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**ORGANIZED CRIMINAL ACTIVITY
BY YOUTH GANGS**

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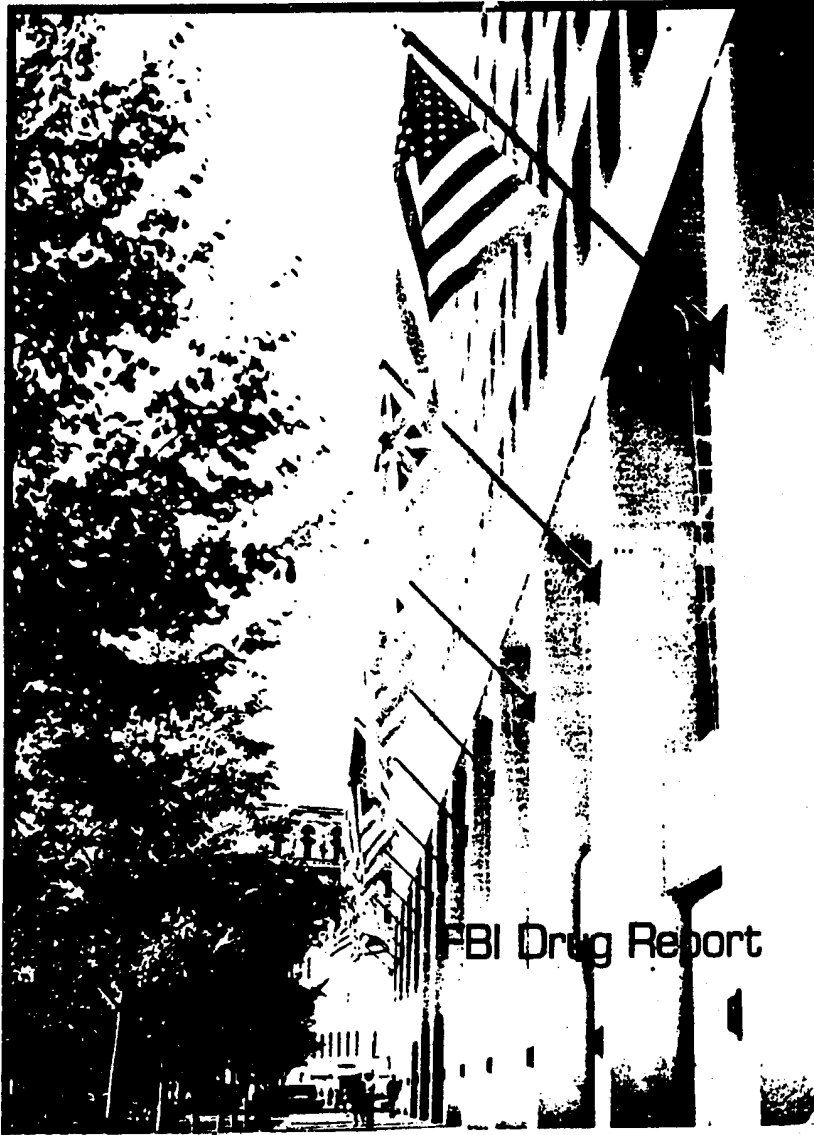
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U.S. Department of Justice
Federal Bureau of Investigation



FBI Drug Report

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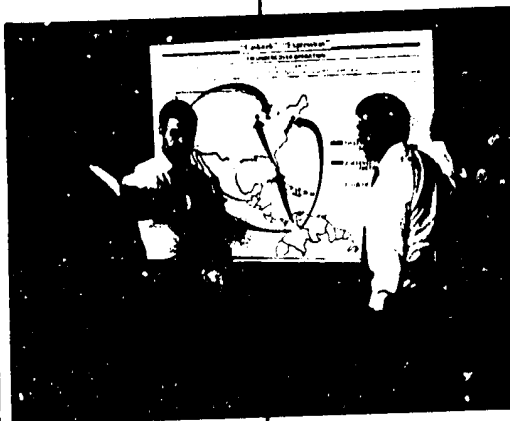
The FBI will provide assistance to other Federal, state and local law enforcement agencies relative to investigations of major drug trafficking organizations operating in local or regional areas.

The FBI remains an active participant in the Organized Crime Drug Enforcement Task Force Program to coordinate the investigations and prosecutions of major drug trafficking organizations with Federal, state, and local agencies.

The FBI shares responsibility with state and local law enforcement agencies to respond to drug problems in local areas or regions that may not necessarily relate to national conspiracies. Each FBI field office is responsible for coordinating investigations of selected local drug problems on a case-by-case basis with these agencies. A limited assignment of Agent personnel work with local and state police and provide legal and technical support. Disseminating lead information to appropriate authorities occurs routinely.

The sharing of forfeited property provisions of the Comprehensive Crime Control Act of 1984 is a strong incentive for state and local participation in joint investigations.

The FBI's National Drug Strategy selectively addresses specific drug trafficking organizations under the following categories:



Colombian/South American Drug Trafficking Organizations

- Investigations of Colombian/South American organizations involved in drug trafficking, particularly cocaine.

Mexican Drug Trafficking Organizations

- Investigations of Mexican groups involved in heroin, cocaine and marijuana trafficking.

FBI executives discuss final preparations for the execution of numerous arrest and search warrants in Operation Cashweb/Expressway.

**Italian
Drug Trafficking Organizations**

- Investigations of La Cosa Nostra/Sicilian Mafia, La Camorra, and N'Drangheta groups involved in heroin trafficking.

**Major Regional Drug Trafficking
Organizations**

- Investigations of major regional drug trafficking organizations. These organizations must be well organized, multi-jurisdictional in operational scope, and of national significance and influence.

**Major National Outlaw Motorcycle
Gangs**

- Investigations of major national outlaw motorcycle gangs involved in drug trafficking, particularly methamphetamine and cocaine.

**Asian Drug Trafficking
Organizations**

- Investigations of Asian drug organizations involved in heroin trafficking on a national level.

Drug financial flow investigations and allegations of official or police corruption will continue to be thoroughly pursued in relation to the particular drug trafficking organization under investigation.

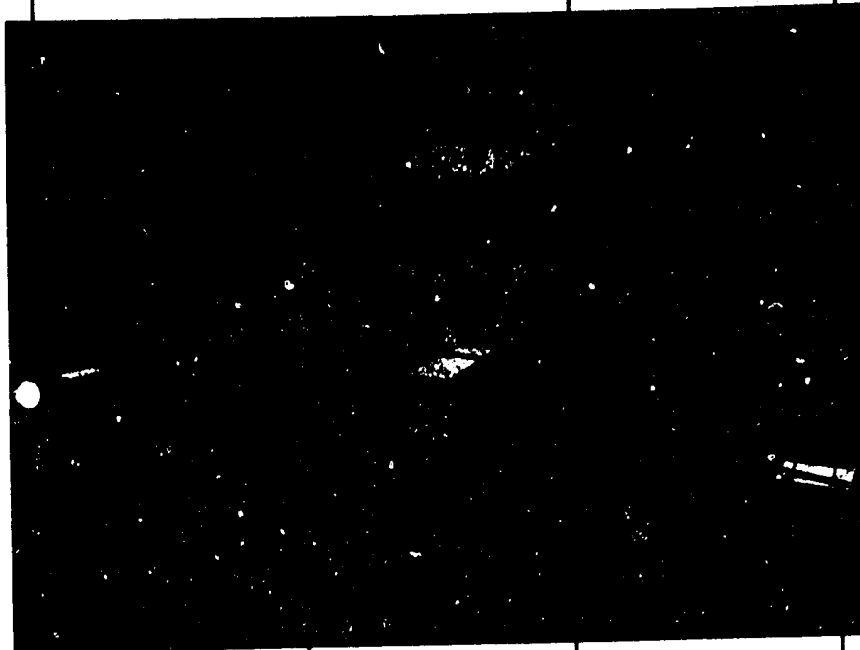


The FBI recognizes that law enforcement participation is essential in reducing the demand for controlled substances. Education and drug awareness represent potential long-term solutions to drug abuse in the United States. An

element of the FBI's National Drug Strategy includes the FBI taking every opportunity through public appearances and forums to educate Americans to the dangers of drug abuse.

Drug Traffickers

Since the National Drug Strategy began, there has been a steady rise in both the quantity and quality of drug investigations addressing Mexican trafficking organizations.



Approximately 33% of all illicit drugs entering the United States are either produced in or transhipped through Mexico.

The steady influx of Mexican brown and "black tar" heroin, great quantities of marijuana, and South American cocaine transhipped through Mexico continues to pose a formidable challenge to the FBI and the drug law enforcement community. To address this drug problem, the FBI

has designated the investigation of Mexican drug trafficking organizations as a high priority subprogram within the FBI Drug Program.

- An estimated 41 percent of the heroin that enters the United States is produced in Mexico.

- Opium available for processing into heroin in Mexico has risen from an estimated 17 tons in 1983 to 50 tons in 1987. One ton of raw opium is equal to approximately 100 kilograms of heroin.
- The Mexican states of Sinaloa, Chihuahua, and Durango are the primary growing areas for opium. Chihuahua borders the United States along the El Paso and San Antonio FBI field office territories.
- Mexico is one of the world's leading producers of marijuana, exporting an estimated 4,000 tons of marijuana to the United States in 1987.
- Analysis of intelligence data confirms that approximately one-third of the cocaine which enters the United States is now transshipped through Mexico.

In recent years, it has been determined that one-third of all illicit drugs entering the United States is either produced in or transshipped through Mexico. The emergence of "black tar" heroin, a crudely processed, inexpensive, and most potent poppy derivative, has contributed to declining heroin prices nationwide and a concomitant increase in the abuse of the drug. "Black tar" heroin has been identified in at least 27 states, an increase of 23 states in only four years. Street sample purities have been detected as high as 93 percent and samples in the 60-70 percent range are quite common. Meanwhile, Mexican brown heroin averages between 6-7 percent purity. The high purity levels of "black tar" heroin have correspondingly led to a dramatic increase in hospital heroin-

related emergencies and deaths by overdose. At the same time, the relatively low cost of the drug has opened up new illicit markets reaching into lower and middle income communities in the United States. It is estimated that over two metric tons, one-third of the heroin which entered this country during 1984, was produced in Mexico. Although not a producer of cocaine, it is estimated that in 1986, upwards of 30 metric tons of cocaine destined for the United States transited Mexico.

one-third of all illicit drugs which enter the United States is either produced or transshipped through Mexico.

Significantly, it has been confirmed through FBI investigations that Mexican and Colombian drug traffickers have "linked up" to facilitate the importation of cocaine into the United States.

With the implementation of the FBI's National Drug Strategy and the resulting high priority placed on Mexican drug trafficking organizations, an effective strategy was developed to address the significant threat posed by these organizations.

- The first priority was to expand and enhance our intelligence base with regard to Mexican drug organizations.
- The objective of increasing the intelligence base is to

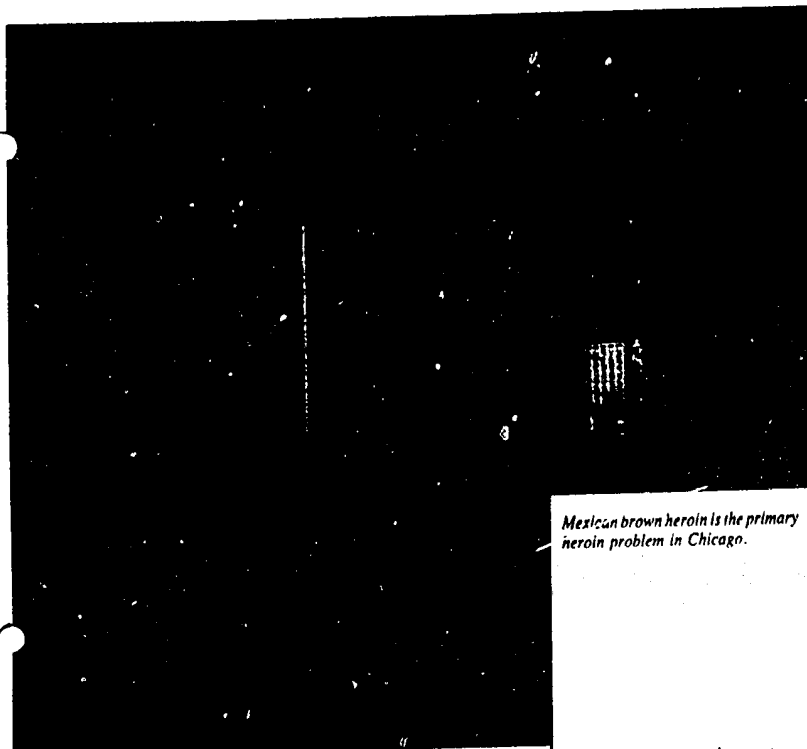
- provide the FBI with the opportunity to identify and penetrate the leadership, structure, operations, associations, and financial aspects of major Mexican drug trafficking groups operating in the United States.
- Analysis of accumulated intelligence revealed that major Mexican drug trafficking organizations deal in the distribution of heroin, cocaine, and marijuana.

The quality of intelligence produced, collected, and analyzed by the FBI continues to improve. The use of Racketeering Enterprise Investigations and the continued development of informants has enabled the FBI to commence long-term, sustained and systematic investigations, the type of which have already proven successful against the La Cosa Nostra/Sicilian Mafia. The continued efforts in this area will include the extensive use of sophisticated court-authorized electronic surveillance techniques and short- and long-term undercover operations.

- Successful Racketeering Enterprise Investigations are currently in progress in key offices in the Midwest, Southwest and West.

The following case highlights the FBI's successes achieved thus far in aggressively pursuing major Mexican drug trafficking organizations through the implementation of our National Drug Strategy

- In March 1983, the Chicago Office of the FBI initiated a four-year investigation



Mexican brown heroin is the primary heroin problem in Chicago.

demonstrating the extent to which a major Mexican drug trafficking organization had established a sophisticated network for distributing brown heroin in the United States. This case utilized 14 court-authorized electronic surveillances for a nine-month period ending in July 1985. Over 100 drug indictments have been obtained and, thus far, 75 felony convictions have been recorded with jail sentences ranging up to 30 years. Personal property, automobiles, and jewelry valued at over \$500,000 have been forfeited to the United States Government. In

accordance with our National Drug Strategy, our Chicago Office continues to address this major Mexican drug trafficking organization through a series of related investigations.

Outlook

Initial intelligence gathering and quality investigations have enabled the FBI to identify 96 major Mexican drug trafficking organizations in the United States. We expect to build on these early successes through continued use of Racketeering Enterprise Investigations, the development and maintenance of

quality informants, and current ongoing cases to refine our investigative focus and approach with respect to Mexican drug cartels operating domestically.

Although the Mexican Drug Trafficking Subprogram has been in place only a short time, the program continues to gain momentum and the FBI expects to obtain indictments and substantial seizures of assets of key members of major Mexican drug trafficking organizations in the near future. These accomplishments will be the result of long-term, sustained investigations currently being conducted by the FBI.



Seizure

The FBI seized this 1962 Ferrari 250 GTO racing car during the dismantling of a major New England-based regional drug trafficking organization. A frequent entry at Le Mans and other road races in Europe, the car was subsequently sold by the government for \$1.6 million. The proceeds will be used to finance enforcement efforts against drug traffickers.

[REDACTED]

The FBI has a shared responsibility to respond to drug problems in areas or regions that may not necessarily relate to national conspiracies.



This 18K yellow-gold, custom-designed hourglass pendant, appraised at over \$22,000, was seized from a major regional heroin trafficking organization on the west coast of the United States. The hourglass pendant is currently on display at the FBI Headquarters Tour, Washington, D.C.

Consistent with our National Drug Strategy, the FBI remains flexible in providing assistance to other Federal, state and local law enforcement agencies relating to investigations of major drug trafficking organizations operating in a local or regional area of the country.

- Major regional drug trafficking organizations must be:
- Highly organized
 - Multijurisdictional in operational scope
 - Possessing national significance and influence

Several significant investigations portray the FBI's commitment in addressing these drug trafficking organizations:

- FBI New York has been leading a task force of New York City Police detectives and DEA Special Agents investigating a significant heroin network in the metropolitan New York area exemplifying the utilization and coordination of Federal and local resources to attack a local manifestation of a larger national and international drug problem. Numerous successes have been achieved, thus far, in terms of intelligence, arrests, convictions and seizures. Specifically, over 60 key operatives have been arrested and are awaiting trial and almost \$5 million worth of heroin and over \$50,000 in cash have been seized.
- The FBI's Washington Field Office, in May 1987, concluded a joint two-year investigation with the Washington, D.C. Metropolitan Police Department addressing a major heroin trafficking organization. This case involved the use of extensive court-authorized electronic surveillance and selected undercover drug purchases. This investigation resulted in the conviction in May 1987, of the leader of this organization and six of his confederates.
- The Knoxville Office of the FBI, within the past year, concluded an undercover operation which addressed Eastern Tennessee's judicial and law enforcement officers'

involvement in bribery to allow illicit drug trafficking. Two cases highlight the successes achieved during the undercover operation:

- In June 1986, a Scott County, Tennessee, sheriff and his chief deputy were convicted on multiple counts of drug violations. The sheriff was sentenced to 15 years in jail and his chief deputy to 10 years.
- In July 1986, a Harrison, Tennessee, City Judge was convicted of drug violations and was sentenced to 10 years in jail and fined \$100,000.
- In December 1986, the Little Rock, Arkansas, Office of the FBI concluded a four-year Organized Crime Drug Enforcement Task Force investigation involving the cocaine trafficking activities of a prominent Little Rock businessman who operated several banking investment firms and brokerages in Arkansas and Florida. The investigation revealed that this businessman was the main supplier of cocaine to the investment banking and bond community in the Little Rock area, which has the largest bond community in the United States outside of New York City. This task force investigation resulted in the conviction of this businessman and 24 codefendants to jail sentences ranging from 4 months to 10 years, as well as the seizure of cocaine, marijuana, an automobile, an airplane and \$77,000.



Seizure

Members of a major drug trafficking organization literally made a down payment on this Gulf Stream Aero Commander with several hundred thousand dollars carried in grocery bags. The airplane, valued at over \$1 million, was seized by the FBI as a part of a larger investigation of this drug trafficking group.