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South American Heroin Trafficking in the United States

Drug Intelligence Bulletin

INTRODUCTION

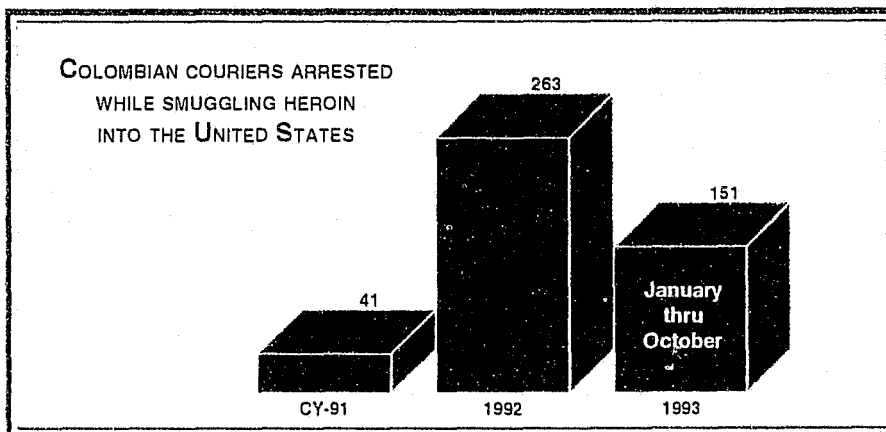
The availability of South American heroin in the United States has increased during the past two years according to seizure analysis and investigative reporting. While most reporting indicates that Colombian heroin traffickers operate on a limited scale, South American heroin poses a potentially serious threat, primarily because of the trafficking resources controlled by the Colombian cocaine cartels.

SMUGGLING METHODS

Since 1991, most of the South American heroin smuggled into the United States has been transported by Colombian couriers aboard commercial airlines, a method requiring numerous couriers who carry small amounts ranging up to 1 kilogram per trip. The couriers commonly transport the heroin in false-sided briefcases and luggage, inside hollowed-out shoe soles, or by internal body carry. Much of this smuggling currently is controlled by independent Colombian traffickers rather than by the Colombian cocaine cartels according to investigative reporting from the DEA Bogota Country Office.

The El Paso Intelligence Center reports that the number of Colombian couriers who were arrested while smuggling heroin into the United States on commercial airlines increased from 41 in 1991 to 263 in 1992, and 151 have been arrested through October of 1993. Most of these arrests occurred either at Miami or New York international airports. Most Colombian couriers arrested in Miami admitted to being en route to New York City or possessed follow-on tickets for that destination.

The primary smuggling method employed by Colombian traffickers combined with the shipment size (averaging 500 grams) indicates that Colombian traffickers are not yet able to supply bulk quantities of heroin as large as those supplied by Chinese and Pakistani traffickers. To date, the largest seizure of heroin from Colombia was a June 1992 airdrop of just under 15 kilograms on a beach in Puerto Rico. However, current investigative reporting indicates increased efforts are being made to supply multikilogram quantities of Colombian heroin for delivery to the U.S. market. As Colombian heroin production and distribution become more developed, it is likely that the cocaine cartels will attempt to exercise greater influence and control over this activity. The cocaine cartels would be able to maximize their profits by transporting heroin through their cocaine smuggling channels.



TRAFFICKING AND AVAILABILITY

Currently, Colombian heroin traffickers are attempting to establish distribution outlets in the United States, particularly in the metropolitan areas of the Northeast. In New York City, Boston, Newark, and Philadelphia, street-level heroin purity averages over 60 percent. High purity heroin, therefore, is essential for Colombian traffickers to break into this fiercely competitive heroin market. As a result, these traffickers are smuggling heroin that is 80 to 99 percent pure.

Since the July 1993 announcement by DEA's Special Testing and Research Laboratory of a signature for South American heroin, the heroin from 34 Domestic Monitor Program (retail-level) purchases has been identified as being of South American origin. The heaviest concentrations of these purchases occurred in:

Newark, New Jersey (8);
New York City, New York (7);
Philadelphia, Pennsylvania (4);
Washington, D.C. (4); and
Boston, Massachusetts (3).

While this confirms that Colombian heroin traffickers are focusing on markets in the northeastern United States, the remainder of the purchases show the wide geographic distribution of South American heroin to other areas, such as:

San Juan, Puerto Rico (3);
Atlanta, Georgia (2);
Miami, Florida (2); and
New Orleans, Louisiana (1).

In addition to the major northeastern metropolitan areas, South American heroin is available in mid-size southern New England cities such as Hartford and Bridgeport, Connecticut, and Providence, Rhode Island, where, according to reporting from the DEA Boston Division, Cali Cartel cocaine distribution networks are operating. These cities are ideal locations for Colombian traffickers to gain a foothold in heroin distribution for two reasons:

- *They face less competition from Chinese and other ethnic heroin importers and wholesalers who dominate the major northeastern markets and, consequently, may have easier access to mid-level distributors; and*
- *They are able to utilize the cocaine transportation and distribution networks already established over the last decade.*

MARKETING STRATEGY

Colombian traffickers are using a variety of tactics to establish mid-level and retail-level outlets for their heroin. In addition to providing heroin of unusually high purity, Colombian traffickers have offered free samples of heroin to potential distributors, have offered to front ounce and multiounce quantities of heroin to first-time buyers, and have been persuading their established cocaine distributors to purchase and to sell heroin as a condition of doing business. For example, a typical transaction may require the distributor who seeks to purchase 20 kilograms of cocaine to purchase 1 kilogram of heroin as part of a package deal. Finally, Colombian traffickers are underselling competitors in some cities in an effort to win over customers. This is most evident at the mid-level and retail level where South American heroin is most available; ounce and gram prices for South American heroin are well below those for Southeast Asian heroin. In the Northeast, South American heroin sells for \$3,500 to \$6,000 per ounce and \$80 to \$150 per gram. Southeast Asian heroin sells for \$5,500 to \$8,000 per ounce and \$300 to \$400 per gram. Kilogram quantities of South American heroin are not widely available but sell for \$105,000 to \$185,000, roughly comparable to the price of Southeast Asian heroin.