expected, 2003 EPIC data show that the amount of these

drugs seized at or between land ports of entry (POEs) along the Southwest Border continued to be much greater than the amount seized at or between POEs along the Northern Border. Moreover, these data show that cocaine, heroin, marijuana, and methamphetamine shipments originating in states along the Southwest Border (Arizona, California, New Mexico, and Texas) were seized on domestic highways, roadways, and at airports in far greater amounts than shipments originating in any other region of the country.

**Table 1: Drug Seizures at Ports of Entry in Kilograms, Southwest Border vs. Northern Border, 2003**

	Southwest Border	Northern Border
<b>Cocaine</b>	15,927	154
<b>Heroin</b>	291.5	0
<b>Marijuana</b>	1,173,128	11,183
<b>Methamphetamine</b>	1,733	0.2

Source: El Paso Intelligence Center.

**Table 2: Seizures of Drugs in Kilograms Originating in Southwest Border States vs. All Other States, 2003**

	Southwest Border States	All Other States
<b>Cocaine</b>	4,391	1,564
<b>Heroin</b>	82	96
<b>Marijuana</b>	91,270	6,066
<b>Methamphetamine</b>	1,080	101

Source: El Paso Intelligence Center.

## Cocaine

The threat posed to the United States by the trafficking and abuse of cocaine is very high. Despite significant success by the counterdrug community in reducing worldwide cocaine production and increasing cocaine seizures, cocaine remains readily available throughout the country. Moreover, past year rates of use for cocaine, although declining among most age groups, remain relatively high. In fact, National Survey on Drug Use and Health (NSDUH) data indicate that in 2003 more than 5.9 million persons aged 12 or older had used cocaine within the past year.

### Key Findings

- Key indicators of domestic cocaine availability show stable or slightly increased availability in drug markets throughout the country despite interagency estimates that indicate sharp decreases in the amount of cocaine transported toward the United States from South America in 2003. There is, however, little interagency consensus as to the reasons for this disparity. Nevertheless, uncertainty in data such as coca cultivation, cocaine production, and domestic

cocaine supply and consumption estimates likely accounts for much of the disparity. Another explanation for the disparity is a possible reduction in cocaine supplies to other world markets in order to sustain supplies in the United States; however, there are no conclusive data or reporting to support this assertion.

- Use of powder cocaine and crack has decreased among eighth, tenth, and twelfth graders since 1999. Powder cocaine use among adults has increased since 1999, while crack use has trended downward slightly.
- According to intelligence community estimates, potential worldwide cocaine production has decreased sharply since 2001, primarily because of a 34 percent decline in cocaine production in Colombia from 700 metric tons in 2001 to 460 metric tons in 2003.

**Table 3: Andean Region Coca Cultivation in Hectares, and Potential Cocaine Production, in Metric Tons, (100% pure), 1999–2003**

	1999	2000	2001	2002	2003
<b>Net Cultivation (ha)</b>	183,000	190,000	223,700	205,450	173,450
<b>Potential Cocaine Production (mt)</b>	730	750	900	800	655

Source: Crime and Narcotics Center: *Major Narcotics-Producing Nations*.

- The estimated total amount of cocaine destined for U.S. drug markets decreased sharply in 2003.

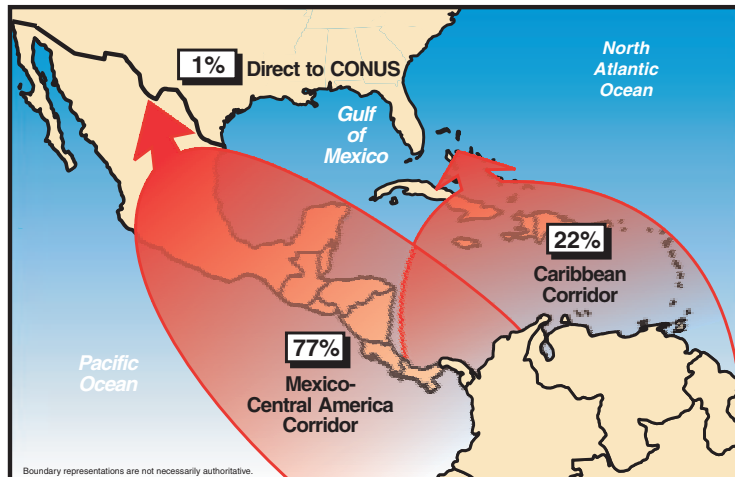
**Table 4: Cocaine Losses in Transit Toward the United States, in Metric Tons, 2002–2003**

	Departed South America Moving Toward U.S.	Lost or Seized in Transit Toward U.S.	Seized in U.S. Arrival Zone	Cocaine Available to U.S. Markets
<b>2002</b>	532	138	32	362
<b>2003</b>	422	157	32	233

Source: Interagency Assessment of Cocaine Movement 2003.

- According to the Interagency Assessment of Cocaine Movement (IACM), an estimated 77 percent of the cocaine detected moving toward the United States in 2003 was transported through the Mexico–Central America corridor, an increase from 72 percent in 2002. Moreover, preliminary data show that the percentage of cocaine detected moving toward the United States through the Mexico–Central America corridor may have been higher than 90 percent in 2004.
- Cocaine seizures in Texas have increased sharply since 2001 relative to other states along the Southwest Border. Texas now appears to be the state through which most cocaine is smuggled into the country.
- Houston has emerged as a leading cocaine distribution center in the United States. From 2002 through 2003 more cocaine was seized originating in Houston than in any other city.

## Cocaine Flows to the United States



Source: Interagency Assessment of Cocaine Movement.

## Trends and Developments

### Availability

Despite apparent decreases in the amount of cocaine transported toward the United States from South America in 2003, key indicators of domestic cocaine availability show stable or slightly increased cocaine availability in drug markets throughout the country. According to the IACM, the estimated amount of cocaine successfully transported to the U.S. Arrival Zone decreased approximately 46 percent from 494 metric tons in 2002 to 265 metric tons in 2003. Nevertheless, Drug Enforcement Administration (DEA) and High Intensity Drug Trafficking Area (HIDTA) reporting indicates that cocaine remains readily available throughout the country and that availability increased slightly in some areas in 2003. No DEA Field Division or HIDTA office reported decreasing cocaine availability. State and local law enforcement agencies also indicated, via the NDIC National Drug Threat Survey (NDTS) 2004, slightly increased cocaine availability overall in 2003. Moreover, DEA drug price data for 2003 indicate that wholesale cocaine prices have neither increased nor decreased beyond 2002 price ranges, and DEA cocaine purity data show that average wholesale cocaine purity in metropolitan areas increased 11.4 percent (70% pure to 78% pure) from 2001 through 2003.

***NDIC Comment:** There is little interagency consensus as to the reasons for the disparity in reporting with respect to apparent stable domestic cocaine availability despite reported decreases in cocaine production and transportation toward the United States. Nevertheless, uncertainty in data such as coca cultivation, cocaine production, and domestic cocaine supply and consumption estimates likely accounts for much of the disparity. Another explanation for the disparity is a possible reduction in cocaine supplies to other world markets in order to sustain supplies in the United States; however, there are no conclusive data or reporting to support this assertion.*



## Demand

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Rates of past year use for powder cocaine and crack have decreased among all adolescent age groups since 1999. According to the Monitoring the Future (MTF) study, rates of past year use for powder cocaine have trended downward from 1999 to 2004 among eighth (2.3% to 1.6%), tenth (4.4% to 3.3%), and twelfth graders (5.8% to 4.7%). Similarly, rates of past year use for crack have trended downward from 1999 to 2003 among eighth (1.8% to 1.3%), tenth (2.4% to 1.7%), and twelfth graders (2.7% to 2.3%).

***NDIC Comment:** Declines in past year use of powder cocaine and crack among adolescents appear to be primarily the result of decreased rates of use among adolescent males. According to MTF, from 1999 to 2002 rates of past year cocaine (both powder and crack) use declined more sharply among eighth- (2.8% to 2.2%), tenth- (5.2% to 4.2%), and twelfth-grade males (7.3% to 5.9%) than among eighth- (2.7% to 2.3%), tenth- (4.6% to 3.9%), and twelfth-grade females (5.0% to 4.0%).*

## Production

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Worldwide cocaine production has decreased sharply since 2001, primarily because of decreased cocaine production in Colombia. According to interagency estimates, potential cocaine production in the Andean region of South America (Colombia, Bolivia, and Peru) accounts for virtually all worldwide cocaine production. Potential cocaine production (100% pure) in the Andean region decreased 27 percent from 900 metric tons in 2001 to 655 metric tons in 2003, primarily driven by a 34 percent decrease in potential cocaine production in Colombia from 700 metric tons in 2001 to 460 metric tons in 2003.

***NDIC Comment:** Sharp decreases in potential cocaine production in Colombia are due primarily to significant increases in aerial eradication of coca in that country as well as improved timing of coca field spraying to increase overall effectiveness. According to U.S. embassy reporting, aerial coca eradication in Colombia increased approximately 44 percent from approximately 90,000 hectares in 2001 to 130,000 hectares in 2003. Moreover, expanded coca aerial eradication in Colombia has forced many coca farmers to harvest leaves early, resulting in lower coca leaf yields per coca field in areas of sustained aerial eradication.*

## Transportation

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The percentage of cocaine seized along the Texas–Mexico border relative to all Southwest Border cocaine seizures increased sharply from 2001 to 2002 and remained stable in 2003. According to EPIC seizure data, of the cocaine seized at POEs, between POEs, or at checkpoints along the Southwest Border, the percentage seized in Texas increased from 62.9 percent (12,782 of 20,309 kg) in 2001 to 71.8 percent (16,244 of 22,628 kg) in 2002 and remained stable at 71.4 percent (11,365 of 15,924 kg) in 2003. Typically, cocaine smuggled over the Southwest Border is transported by Mexican DTOs and criminal groups to PMAs.

***NDIC Comment:** The increased proportion of cocaine seized in Texas relative to all cocaine seized along the Southwest Border may reflect an increase in the amount of cocaine smuggled through Texas en route to drug markets in the eastern United States. According to interagency estimates, the amount of cocaine transported from South America via the Caribbean for distribution in U.S. drug markets in the eastern half of the country decreased 9 percent from 31 percent in 2001 to 22 percent in 2003. Moreover, since 2001, law enforcement agencies in New York and New Jersey have reported a significant increase in the amount of cocaine supplied to their areas by Mexican criminal groups transporting the drug from the Southwest Border, particularly Texas.*

*There is uncertainty as to the reason for the possible increase in the percentage of cocaine transported through Texas. The shift may simply be the result of an increase in the amount of cocaine supplying markets in eastern states that is transported through the Mexico–Central America corridor and smuggled through Texas because of its proximity to the eastern drug markets relative to other states along the U.S.–Mexico border. However, improved detection capability and resources may also account for increased seizures in Texas. Another possible explanation is that the shift is the result of disruption to a large Tijuana-based DTO resulting in an increase in smuggling through other areas along the U.S.–Mexico border, particularly Texas. There is, however, no consensus with respect to any of the reasons offered.*

## **Distribution**

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Houston has emerged as a leading cocaine distribution center in the United States. According to EPIC seizure data for 2002 and 2003, more cocaine coming from Houston (1,361 kg) was seized on domestic highways, railways, and at airports than cocaine coming from any other city, including Los Angeles (1,073 kg), Atlanta (682 kg), or Phoenix (504 kg). Moreover, cocaine seizure data show that wholesale quantities of cocaine are distributed from Houston to numerous significant drug markets in most regions of the country including Atlanta, Chicago, and New York.

***NDIC Comment:** Houston’s emergence as a leading cocaine distribution center may reflect the increased role of Texas as a transit area for cocaine destined for drug markets, particularly in the eastern United States. As previously stated, drug seizure data, intelligence reporting, and interagency cocaine flow estimates strongly indicate that cocaine smuggling through and between POEs in Texas has increased significantly relative to other Arrival Zone areas since 2001. The emergence of Houston as a leading distribution center for cocaine is consistent with that trend.*

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## Cocaine Primary Market Areas

Atlanta, Chicago, Los Angeles, Houston, Miami, and New York are the cocaine PMAs because these cities have demonstrated very high levels of cocaine abuse and are among the largest regional- or national-level cocaine distribution centers. Dallas and Phoenix are national-level cocaine distribution centers, but cocaine abuse in these cities is significantly lower than in many metropolitan areas. Cocaine consumption is very high in Baltimore, Detroit, and Philadelphia; however, drug seizure data show relatively little cocaine distribution from these cities to other significant drug markets.

**Atlanta.** Cocaine use in Atlanta is very high and may be increasing as evidenced by an increasing number of ED mentions for cocaine in Atlanta. Mexican and, to a lesser extent, Colombian and Dominican criminal groups control most wholesale cocaine distribution in Atlanta.

**Chicago.** The number of ED mentions for cocaine in Chicago is very high and increasing. In fact, Chicago ranked first among Drug Abuse Warning Network (DAWN) reporting cities for the number of ED mentions for cocaine (16,227). Mexican and, to a much lesser extent, Colombian criminal groups control most wholesale cocaine distribution in Chicago.

**Los Angeles.** The number of ED mentions for cocaine in Los Angeles is very high and has increased sharply overall since 1999. Most wholesale and midlevel cocaine distribution in Los Angeles is controlled by Mexican criminal groups. Los Angeles is a national-level cocaine distribution center supplying wholesale quantities of the drug to significant drug markets in every region of the country.

**Houston.** Data from the Texas Commission on Alcohol and Drug Abuse (TCADA) show that the number of treatment admissions for cocaine in Harris County is very high and increasing. Mexican criminal groups are the primary wholesale cocaine distributors in Houston. According to EPIC drug seizure data, Houston is a national-level cocaine distribution center.

**Miami.** According to DAWN, the number of ED mentions for cocaine in Miami is relatively high and increasing. Colombian DTOs control most wholesale cocaine distribution in Miami. EPIC drug seizure data indicate that Miami is a significant cocaine distribution center.

**New York.** Although the number of ED mentions for cocaine in New York is decreasing, the number remains very high. Colombian DTOs and criminal groups control most wholesale cocaine distribution in New York; however, Dominican criminal groups also distribute significant wholesale quantities of cocaine in New York. Wholesale cocaine distribution by Mexican criminal groups is somewhat limited but increasing.

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# Methamphetamine

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The threat posed to the United States by the trafficking and abuse of methamphetamine is high and increasing. Methamphetamine availability, production, and distribution have expanded to more areas of the country; however, national-level data indicate an overall decline in the rates of methamphetamine use. Nevertheless, demand for the drug remains relatively high. In fact, NSDUH 2003 data indicate that more than 1.3 million persons aged 12 or older used methamphetamine within the past year in 2003.

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## Unique Challenges of Methamphetamine Production and Abuse

Methamphetamine production and abuse present unique challenges to law enforcement and public health officials, particularly in rural areas where much of the production and abuse occurs. Law enforcement personnel, first responders, clandestine laboratory operators, and those in proximity to laboratories—particularly children—often are injured as a result of chemical burns, fires, and explosions at clandestine laboratories. The environmental damage caused by improper storage and disposal of chemicals and chemical waste attendant to methamphetamine production is severe, and the cost of soil and structure remediation at contaminated methamphetamine production sites is significant. Child neglect and abuse are common within families whose parents or caregivers produce or use methamphetamine. Moreover, MTF data for 2003 show that the rate of past year methamphetamine use among students and adults in rural areas was sharply higher than rates in large metropolitan areas.

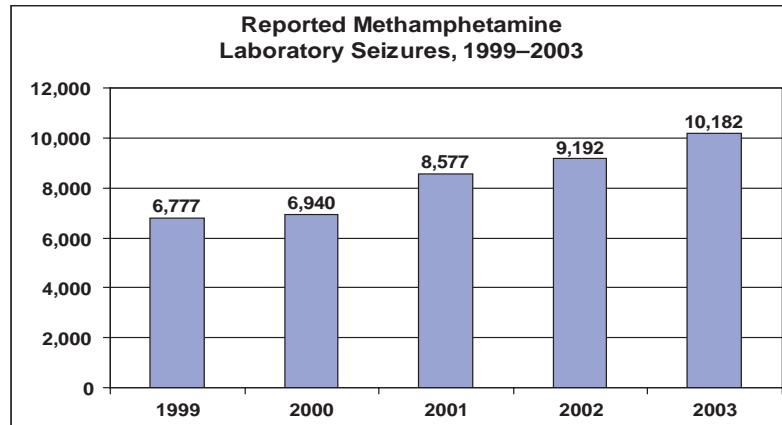
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## Key Findings

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- Powder methamphetamine is the predominant type available in the United States, and law enforcement reporting as well as drug survey data indicates that, nationally, powder methamphetamine availability is increasing.
- The availability of ice methamphetamine has increased in the past year because of an increase in ice production and distribution by Mexican criminal groups; however, this form of the drug is not as widely available in the United States as powder methamphetamine.
- Law enforcement reporting as well as laboratory seizure and arrest data indicates that methamphetamine availability has increased over the past year in the Northeast Region, particularly in rural areas. For example, EPIC National Clandestine Laboratory Seizure Statistics (NCLSS) data show that the number of reported methamphetamine laboratory seizures in the Northeast region increased from 94 in 2002 to 143 in 2003. DEA methamphetamine-related arrests also have increased recently in the Northeast region from 179 in 2002 to 198 in 2003. Law enforcement reporting indicates that the increase in methamphetamine availability in the Northeast region is due primarily to a significant increase in wholesale distribution by Mexican criminal groups. Nevertheless, methamphetamine availability in the Northeast remains lower than in any other region of the country.
- National-level rates of use for methamphetamine are lower than those for many illicit drugs, primarily because the drug is largely unavailable to significant portions of the population, such as those in the Northeast (the most populous region in the country). According to MTF, past year use of methamphetamine among adolescents and young adults has fluctuated but declined overall since 1999.
- The number of treatment admissions for methamphetamine has increased significantly since 1999; however, the increase appears to be due primarily to an increase in criminal justice referrals rather than to individuals voluntarily seeking treatment for abuse of the drug.

- NCLSS data show that, nationally, there has been a steady increase in the number of reported laboratory seizures since 1999 and that laboratory seizures have increased sharply in most eastern states. However, the number of reported superlab seizures has decreased sharply from 246 in 2001, to 144 in 2002, and 133 in 2003, likely because Mexican criminal groups producing the drug in the United States are having greater difficulty in obtaining bulk quantities of pseudoephedrine from Canada. In fact, preliminary data show that superlab seizures may have declined significantly in 2004.



Source: National Clandestine Laboratory Seizure System.

- Methamphetamine production appears to have increased sharply in Mexico since 2002. Mexican criminal groups are able to acquire bulk quantities of pseudoephedrine and ephedrine from China and other countries for use in Mexico-based laboratories.
- Methamphetamine smuggling from Mexico into the United States via Arizona appears to have increased sharply since 2001. More methamphetamine was seized at or between POEs in Arizona in 2003 than at or between POEs in California or Texas.

## Trends and Developments

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### Availability

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Methamphetamine availability has increased in the Northeast Region over the past year. All five DEA Field Divisions (Boston, Newark, New York, Philadelphia, and Washington, D.C.) and five HIDTAs (Appalachia, New England, New York/New Jersey, Philadelphia/Camden, and Washington/Baltimore) in the Northeast Region report that methamphetamine availability has increased; one of the Field Divisions (Washington, D.C.) and the Appalachia HIDTA describe the increase as significant. Increasing methamphetamine availability in the Northeast Region also is indicated by data that show increases in the number of DEA arrests as well as Organized Crime and Drug Enforcement Task Force (OCDETF) investigations and indictments in the region. According to DEA, the number of arrests for methamphetamine increased from 179 in 2002 to 198 in 2003. Similarly, the number of methamphetamine-related OCDETF case initiations in the Northeast Region increased from 2 in fiscal year (FY) 2002 to 12 in FY2003. The proportion of OCDETF indictments in which methamphetamine was charged increased from less than 1.0 percent in FY2002 to 12.0 percent in FY2003.

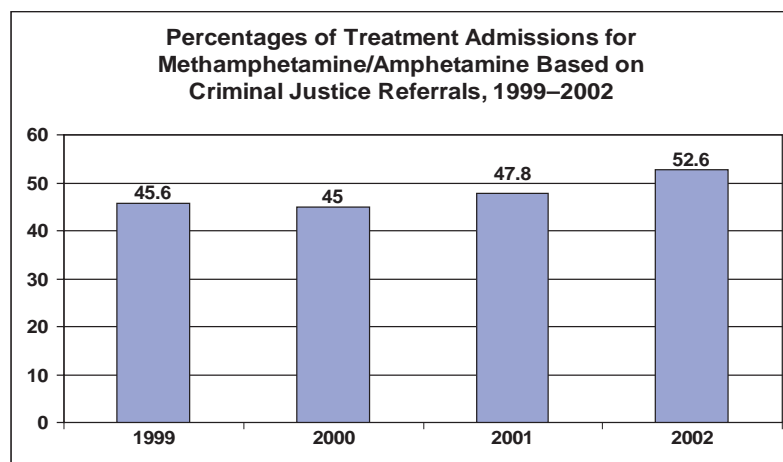


**NDIC Comment:** Anecdotal law enforcement reporting indicates that the increase in methamphetamine availability in the Northeast Region is due primarily to a significant increase in wholesale distribution by Mexican criminal groups. According to DEA, Mexican criminal groups are the predominant wholesale distributors of methamphetamine in the region, and their presence in the region is increasing, particularly in Virginia, West Virginia, and Maryland. Law enforcement reporting also indicates that methamphetamine availability in the Northeast is being augmented significantly by a sharp increase in methamphetamine production within the region, particularly by individuals producing small quantities of the drug (usually ounce quantities per cook) in small capacity laboratories. NCLSS data indicate that the number of reported methamphetamine laboratory seizures in the Northeast Region increased from 94 in 2002 to 143 in 2003.

## Demand

According to Treatment Episode Data Set (TEDS) data for 2002, the number of methamphetamine treatment admissions to publicly funded drug treatment facilities increased from 58,795 in 1999, to 66,975 in 2000, to 81,799 in 2001, and 104,481 in 2002.

**NDIC Comment:** More individuals have independently sought treatment for methamphetamine; however, criminal justice referrals account for the greatest percentage of the increase. In fact, the percentage of treatment admissions for methamphetamine that were the result of criminal justice referrals now appears to account for most treatment admissions for methamphetamine (52.6%), a rate much higher than for cocaine (26.1%) or heroin (13.0%). TEDS data indicate that the proportion of treatment admissions for abuse of methamphetamine/amphetamine (primarily methamphetamine) resulting from individuals requesting treatment increased from 26.8 percent in 1999 to 27.3 percent in 2000, but has since decreased to 26.0 percent in 2001 and 24.0 percent in 2002. Over the same period, the proportion of treatment admissions for methamphetamine/amphetamine based on criminal justice referrals decreased from 45.6 percent in 1999 to 45.0 percent in 2000, but then increased to 47.8 percent in 2001 and 52.6 percent in 2002.



Source: Treatment Episode Data Set.

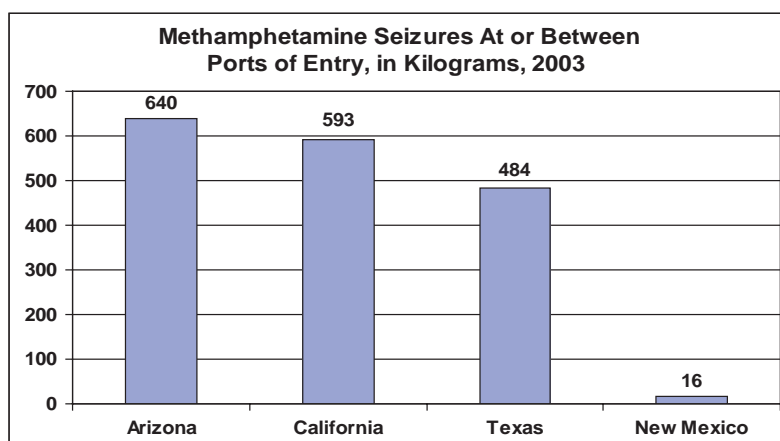
## Production

There are no conclusive estimates regarding methamphetamine production in Mexico; however, methamphetamine production appears to have increased sharply in Mexico since 2002. According to DEA, Mexican criminal groups—particularly those based in Colima, Michoacán, Jalisco, and Nayarit—have increased the number and size of methamphetamine laboratories that they operate in Mexico. Furthermore, seizures of high capacity superlabs in the United States that are typically operated by U.S.-based Mexican criminal groups have decreased sharply since 2001. Moreover, there has been an increase in the amount of methamphetamine seized in Mexico and at land POEs along the Southwest Border. Data from the International Narcotics Control Strategy Report (INCSR) indicate that the amount of methamphetamine reported seized in Mexico increased from 400 kilograms in 2001, to 457 kilograms in 2002, and 652 kilograms in 2003. Furthermore, 2003 EPIC data show that the amount of methamphetamine seized along the Southwest Border increased from 1,130 kilograms in 2002, to 1,733 kilograms in 2003, and 1,168 kilograms through July 2004.

***NDIC Comment:** Mexican criminal groups appear to be producing greater quantities of methamphetamine in Mexico for distribution in the United States because they have greater access to bulk quantities of precursor chemicals—particularly ephedrine and pseudoephedrine—in Mexico and because they are able to operate laboratories in areas of Mexico with minimal law enforcement presence. According to law enforcement reporting, Mexican criminal groups purchase bulk quantities of pseudoephedrine tablets, often more than 1 ton per shipment, from sources in China. Law enforcement reporting further indicates that many of the laboratories established during the past 2 years in Mexico are capable of producing multihundred-pound quantities of methamphetamine per production cycle. By comparison, NCLSS data indicate that the largest reported methamphetamine laboratory seized in the United States in 2003 was capable of producing 50 pounds per production cycle.*

## Transportation

Drug seizure data indicate that methamphetamine smuggling from Mexico into the United States via the Arizona–Mexico border appears to have increased significantly. The amount of methamphetamine seized at or between Arizona POEs has increased from 168 kilograms in 2001, to 313 kilograms in 2002, and 640 kilograms in 2003. In fact, the amount of methamphetamine seized at or between POEs in Arizona in 2003 exceeded the amounts seized at or between POEs in California (593 kg), Texas (484 kg), and New Mexico (16 kg).



Source: El Paso Intelligence Center.

**NDIC Comment:** The sharp increase in the amount of methamphetamine seized at or between POEs in Arizona is more likely an indication of Mexican DTOs and criminal groups smuggling more methamphetamine from Mexico into the United States than a shift in smuggling routes in favor of Arizona POEs rather than California, New Mexico, or Texas POEs. EPIC data show that since 2002—the year that law enforcement reporting indicates methamphetamine production began to increase significantly in Mexico—methamphetamine seizures at or between POEs in California and Texas increased sharply, although not to the extent of the increases in Arizona. From 2002 to 2003, seizures at or between POEs in California and Texas increased from 478 to 593 kilograms and from 305 to 484 kilograms, respectively. Methamphetamine seizures at or between POEs in New Mexico were much lower than those in the other states along the U.S.–Mexico border in 2002 (33.53 kg) and 2003 (16.15 kg).

## Distribution

Ice methamphetamine distribution has increased significantly since 2001 in many of the largest domestic methamphetamine markets. Anecdotal law enforcement reporting indicates that ice distribution has increased sharply in Honolulu, Houston, Denver, Los Angeles, Phoenix, San Diego, San Francisco, Seattle, and St. Louis since 2001. In some methamphetamine markets, ice is now considered the preferred form of the drug, supplanting powder methamphetamine as the predominant type. For example, DEA and HIDTA reporting indicate that ice methamphetamine now is the type most often distributed locally in Phoenix and San Diego, two of the PMAs for methamphetamine. In most areas, Mexican criminal groups control wholesale distribution of ice; however, Asian criminal groups distribute wholesale quantities of ice in certain Pacific Region markets. Retail ice distributors predominantly are Caucasian independent dealers, Hispanic street gangs, and outlaw motorcycle gangs (OMGs).

**NDIC Comment:** Ice distribution has increased in these cities because of a sharp increase in ice production and distribution by Mexican criminal groups seeking the higher profit margins associated with ice distribution. The costs associated with ice production are slightly higher than those of powder methamphetamine, and ice production requires greater knowledge and experience; accordingly, ice methamphetamine often is sold at prices much higher than those of powder methamphetamine.

**Table 5: Methamphetamine National Price Ranges, 2003**

	Pound	Ounce	Gram
<b>Powder</b>	\$1,600–\$45,000	\$270–\$5,000	\$20–\$300
<b>Ice</b>	\$6,000–\$70,000	\$500–\$3,100	\$60–\$700

Source: Drug Enforcement Administration.

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## Methamphetamine Primary Market Areas

Los Angeles, Phoenix, San Diego, and San Francisco are the PMAs for methamphetamine because these cities have very high levels of methamphetamine abuse and are among the leading regional- or national-level methamphetamine distribution centers. Several other significant markets for methamphetamine either exhibit high levels of consumption or serve as distribution centers for the drug, although not to the extent of the four PMAs. For example, methamphetamine use in Seattle appears to be considerable as evidenced by a high number of ED mentions for methamphetamine; however, drug seizure data do not substantiate Seattle as a distribution center for methamphetamine at a level comparable with the PMAs. Conversely, Dallas appears to be a significant distribution center for methamphetamine based on EPIC drug seizure data; however, methamphetamine consumption in Dallas appears to be much lower than in the PMAs.

**Los Angeles.** Methamphetamine use in Los Angeles is very high as evidenced by more ED mentions than any other DAWN reporting city. Mexican criminal groups control most wholesale and midlevel methamphetamine distribution within the Los Angeles area and also control most wholesale distribution of the drug from Los Angeles to other markets throughout the country.

**Phoenix.** Methamphetamine use in Phoenix is high and increasing as evidenced by a high number of ED mentions and an increase in methamphetamine-related deaths. Mexican DTOs and criminal groups control most wholesale methamphetamine distribution in Phoenix.

**San Francisco.** The level of methamphetamine consumption in San Francisco is very high compared with that of most other cities. Mexican criminal groups control most wholesale and midlevel distribution of powder and ice methamphetamine in San Francisco, although Hawaiian, Filipino, and other Asian DTOs control the distribution of the ice they produce

**San Diego.** Methamphetamine use in San Diego is very high. Mexican DTOs and criminal groups are the primary wholesale and midlevel distributors of methamphetamine in the San Diego area.

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## Marijuana

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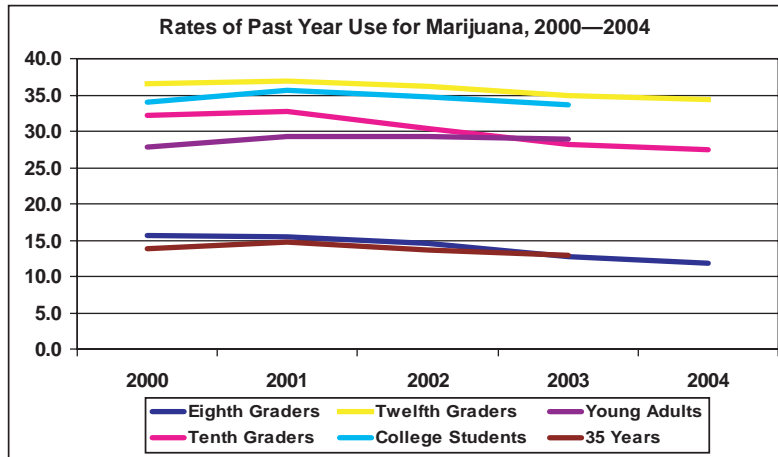
The prevalence of marijuana and the continuing high demand for the drug underlie its stability as one of the foremost drug threats. More than 95 percent of state and local law enforcement agencies describe the availability of the drug as high or moderate, and 75 percent of illicit drug users aged 12 or older report current use of marijuana. Furthermore, NSDUH 2003 data indicate that more than 25 million persons aged 12 or older used marijuana within the past year.

### Key Findings

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- Marijuana is readily available in drug markets throughout the United States, and interagency estimates as well as law enforcement reporting, drug survey data, and drug seizure data indicate that availability of the drug is increasing.

- The escalating prevalence of higher potency marijuana such as sinsemilla has resulted in an increase in average marijuana potency; however, high potency marijuana constitutes a relatively small portion of the marijuana available throughout the United States. Commercial-grade marijuana is the most widely available type throughout the country.
- Demand is higher for marijuana than for any other illicit drug; however, marijuana use among eighth, tenth, and twelfth graders as well as college students has declined since peaking in the late 1990s.



Source: Monitoring the Future.

- The consequences of marijuana use evidenced in ED mentions and treatment admissions have increased steadily over the last decade; however, three significant underlying factors should be considered when analyzing such increases. First, marijuana often is used with alcohol or other illicit drugs, which obscures the relevance of marijuana as a cause of many ED mentions. Second, a rise in treatment referrals through the criminal justice system has contributed largely to the increase in marijuana-related treatment admissions. Third, increased prevalence of higher potency marijuana has likely resulted in a higher number of individuals experiencing more intense—and often unpleasant—effects of the drug, leading them to seek medical intervention.
- Mexico has been the principal source of U.S.-destined foreign marijuana for decades, and already high production levels escalated in 2003. Mexican DTOs control nearly all marijuana production in Mexico, and an estimated 13,500 metric tons of marijuana were potentially produced in Mexico during 2003—70 percent more than the previous year. Other major sources of foreign-produced marijuana include Canada, Colombia, and Jamaica. The Royal Canadian Mounted Police (RCMP) estimates Canadian marijuana production at 800 to 2,000 metric tons. Most of the large-scale marijuana production in Canada is controlled by OMGs and Asian criminal groups. Marijuana production in Colombia, which is primarily controlled by Colombian DTOs, continues to be reported at 4,150 metric tons; however, this estimate has not been updated since 1996. Potential marijuana production for Jamaica has not been reported since 1997.
- Domestic marijuana production appears to be increasing, in part because of the rising involvement of U.S.-based Mexican criminal groups in large-scale cultivation operations in the United States. Cannabis cultivation is extensive in certain areas, most notably in the Pacific and Southeast Regions.





**Table 6: Top Five States for Marijuana Eradication, 2003**

Outdoor Plants		Indoor Plants	
California	1,109,066	California	72,891
Tennessee	678,635	Washington	23,557
Kentucky	519,986	Florida	16,302
Hawaii	388,903	Oregon	15,944
New York	95,385	Texas	11,722
<b>U.S. Total</b>	<b>3,427,923</b>	<b>U.S. Total</b>	<b>223,183</b>

Source: Drug Enforcement Administration Domestic Cannabis Eradication/Suppression Program.

- Marijuana smuggling into the United States via borders with Mexico and Canada appears to have increased overall; however, the volume of marijuana seized along the Southwest Border greatly exceeds Northern Border amounts.

**Table 7: U.S. Arrival Zone Seizures of Marijuana in Kilograms\*, 2001–2003**

	2001	2002	2003
<b>Southwest Border</b>	1,059,037	1,034,635	1,173,128
<b>Northern Border</b>	3,601	8,370	11,183

Source: El Paso Intelligence Center.

\* Numbers are rounded.

- The size of marijuana shipments smuggled from Canada into the United States has increased, largely because of the increasingly for-profit nature of marijuana production in Canada, which the RCMP reports is now dominated by organized crime, most notably Hells Angels OMG and Vietnamese criminal groups. Despite the apparent increase in marijuana smuggling from Canada, Mexico remains by far the principal source area of foreign-produced marijuana in the United States.
- The market for marijuana is strong and stable throughout the United States and should remain so given the drug’s wide appeal to users and consistent profitability for distributors as well as producers. Most DEA Field Divisions and HIDTA offices identify Mexican DTOs or criminal groups either as the primary marijuana wholesalers or as prominent in wholesale marijuana distribution in their areas, which include every region of the United States. Jamaican criminal groups are primary or prominent wholesalers mainly in cities of the Northeast such as New York, Philadelphia, Boston, and Washington, D.C. Caucasian wholesale marijuana distributors are identified primarily in the Pacific, West, Southeast, and Northeast regions and particularly in Kentucky, Tennessee, Oregon, and Washington. Vietnamese wholesale distributors are most active in the Pacific region, although they have been identified in areas of the Midwest and Southeast regions.
- Miami appears to have diminished in its role as a national-level PMA; however, the South Florida area remains a primary entry point for foreign-produced marijuana smuggled through the Caribbean and is emerging as a regional source of supply for domestic marijuana.

## **Trends and Developments**

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### **Availability**

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The escalating prevalence of higher potency marijuana such as sinsemilla appears to have resulted in an increase in average potency levels. The percentage of marijuana samples testing at 9 percent or higher THC (delta-9-tetrahydrocannabinol) increased more than 600 percent from 1994 (104 of 3,281 samples) to 2002 (545 of 2,378 samples), according to data from the Potency Monitoring Project. The average potency of tested marijuana and sinsemilla during that period also increased. Average THC levels for both types rose approximately 50 percent—from 3.50 to 5.11 percent THC for marijuana and from 7.49 to 11.43 percent THC for sinsemilla.

**NDIC Comment:** *Marijuana potency has increased; however, even with the advances in indoor cultivation techniques and marijuana production methods used throughout the United States and Canada (where much of the higher potency marijuana is produced), THC levels remain, typically, under 15 percent. Growers can and do produce marijuana with potency levels over 20 percent; however, not all growers have the capability or the determination either to produce top quality marijuana or to achieve the highest potential yield from their crops. Increasingly, organized crime groups in Canada and, to a lesser extent, the United States are becoming more involved in large-scale marijuana cultivation and are primarily interested in profits. It is unlikely that they will invest the care required to mass-produce top quality marijuana, particularly in the drying, manicuring, and curing stages of production. This trend should help to stabilize or further slow the rise in average potency levels.*

## Demand

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The consequences of marijuana use evidenced in ED mentions and treatment admissions have increased steadily over the last decade. Marijuana-related ED mentions increased nearly 200 percent from 1994 to 2002. Marijuana-related treatment admissions increased 100 percent during the same period.

**NDIC Comment:** *The dramatic increases in marijuana-related ED mentions and treatment admissions often are viewed with concern, and while these increases may be attributable in part to the higher potency marijuana available today, this hypothesis has yet to be confirmed. Polydrug use and integrating treatment services in the disposition of minor cases of marijuana possession are two significant underlying factors to consider when assessing the consequences of marijuana use. Marijuana very often is used sequentially or concurrently with alcohol or other illicit drugs. In fact, only 28 percent of marijuana-related ED episodes in 2002 involved marijuana alone, so the presence of alcohol or other illicit drugs undoubtedly obscures the relevance of marijuana as a cause of many emergency department visits. Also, a rise in treatment referrals through the criminal justice system (from drug courts begun in the early 1990s) has contributed largely to the increase in marijuana-related treatment admissions. According to the Substance Abuse and Mental Health Services Administration (SAMHSA), treatment admissions referred by the criminal justice system were more likely to report marijuana as a primary substance of abuse than admissions referred by all other sources (24% and 10%, respectively). This is not to suggest that marijuana use is not harmful or that providing treatment as an alternative to arrest is a flawed policy, but these underlying factors do have a bearing on the analysis of marijuana's consequences.*

## Production

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Domestic marijuana production appears to be increasing. Production estimates for the United States remain widely uncertain, and there are as yet no agreed-upon trend data for comparison; however, law enforcement reporting indicates increasing cultivation throughout the country, noting in particular large-scale cultivation in the Pacific Region.

**NDIC Comment:** *Contributing to increasing domestic marijuana production is the rising involvement of DTOs and criminal groups in large-scale cultivation operations in the United States. For example, U.S.-based Mexican DTOs control large outdoor operations in California and Oregon, and law enforcement reporting further indicates that these DTOs are increasingly involved in commercial indoor cultivation in California's Central Valley. The establishment of Mexican DTO-controlled operations in the United States has been documented for a few years, and the U.S. Forest Service (USFS) reports that at least five separate Mexican DTOs currently are linked with cultivation operations on California public lands. Reporting suggests that Mexican DTOs set up operations within the United States to avoid increased border security and higher transportation fees after September 11, 2001.*

## Transportation

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The size of marijuana shipments smuggled from Canada into the United States has increased. Amounts smuggled overland across the Northern Border typically have ranged from personal use quantities to the 40- to 100-pound quantities carried in duffel bags; however, traffickers are increasingly transporting marijuana in private and commercial vehicles—for example, the trash trucks that frequently cross from Canada into Michigan—and overland shipments now are frequently 200 pounds or more. Also, marijuana shipments seized from noncommercial vessels and private aircraft in 2003 were two to three times larger than shipments seized from those transportation modes in previous years.

*NDIC Comment: The increase in the size of marijuana shipments smuggled from Canada is due largely to the increasingly commercial nature of marijuana production in Canada, which the RCMP reports is now dominated by organized crime, most notably Hells Angels OMG and Vietnamese criminal groups. Typical cultivation operations in British Columbia and Ontario involve residential homes of 2,000-plus square feet that are totally converted for grow operations, and the RCMP reports that multi-housand-plant operations are no longer uncommon.*

## Distribution

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Miami appears to have diminished in its role as a national-level PMA; however, the South Florida area remains a primary entry point for foreign-produced marijuana smuggled through the Caribbean and is emerging as a regional source of supply for domestic marijuana. Law enforcement reporting and seizure data indicate that Florida, particularly the southern portion of the state, continues to be a focal point for maritime smuggling of marijuana from source areas such as Colombia and Jamaica. But in the past few years, as seizures specifically at the port of Miami have declined, reporting indicates that shipments are entering Florida at various points along the state's Atlantic Coast, particularly from Miami to Port St. Lucie, and at the southern tip. Also, indoor cultivation in South Florida has increased to such an extent in recent years that locally produced, usually hydroponic marijuana is supplying not only a strong local market (Miami-Dade, Broward, and Palm Beach Counties) but also markets out of state, where it sells for a higher price. Hispanic criminal groups and gangs control most wholesale and retail marijuana distribution in Miami; however, Haitian, African American, and Cuban American criminal groups and independent cultivators often run indoor cultivation operations and distribute the marijuana that they produce.

*NDIC Comment: Except for reporting from law enforcement in markets along the East Coast that has cited Miami as a significant source of marijuana to their areas, there is little quantifiable data to show national-level wholesale distribution of marijuana specifically from Miami. Moreover, law enforcement in Florida believes that much of the marijuana produced locally or smuggled into the state through the Caribbean or overland from Mexico is consumed locally and that distribution of foreign or local marijuana from the area is not as significant. This situation is unlike that in PMAs such as Phoenix/Tucson or Chicago, for example, where reporting indicates that as much as half or more of the marijuana transported to those areas is destined for other markets.*

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## Marijuana Primary Market Areas

The vast majority of foreign-produced marijuana is transported in bulk via the Southwest Border; consequently, marijuana shipments from markets such as Dallas, Houston, Los Angeles, Phoenix/Tucson, and San Diego occur more frequently and are often larger. Moreover, seizure data regarding the Southwest Border are the most comprehensive and corroborate extensively law enforcement reporting regarding distribution from these areas. Limiting the discussion to the southwestern United States based on the volume of marijuana distributed, however, provides an incomplete picture. While the volume of marijuana distributed through Chicago, Miami, New York, and Seattle is small compared with markets in the southwestern United States, these markets typically have played an important role in distribution, particularly of marijuana smuggled across the Northern Border, smuggled through the Caribbean, or produced domestically.

Shipments of marijuana transported to PMAs usually are delivered to stash houses that, as in Phoenix, often hold 500- to 1,500-pound lots at any given time. At these stash houses, the marijuana is divided into midlevel or retail quantities and repackaged for local, regional, or national distribution.

**Chicago.** Mexican DTOs and criminal groups are the principal wholesale distributors in Chicago. Street gangs are the principal retail distributors, although they also are involved in some wholesale distribution.

**Dallas.** Mexican DTOs and criminal groups are the primary marijuana wholesalers in Dallas. Mexican criminal groups are also retail distributors; however, no single group dominates at the retail level.

**Houston.** Mexican DTOs and criminal groups are the primary marijuana wholesalers in Houston.

**Los Angeles.** Most wholesale marijuana distributed in Los Angeles is domestically produced and distributed by local independent distributors. Mexican traffickers are the principal wholesale distributors of Mexico-produced marijuana in Los Angeles. Jamaican traffickers in the area also distribute wholesale Mexican marijuana, often supplying Jamaican criminal groups in the eastern United States.

**Miami.** Wholesale and retail marijuana distributors in Miami are usually Hispanic (including Colombian, Cuban, Dominican, and Puerto Rican), Haitian, or African American.

**New York.** Jamaican criminal groups are the most prominent marijuana distributors overall, particularly for wholesale and midlevel quantities; however, no single group dominates any distribution level. Persons associated with traditional organized crime and Mexican traffickers also are involved in wholesale and midlevel marijuana distribution.

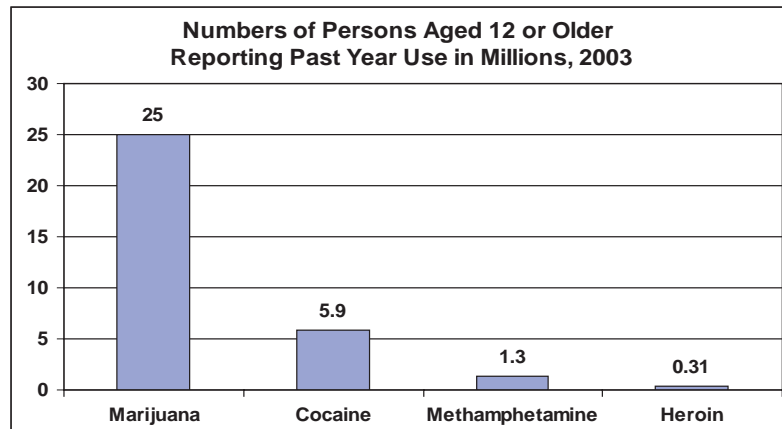
**Phoenix/Tucson.** Mexican DTOs and criminal groups are the principal wholesale distributors in both cities. Jamaican criminal groups are prominent wholesalers in Phoenix, often supplying Jamaican distributors in the eastern United States.

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# Heroin

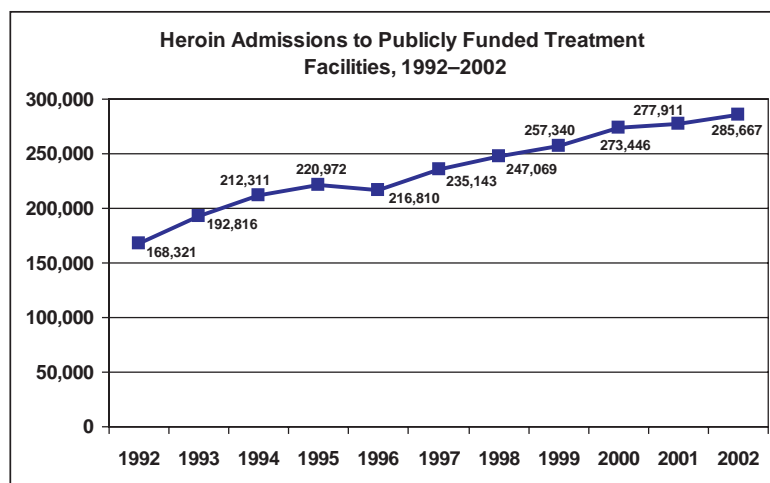
While the demand for heroin is significantly lower than for other drugs such as cocaine, methamphetamine, and marijuana, the consequences of heroin abuse are such that its abuse poses a significant drug threat. Slightly more than 310,000 persons aged 12 or older report past year heroin use in 2003, considerably lower than the number of individuals who report past year use of marijuana (25.2 million), cocaine (5.9 million), and methamphetamine (1.3 million).



Source: National Survey on Drug Use and Health.

## Key Findings

- The availability of Southwest Asian heroin appears to have increased slightly in 2003, attributable partly to participation by certain groups (for example, Nigerian and Russian traffickers) in heroin transportation and wholesale distribution. However, compared with other types of heroin available in domestic markets, relatively little Southwest Asian heroin is destined for the United States, and preliminary 2004 data indicate that availability of Southwest Asian heroin may be declining to pre-2003 levels.
- Despite stable demand for heroin in the United States, the number of primary heroin treatment admissions continues to increase. Because heroin abusers typically abuse the drug for several years before seeking treatment, the increase likely is due to individuals seeking treatment who began abusing the drug in the mid- to late 1990s, when the demand for heroin increased significantly in the United States.
- In 2003 potential worldwide opium production and heroin production increased significantly, attributable overwhelmingly to increases in production in Afghanistan. Potential worldwide illicit opium production in 2003 was estimated at 3,757 metric tons, compared with 2,237 metric tons in 2002. Worldwide heroin production was estimated at 426.9 metric tons in 2003, compared with 244.7 metric tons in 2002. Moreover, 2004 estimates indicate a significant increase in illicit opium production and potential heroin production. (See Table 8 on page 21.)



Source: Treatment Episode Data Set.

**Table 8. Potential Worldwide Heroin Production, in Metric Tons, 1999–2003**

	1999	2000	2001	2002	2003	2004
<b>Mexico</b>	8.8	4.5	10.7	6.8	11.9	NA*
<b>Colombia</b>	8.7	8.7	11.4	8.5	7.8	NA*
<b>Afghanistan</b>	218.0	365.0	7.0	150.0	337.0	582.0
<b>Burma</b>	104.0	103.0	82.0	60.0	46.0	28.0
<b>Laos</b>	13.0	20.0	19.0	17.0	19.0	5.0
<b>Pakistan</b>	4.0	19.0	0.5	0.5	5.2	NA*
<b>Thailand</b>	0.6	0.6	0.6	0.9	NA	NA*
<b>Vietnam</b>	1.0	1.4	1.4	1.0	NA	NA*
<b>Total</b>	358.1	522.2	132.6	244.7	426.9	NA*

Source: Crime and Narcotics Center.

\*Estimates for 2004 are not completed.

- The smuggling of South American heroin across the Southwest Border—particularly through Texas—increased significantly in 2003. According to EPIC data, the amount of South American heroin seized in the U.S. Arrival Zone in Texas surpassed the amount seized in New Jersey, historically the state reporting the third highest amount of South American heroin seized, after New York and Florida.
- Heroin use in Chicago suburban areas has increased, resulting in a rise in the consequences of heroin abuse in Chicago, a PMA for multiple types of heroin. This increase is most evident among suburban users, particularly those under 25 years of age, who are experimenting with and becoming addicted to heroin.

## Trends and Developments

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### Availability

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The availability of Southwest Asian heroin in the United States appears to have increased slightly in 2003. According to EPIC, wholesale Southwest Asian heroin seizures in the U.S. Arrival Zone in FY2003 exceeded the amount of Mexican heroin seizures, making Southwest Asian heroin second only to South American heroin in the amount seized within the U.S. Arrival Zone—an indication of the increased availability of Southwest Asian heroin. However, anecdotal law enforcement reporting indicates that, nationally, Mexican heroin remains much more widely available. Moreover, the amount of heroin identified as Southwest Asian by the DEA Heroin Signature Program (HSP)<sup>1</sup> increased from 7 percent of the total heroin analyzed by weight in 2001 to 10 percent in 2002. Finally, reporting from DEA Field Divisions in Chicago, St. Louis, and New York indicates that the availability of Southwest Asian heroin has increased in their jurisdictions.

***NDIC Comment:** Law enforcement reporting indicates that the increased availability of Southwest Asian heroin in 2003 was attributable partly to participation by certain groups in heroin transportation and wholesale distribution. For example, West African traffickers, primarily Nigerians, are responsible for a resurgence in the availability of Southwest Asian heroin in Chicago. According to DEA, arrests and seizures over the past few years have significantly interrupted Nigerian and other West African traffickers' ability to transport Southeast Asian heroin to Chicago. As a result, these traffickers more frequently obtain heroin in Pakistan, increasing the availability of Southwest Asian heroin. According to the DEA St. Louis Field Division, at least some of the Southwest Asian heroin available in its jurisdiction is transported to the area from Chicago. DEA New York reports that the increasing availability of Southwest Asian heroin in its jurisdiction is due partly to Russian and East European trafficking organizations. These organizations are able to obtain Southwest Asian heroin at a price lower than the price at which their counterparts can obtain South American heroin, and they can rely on an increasingly dependable network of distributors in some areas of New York City.*

*Despite the data and anecdotal reporting that showed increased availability of Southwest Asian heroin in the United States during 2003, overall availability of Southwest Asian heroin likely remains far lower than that of South American or Mexican heroin. Moreover, preliminary 2004 data indicate that availability of Southwest Asian heroin may be receding to pre-2003 levels.*

### Demand

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National-level drug prevalence studies indicate that the overall demand for heroin in the United States is relatively stable; however, the number of primary heroin treatment admissions continues to increase. According to TEDS data, the number of primary heroin treatment admissions increased steadily each year since 1992 and increased from 277,911 in 2001 to 285,677 in 2002.

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1. Under the Heroin Signature Program (HSP), the DEA Special Testing and Research Laboratory analyzes heroin samples from POE seizures, as well as a random sample of other seizures and purchases submitted to DEA laboratories, to determine source areas. Although HSP results do not directly correspond to an assessment of the market share in the United States, they provide indicators of market trends.

**NDIC Comment:** *The increase in treatment admissions for heroin despite stabilizing demand may be due to the fact that heroin abusers typically abuse the drug for several years before seeking treatment. Thus, many individuals currently seeking treatment likely began abusing the drug in the mid- to late 1990s when the demand for heroin increased significantly in the United States. According to TEDS data, the average number of years of heroin use for clients entering treatment for the first time in 2000 and 2001 was 12.9 and 12.3 years, respectively, for abusers whose primary route of administration was injection, and 11.1 and 11.6 years for users whose primary route of administration was inhalation.*

## Production

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After decreasing significantly from 2000 to 2001, worldwide illicit opium production increased in 2002 and 2003; the production in 2003 (3,757 mt) was almost double that in 2002 (2,237 mt). Likewise, potential heroin production decreased from 522.2 metric tons in 2000 to 132.6 metric tons in 2001 before increasing to 244.7 metric tons in 2002 and 426.9 metric tons in 2003. Moreover, 2004 estimates indicate a significant increase in illicit opium production and potential heroin production. (See Table 8 on page 21.)

**NDIC Comment:** *The significant increases in potential worldwide opium and heroin production estimates for 2002 and 2003 are attributable overwhelmingly to increases in production in Afghanistan. Potential opium production in Afghanistan increased from 63 metric tons in 2001, to 1,278 metric tons in 2002, and 2,865 metric tons in 2003. Potential heroin production estimates for Afghanistan increased from 7 metric tons in 2001, to 150 metric tons in 2002, and 337 metric tons in 2003. Conversely, potential opium and heroin production estimates for Burma—the primary source of Southeast Asian heroin—have decreased each year since 2000. As a result of these changes, the predominant source of Asian heroin in the United States appears to be shifting from Southeast Asia to Southwest Asia. However, the market for white powder heroin will likely continue to be dominated by heroin from South America. In fact, the increased heroin production in Afghanistan is not likely to result in increased heroin availability in the United States because only a small amount of Southwest Asian heroin is transported to the United States for subsequent distribution.*

## Transportation

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The amount of South American heroin seized in the U.S. Arrival Zone along the Southwest Border—particularly Texas—increased significantly in 2003. According to EPIC, the amount of South American heroin seized in the U.S. Arrival Zone in Texas surpassed the amount seized in New Jersey, historically the state reporting the third highest amount of South American heroin seized, after New York and Florida.

**NDIC Comment:** *South American heroin typically is smuggled into the United States by couriers aboard commercial flights to international airports in New York and Miami. However, law enforcement reporting indicates that traffickers are transporting increasing amounts of South American heroin across the Southwest Border. Law enforcement reporting indicates that Colombian DTOs are increasingly relying on Mexican DTOs and criminal groups to transport South American heroin to the United States much as they rely on Mexican DTOs to transport cocaine. Most of the South American heroin transported across the Southwest Border likely is destined for markets in the eastern United States, including Chicago and New York.*

## Distribution

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Heroin distribution in Chicago, a PMA for multiple types of heroin, has expanded to many outlying communities, resulting in an increase in the consequences of heroin abuse in the Chicago area. In fact, national-level consequence data indicate that rates of heroin-related treatment admissions, ED mentions, and deaths in Chicago are among the highest in the nation and continue to increase.

***NDIC Comment:** A primary factor contributing to increasing consequences of heroin abuse in Chicago is the increase in the number of suburban users, particularly those under 25 years of age, who are experimenting with and becoming addicted to heroin. The number of suburban users began to increase in the early 1990s, when high purity South American heroin became available in Chicago. Because of the high purity, new users were able to snort the drug, avoiding the stigma and health consequences associated with injection drug use. However, TEDS data show that injection drug use increased significantly in the Chicago metropolitan statistical area from 1997 through 2000, possibly the result of these suburban users transitioning to injection. Although the majority of injection drug users were over 35, the largest increase in the rate of injection drug use was for those aged 24 and younger. Injection drug use results in serious health consequences that have contributed, and will continue to contribute, to the increasing number of heroin-related treatment admissions, ED mentions, and deaths in the Chicago area.*

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### Heroin Primary Market Areas

Chicago, Los Angeles, and New York are the three PMAs for heroin distributed throughout the United States because abuse levels are high in these cities and because wholesale quantities of heroin are distributed from these cities to heroin markets throughout the country. Other cities that are not PMAs but are significant markets in terms of abuse or distribution include Baltimore, Detroit, Miami, Newark, Philadelphia, San Francisco, Seattle, and Washington, D.C. Boston also is a very significant heroin market and previously was designated a PMA for the drug; however, Boston does not appear to be a heroin distribution center equal to Chicago, Los Angeles, and New York. In fact, law enforcement reporting indicates that most wholesale and midlevel heroin distributors in New England states are supplied directly by New York City-based wholesale distributors rather than Boston-based wholesalers.

**Chicago.** The consequences of heroin abuse in Chicago and the surrounding area are reflected in high rates of ED mentions, heroin-related overdose deaths, treatment admissions, and arrestees testing positive for opiates. Colombian criminal groups are the primary wholesale distributors of South American heroin in Chicago, although they increasingly rely on Mexican DTOs and criminal groups to transport and distribute wholesale quantities of the drug. Nigerian criminal groups are the primary wholesale distributors of Southeast Asian and, increasingly, Southwest Asian heroin.

**Los Angeles.** Although Los Angeles historically has demonstrated high levels of heroin abuse, some data indicate that the effects of that abuse have lessened over the past several years. Mexican criminal groups are the primary wholesale distributors of Mexican heroin in Los Angeles.

**New York.** The negative effects of heroin abuse are significant in New York as evidenced by emergency department, mortality, treatment, and arrest data. Colombian criminal groups are the primary wholesale distributors of South American heroin in New York. Dominican criminal groups and, increasingly, Mexican criminal groups also are significant transporters and wholesale distributors of South American heroin. Ethnic Chinese and West African criminal groups are the primary wholesale distributors of Southeast Asian heroin, and Pakistani criminal groups are the primary wholesale distributors of Southwest Asian heroin in New York.

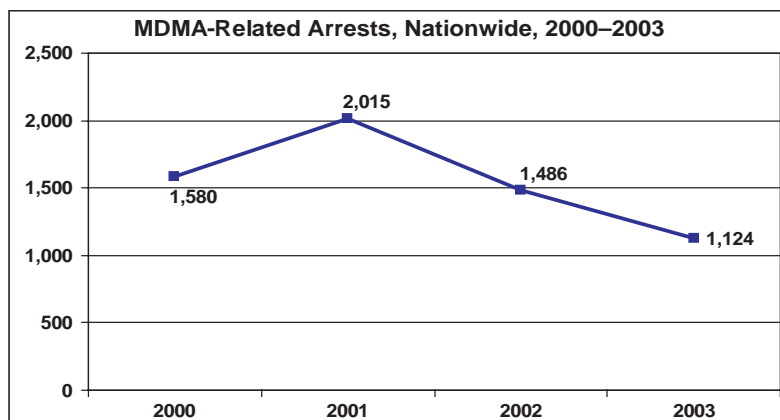
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## MDMA

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The trafficking and abuse of MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) pose a moderate threat to the United States. Most federal, state, and local law enforcement agencies report that MDMA is readily available and abused in their areas; however, levels of availability and abuse appear to be declining. Federal-wide Drug Seizure System (FDSS) data and law enforcement reporting indicate that federal seizures of MDMA and MDMA-related arrests have decreased each year since peaking in 2001 and that demand for MDMA, while still relatively high, appears to be declining among adolescents and adults overall.



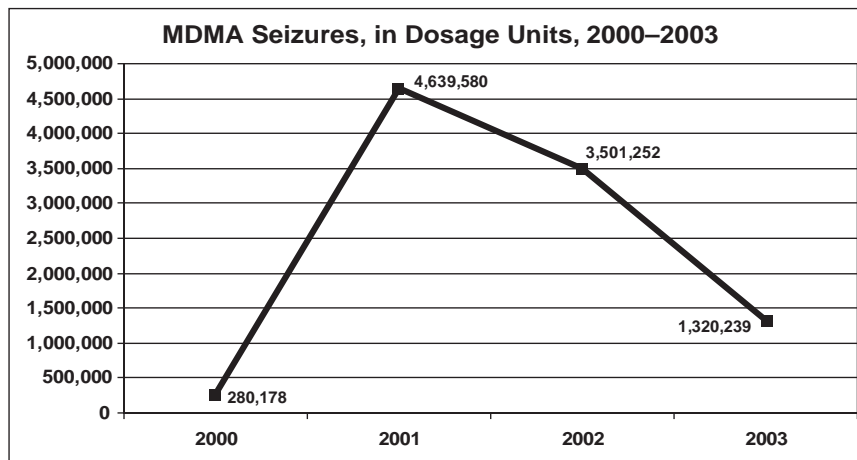
Source: Drug Enforcement Administration.

## Key Findings

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The availability of MDMA has decreased significantly nationwide since peaking in 2001, most likely the result of increased interdiction efforts and the effective dismantling of large MDMA trafficking organizations.

- The rates of past year use for MDMA are decreasing. NSDUH data show that the estimated number of persons aged 12 or older reporting past year use of MDMA decreased significantly from nearly 3.2 million in 2002 to 2.1 million in 2003.
- More adolescents perceive harm in using MDMA than ever before, likely because of drug abuse prevention educational programs and antidrug campaigns that have focused on reducing MDMA abuse since the height of the drug's popularity in 2001.
- Most MDMA available in the United States is produced in northwestern Europe, particularly in the Netherlands and Belgium. Very few domestic MDMA laboratories are seized each year.



Source: Federal-Wide Drug Seizure System.

- The number of MDMA dosage units seized arriving from foreign source countries decreased from 6,699,882 dosage units in 2001, to 3,771,449 in 2002, and 948,438 in 2003.
- Shifts in transportation routes have resulted in a decrease in the amount of MDMA smuggled into the United States directly from the Netherlands and Belgium.
- Asian criminal groups are increasingly involved in MDMA trafficking in all regions of the United States and may surpass Israeli and Russian criminal groups as the dominant transporters and wholesale distributors of the drug.

## Trends and Developments

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### Availability

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The availability of MDMA has decreased significantly nationwide since peaking in 2001. According to seizure statistics and arrest data, MDMA availability was at its highest level in 2001 and decreased since that time. Data from DEA’s System to Retrieve Information from Drug Evidence (STRIDE) also reveal a decrease in availability—the number of dosage units submitted for testing peaked at 5,472,435 dosage units in 2001 but decreased to 1,477,758 dosage units in 2003. Likewise, MDMA-related OCDETF investigations and indictments were at their highest level in 2001 and decreased in each of the following years. MDMA-related arrests also decreased after peaking in 2001, dropping from 2,015 in 2001 to 1,124 in 2003.

***NDIC Comment:** The decrease in MDMA availability since 2001 is due most likely to increasing interdiction efforts and the effective dismantling of large MDMA trafficking organizations. Law enforcement efforts have debilitated or fractured MDMA trafficking networks through the arrests of key members. In the past 3 years, DEA has successfully dismantled several significant MDMA trafficking organizations—particularly Israeli and Asian organizations—that had distribution networks throughout the United States.*

## Demand

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More adolescents perceive harm in using MDMA than ever before. MTF data show that the percentage of students in eighth, tenth, and twelfth grade perceiving harm in using MDMA increased in 2001—the most recent year such data are available. Partnership Attitude Tracking Study (PATS) 2003 data also show a rising percentage of teens that perceive risk in trying MDMA or using MDMA occasionally.

***NDIC Comment:** The perceived harm associated with MDMA use is increasing most likely because of drug abuse prevention educational programs and antidrug campaigns that have focused on reducing MDMA abuse since the height of the drug's popularity in 2001. For example, in February 2002 the Partnership for a Drug-Free America launched a national MDMA education campaign that consisted of television and print advertising as well as a web site devoted to alerting and educating adolescents and young adults to the dangers of MDMA use. NSDUH 2002 data indicate that the rates of past year illicit drug use, including MDMA, were lower for youths who had seen or heard drug or alcohol prevention messages at school in the past year than for youths who had not seen or heard such messages at school.*

## Production

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Although most MDMA available in the United States is produced in Europe, the number of MDMA laboratories seized in the United States increased in 2004. According to EPIC data, reported seizures of MDMA laboratories in the United States decreased from 2000 (8) to 2003 (3); however, law enforcement reports that 12 MDMA laboratories were seized within the first 8 months of 2004.

***NDIC Comment:** MDMA production in the United States is very limited in comparison with other countries but may be increasing in the wake of increased security and interdiction efforts at U.S. POEs. MDMA production in the United States is typically small-scale; however, a few laboratories have been capable of producing multithousand-tablet quantities of MDMA. For example, law enforcement reports that of the 12 MDMA laboratories seized in the first 8 months of 2004, 10 were capable of producing less than 8 ounces of MDMA (up to 2,000 tablets but typically about 500), according to EPIC. However, one laboratory seized in New York was capable of producing 2 to 9 pounds (up to 40,000 tablets) of MDMA, and the largest laboratory—seized in Wisconsin—was capable of producing 10 to 20 pounds (up to 90,000 tablets) of MDMA.*

## Transportation

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The smuggling of MDMA by Israeli and Russian criminal groups coming directly from European source areas into the United States appears to have dropped dramatically in the past 3 years. EPIC reports that the number of MDMA dosage units seized arriving directly from the Netherlands and Belgium now represents a lower proportion of all MDMA tablets smuggled into the United States. EPIC data reveal that just 218,000 of 948,000 tablets and 70 of 152 kilograms of the seized MDMA that was destined for the United States in 2003 originated in the Netherlands or Belgium.

**NDIC Comment:** MDMA laboratories in the Netherlands and Belgium still produce the majority of MDMA available in the United States; however, traffickers typically are not transporting the drug directly to the United States from these countries. While in recent years most MDMA was transported directly from source areas to the United States by couriers on commercial flights, increased interdiction efforts have caused a shift in transportation routes to avoid detection or seizure. For example, EPIC data for 2003 show that a significant amount of MDMA was transported on commercial flights originating in other European countries such as France, Italy, Germany, Portugal, Spain, and Switzerland. In addition, MDMA shipments originating in the Netherlands and Belgium are increasingly transiting the Caribbean, Mexico, and Canada en route to the United States.

## Distribution

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Asian criminal groups are increasingly involved in MDMA trafficking in all regions of the United States, and they may surpass Israeli and Russian criminal groups as the dominant transporters and wholesale distributors of the drug in the near future. Asian criminal groups typically smuggle powder MDMA from Europe into Canada, where it is pressed into tablets. These groups then smuggle the MDMA tablets across the Northern Border, typically by private vehicle, supplying networks of Asian traffickers operating throughout the United States. Although some Asian street gangs (as well as certain African American and Hispanic street gangs) are retail-level distributors of MDMA in the United States, Caucasian males still dominate domestic retail-level MDMA distribution.

**NDIC Comment:** The involvement of Asian traffickers in MDMA transportation and distribution within the United States has been rising in recent years. Federal, state, and local law enforcement agencies report that Asian traffickers, including Vietnamese, Laotian, Cambodian, Korean, Thai, and Indo-Chinese criminal groups, are involved to varying degrees in MDMA distribution. However, Vietnamese and Chinese criminal groups appear to be most active in the smuggling of Europe-produced MDMA from Canada into the United States. According to law enforcement reporting, Asian traffickers distribute significant quantities of MDMA in cities including Los Angeles, Houston, and New Orleans.

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## MDMA Primary Market Areas

Los Angeles, Miami, and New York are PMAs for MDMA, based on reporting from public health and law enforcement agencies. These metropolitan areas are PMAs for MDMA because of a high level of demand for the drug in these areas and the large amounts of MDMA distributed from these areas to other markets across the country. There appears to be a relatively high demand for MDMA in Philadelphia based on data that gauge MDMA-related consequences in that city; however, distribution from Philadelphia to other U.S. drug markets is limited.

**Los Angeles.** The demand for MDMA in Los Angeles appears to be relatively high and stable. Israeli and Russian DTOs and criminal groups are responsible for most of the transportation and wholesale distribution of MDMA in Los Angeles. Asian criminal groups also supply significant quantities of the drug to the area.

**Miami.** The demand for MDMA in Miami remains high but appears to be declining. Russian, Israeli, and European DTOs (primarily Polish) as well as Caribbean (primarily Dominican) and Colombian DTOs and Caucasian criminal groups distribute MDMA at the wholesale level in Miami.

**New York.** Demand for MDMA in New York City has decreased significantly in recent years. Israeli and Russian DTOs dominate wholesale distribution of MDMA in New York City. To a lesser extent Colombian and Dominican DTOs and criminal groups, Eastern European and Asian criminal groups, OMGs, and members of traditional organized crime distribute wholesale quantities of MDMA.

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## Pharmaceuticals

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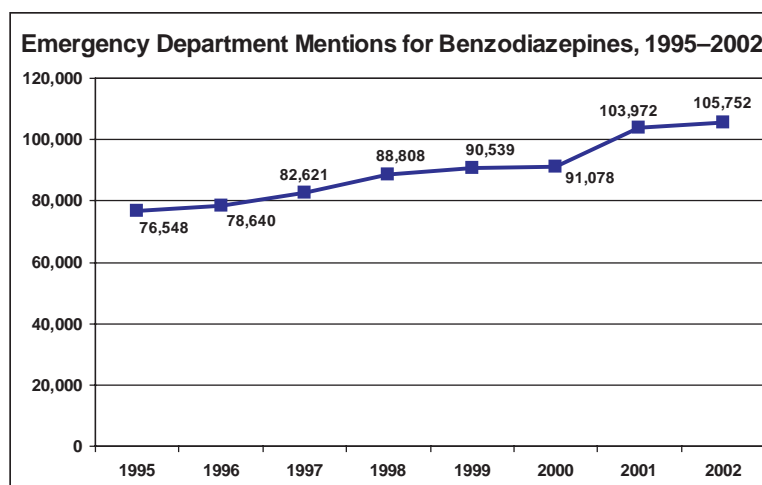
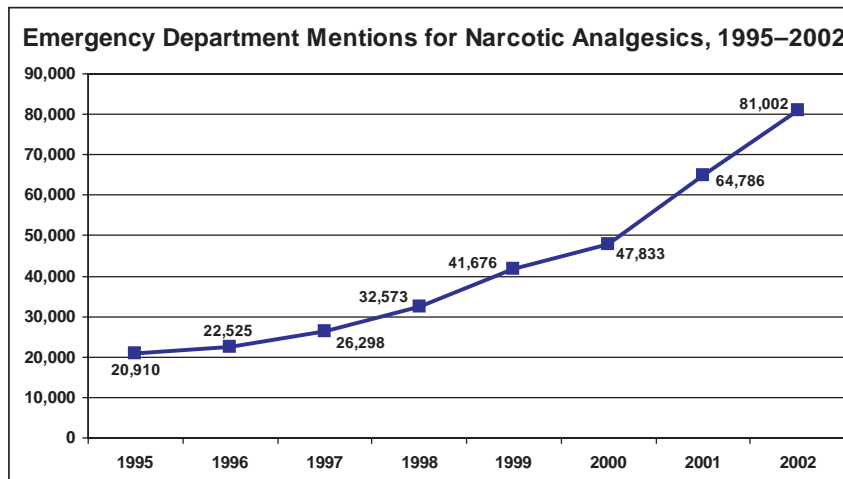
The diversion and abuse of pharmaceutical narcotics, depressants, and stimulants are a significant threat to the United States. Rates of abuse for prescription drugs have increased sharply since the early to mid-1990s but appear to be stabilizing at high levels. The consequences of prescription drug abuse also have increased since the early to mid-1990s and have continued to increase during the past 2 reporting years.

### Key Findings

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- The abuse of prescription drugs increased sharply since the mid-1990s and now has stabilized at high levels. ED mentions of narcotic analgesics (prescription narcotics) increased nearly 300 percent from 1995 through 2002, and mentions of benzodiazepines (prescription narcotics) increased 38 percent during the same period. From 1996 through 2002, treatment admissions for opiates other than heroin increased more than 200 percent.
- The availability of pharmaceuticals has increased since the late 1990s when legitimate production of pharmaceuticals increased sharply, making more pharmaceuticals available for illegal diversion.





Source: Drug Abuse Warning Network.

- The threat posed by pharmaceutical diversion varies by region. Law enforcement reporting indicates that state and local law enforcement agencies in the Northeast, Southeast, and Midwest Regions were more likely to identify pharmaceuticals as their greatest drug threat than agencies in the Southwest, Pacific, and West.

## Other Dangerous Drugs

- The trafficking and abuse of GHB (gamma-hydroxybutyrate) have become a particular concern to law enforcement and public health agencies because of increasing availability of the drug in some areas, sharp increases in ED mentions for GHB since the mid-1990s, and the use of GHB in the commission of drug-facilitated sexual assault.
- Rates of ketamine use are trending downward among adolescents and young adults. In addition, seizure data indicate that ketamine availability is decreasing and that ketamine-related ED mentions appear to be trending downward.
- The availability of LSD (lysergic acid diethylamide) is decreasing, and rates of use have decreased sharply to very low levels.

- The consequences of PCP (phencyclidine) use are increasing despite relatively stable or declining past year rates of use. The estimated number of ED mentions for PCP increased each year from 1998 to 2002.

## Inhalants

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- Analysis of long-term trends in inhalant abuse among adolescents reveals that rates of abuse declined overall from 1995 to 2002; however, abuse among eighth graders rose significantly from 2002 to 2004.

## Steroids

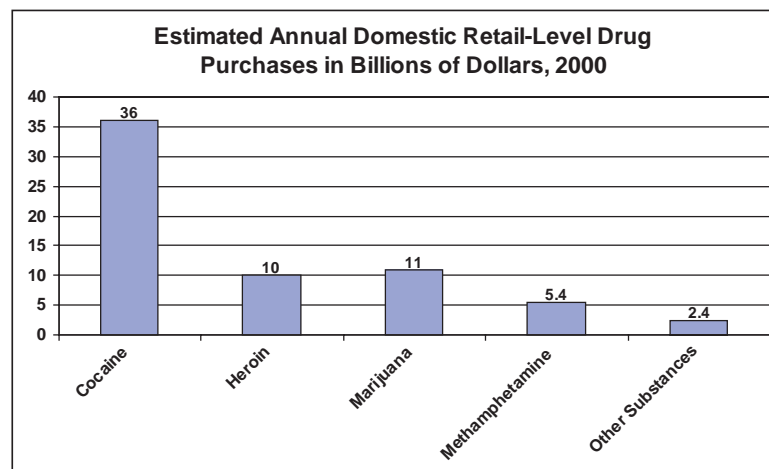
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- According to MTF, steroid use appears to be relatively low among high school students and young adults. These data show that steroid abuse among high school students has risen overall since the early 1990s but now may be declining.

## Money Laundering

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Interagency estimates indicate that the cost to society from drug trafficking and abuse in the United States is between \$60 billion and \$108 billion. In 2000, the most recent year for which these data are available, the Office of National Drug Control Policy (ONDCP) estimated annual retail-level cocaine purchases at \$36 billion, heroin at \$10 billion, marijuana at \$11 billion, methamphetamine at \$5.4 billion, and other substances at \$2.4 billion. These figures do not include the estimated dollar figure for drugs purchased at wholesale or midlevel, meaning that the amount of drug-related currency generated in the United States may be significantly greater than the \$60 billion to \$108 billion estimate.



Source: Office of National Drug Control Policy.

## Key Findings

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- The physical transportation of bulk cash and monetary instruments is a principal method used by drug traffickers to move illicit drug proceeds from domestic drug markets to other U.S. and foreign destinations. According to EPIC Pipeline, Convoy, and Jetway seizure data from 2001 through 2003, the primary origins of U.S. currency seized in these operations were California, Illinois, New York, and Texas, while Arizona, California, Florida, and Texas were the primary destinations.
- Drug traffickers in the United States frequently use money services businesses (MSBs)—particularly money transmittal, currency exchange (*casas de cambio*), and check-cashing businesses—to launder drug proceeds. MSBs filed 214,966 Suspicious Activity Reports (SARs) with the Financial Crimes Enforcement Network (FinCEN) from October 1, 2002, to December 31, 2003. During that period, states with the most MSB-SAR filings were New York, California, Arizona, Texas, and Florida.
- In 2003 representatives of depository institutions—banks, thrifts, savings and loans, and credit unions—filed 288,243 SARs. Of these, 155,468 indicated a Bank Secrecy Act (BSA)/Structuring/Money Laundering violation, the only specific money laundering violation. According to FinCEN, the states with the highest number of BSA/Structuring/Money Laundering violations during that period were California, New York, Texas, Florida, and New Jersey.
- Drug traffickers, particularly South American traffickers, launder illicit drug proceeds through informal value transfer systems (IVTS). For example, South American traffickers launder an estimated \$3 to \$6 billion each year through the Black Market Peso Exchange (BMPE). Southeast and Southwest Asian traffickers also launder and transfer large amounts of money through *hawala*, *hundi*, or *hui khan* IVTS. Unlike the BMPE, however, *hawala*, *hundi*, and *hui khan* businesses can operate legally in the United States, provided that they register with FinCEN and comply with all applicable laws, such as the Bank Secrecy Act. The registration requirement was established by the USA PATRIOT Act of 2001 and makes it easier for government agencies to prosecute individuals laundering drug proceeds through these systems.

## Outlook

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### Cocaine

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- Rates of use for cocaine among adolescents have declined since the late 1990s and likely will decline further in the near term; however, rates of use remain higher than in the early to mid-1990s—a situation that continues to concern policymakers and drug treatment providers. According to MTF, rates of past year use for cocaine among adolescents appear to have peaked between 1998 and 1999 and have since declined among eighth, tenth, and twelfth graders. MTF data show that rates of past year use for cocaine declined from 3.1 percent in 1998 to 2.0 percent in 2004 among eighth graders, from 4.9 percent in 1999 to 3.7 percent in 2004 among tenth graders, and from 6.2 percent in 1999 to 5.3 percent in 2004 among twelfth graders. Despite these declines, past year rates of use are still higher than were rates of use in 1992 among eighth (1.5%), tenth (1.9%), and twelfth (3.1%) graders.

- Projections in the rates of cocaine use among adults are less certain because of limited data that show somewhat mixed trends. For example, MTF and NSDUH data show that rates of use for powder cocaine have trended slightly upward among adults since 2002 but were mixed for crack cocaine. Nevertheless, MTF data indicate that rates of past year cocaine use among young adults and college students are higher than they were in the early 1990s—just as they are for adolescents. For example, rates of past year use for cocaine among young adults and college students in 2003 were 6.6 percent and 5.4 percent, respectively, compared with only 5.7 percent and 3.0 percent in 1992. That the rates of past year use for cocaine remain relatively high is a concern to policymakers and public health officials.
- Continued success in reducing worldwide cocaine production combined with continued success in record-level cocaine interdiction in transit zones may result in worldwide reductions in the availability of the drug in the near term.

## **Methamphetamine**

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- The expansion of domestic methamphetamine laboratories into eastern states combined with increased foreign production of methamphetamine should raise availability levels in domestic markets overall, exposing an increasing number of potential new users to the drug. Increased exposure of the drug to potential new users may lead to a sharp increase in rates of use in drug markets, particularly in the Northeast and Southeast Regions, where methamphetamine availability and use previously have been limited.
- Methamphetamine availability, production, and distribution have increased in the Northeast Region since 2002, a situation likely to continue in the near term. These increases are likely to create significant strain on many law enforcement and public health resources, particularly in rural areas, where methamphetamine use typically is higher and resources often are more limited.
- The production and distribution of ice methamphetamine by Mexican criminal groups are likely to continue to increase, given the higher profit margins for ice and the recent successes of Mexican criminal groups in significantly expanding distribution of the drug in many large methamphetamine markets. Such increases may lead to increased rates of addiction to methamphetamine because ice is a higher purity, more addictive form of the drug.

## **Marijuana**

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- Marijuana production within the United States is likely to increase as U.S.-based Mexican criminal groups continue to establish or expand large-scale domestic cultivation operations. Expansion of such operations, particularly on public lands, also may increase the threat of violence against unsuspecting passersby and may result in an overall increase in availability of the drug.
- An increased supply of marijuana likely will result in increased exposure to the drug and, consequently, more new users, since initiates to drug use are more likely to start with a drug that is readily available and easily obtainable, such as marijuana.

## Heroin

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- The demand for heroin, currently stabilized, will remain lower than the demand for other major drugs of abuse such as cocaine, marijuana, and methamphetamine. An overall high perception of risk associated with heroin use is an indication that rates of heroin use, particularly among adolescents and young adults, will remain stable.
- The 73.3 percent increase in potential worldwide heroin production from 2002 to 2003, though cause for concern, will not likely result in a significant increase in heroin availability in U.S. drug markets. The significant increases in potential worldwide opium and heroin production estimates for 2002 and 2003 are attributable overwhelmingly to increases in production in Afghanistan. However, only a small amount of Southwest Asian heroin is transported to the United States for subsequent distribution. Therefore, despite the increase in worldwide heroin production, the need for policymakers and law enforcement officials to shift resources away from other drug threats to counter a rise in domestic heroin availability is very unlikely.

## MDMA

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- Demand data indicate that the perception of risk associated with MDMA use is increasing only among adolescents, suggesting that while MDMA use might continue to decline among adolescents, it may remain at higher levels for adults.
- MDMA transportation across the Northern Border may increase, given an apparent shift in transportation routes and increasing production in Canada since the late 1990s.

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