

Strategies and achievements on countering drug abuse

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Good morning. It's a pleasure to be with you today. Distinguished representatives from the Hong Kong SAR, Mainland China, and other distinguished audience members, I look forward to learning more from you about the strategy and approaches that we are here to discuss involving drug prevention, drug treatment, and drug enforcement.

I've travelled across the world – some of it in the last 30 days. A week ago, I was in Pakistan where DEA is joined with many other countries attempting to curb the production of heroin and its transportation out of Afghanistan. DEA is assisting in Afghanistan now, in destroying clandestine laboratories, seizing precursor chemicals and opium and opium stockpiles, and gathering information from these labs to stem the flow of drugs out of that region.

And obviously, this week, I am in China, and it is such an honour for me to be here. This is my first visit to China. In a mere matter of a few weeks, the Drug Enforcement Administration will be hosting a meeting in Santiago, Chile, to further discuss the very topic that you are here to discuss today. Our fight against drugs clearly knows no borders, it respects no age, and it respects no jurisdictions. We are all shared partners in the travesty that it wreaks upon our children and the future generations for all our countries. To that end, I would like to first start by describing in a very small way, the United States' drug problem.

You heard this morning that there are some 185 million drug users around the world, according to the UNODC. Of that 185 million, the United States shares about 25 million of those drug users within our borders. The problems that the United States has with drugs are no different from the problems you here today face with drugs. For the United States, we have enjoyed and appreciated a downward trend in our drug use. But with that downward trend, we still have crushing problems with drug use. Principally among them is methamphetamine—very much what you are struggling



with. Pharmaceutical drugs that are diverted into the illegal market and club drugs – the drugs that you find at the party scene that are targeted to youths—are serious problems and have tragically killed a number of Americans.

We have found that there is a huge surge of diversion of legitimate drugs—pain killers in particular—into the illegitimate market, and much of this is happening through the Internet. Specifically, any person with a credit card and access to the Internet can have all manner of illegitimate dangerous pain killers and other drugs delivered to their doorstep. As a mother with teenagers, it is frightening that what we used to think of as a back alley drug dealer could be sitting in my daughters' bedrooms or in the college dorm room of other youth in our countries. Those are some of the issues that we are facing in America.

With regard to meth, we have found some of our greatest treatment challenges. The success rate for treating methamphetamine abuse and addiction is shockingly low, a one-digit success rate. We have about 1.3 million meth users in America, and half of them are under the age of 18. It is frightening to think that their future, their success at treatment, is going to be so low that they may not overcome their meth addiction.

This is an example of where prevention and education and understanding the risk of meth abuse becomes so critical. And it is that interplay—of prevention, of education, of raising the perception of risk, along with treatment for those people who make bad choices and find themselves ensnared in drug abuse and enforcement—that have become the key to our success in dramatically lowering our drug abuse in the United States.

With enforcement, we have found that you can have the best treatment centres and providers and faith-based treatment programmes, but if drugs are cheap and plentiful in the area, treatment cannot possibly succeed. So it is the critical role of enforcement to eliminate and reduce that supply of available drugs, to give treatment a chance to succeed, and to give prevention efforts the opportunity to take hold. It is the critical role of enforcement to keep people from turning to drugs in the first place and one day put treatment out of business because people see that the risk is so high that they don't make those choices.

We all know that this is not a problem shared by one country alone, it is a global sickness, and we together must find a global cure. This week, through this conference, we have a chance to do that in partnership with many countries. And DEA in particular has had the opportunity to work with many of you and with other countries around the globe to play our part in that global cure. We are in 60 countries across the globe. We have been here in Hong Kong since 1963 – one of our earliest offices, and in Beijing since 1999. We are so fortunate to have the Hong Kong SAR and China as partners. We are very pleased to see the Commissioner of the Australian Federal Police working with our global law enforcement partners also.

In the United States, we have had unprecedented success trying to reduce the supply of illicit drugs, and I would like to describe some of those successes to you. I think it is our partnership and the efforts that we bring to reduce the supply of drugs that will give you great heart as you move forward and ensure the success of your own prevention and treatment efforts.

DEA works multi-laterally, and we share intelligence. A year and a half ago, through unprecedented cooperation between the DEA, the Chinese and Hong Kong SAR law enforcement authorities, we broke an important case called Operation 1-2-5. It dismantled a massive heroin smuggling organisation that brought more than \$100 million worth of Southeast Asian heroin into the United States over a three-year period. Three of the organisation leaders were arrested here in Hong Kong and have since been extradited to the U.S. where they have pleaded guilty to their trafficking offences. Together we have demonstrated that there is no safe haven from justice for these drug traffickers.

Just a couple months ago in December, law enforcement from Hong Kong, Australia, Cambodia, Thailand, and the DEA United States shared information that led to the arrest of a priority drug target, Wong Moon Chi. That news has been breaking here of late, as we all know, with his return to Hong Kong and setting of bail here. This was an arrest in Cambodia, and it involved trafficking tremendous quantities of marijuana, heroin, methamphetamine, LSD, and Ecstasy in China, Vietnam, Hong Kong, Japan, Malaysia, Singapore, Australia, Canada, the Netherlands, and of course, the United States. He is facing drug trafficking charges here in Hong Kong, and we are working together with you and these other countries to ensure that you succeed in putting him out of business. When you put him out of business, he will no longer prey on that long list of countries that I just read.



At DEA, we have been targeting not just drug cartels, but we have aggressively re-energised our efforts against the financial side. I cannot tell you how important that is. If you were trying to put a legitimate company out of business, and I will use a cereal company as an example, you would not succeed by seizing a box of cereal at a time or even a case. You would never succeed that way. It is only by going after the financial infrastructure of cartels and companies that you succeed in dismantling them. So we have aggressively turned our attention to going after and following the drug money, which I think of as the blood money of our children and the people of our countries who have been ensnared by these cartels. These cartels take advantage of Hong Kong's proximity to major drug producing areas. They take advantage of Hong Kong's low taxation and lack of controls on the amount of money that can be taken into this country and taken out of this country. They use both traditional banking systems and underground banking systems to remit and launder their illegal blood money.

DEA and Hong Kong Customs and Excise Department have cooperated on many successful joint money laundering investigations, and I applaud the Hong Kong Government for undertaking additional legislation efforts to put an end to this illicit money movement.

By attacking the money flow from drugs, by going after the financial infrastructure of drug businesses, we will bankrupt these drug traffickers. We will succeed in putting them out of business in a permanent way if we together deny them their revenue, their resources, and the chemicals that they need to manufacture and deliver drugs to all of our children.

In the U.S., as I mentioned, we are on the downward turn and have had some tremendous success recently through law enforcement. We've set records in seizing the assets as part of the renewed money focus, increasing our total seizures by more than a third just over the past year. We now have seized over half a billion dollars, and I have set a goal in the DEA of one billion dollars in the next year. We have dismantled the Caribbean transit organisations that were moving approximately ten to 12 percent of the U.S. cocaine supply, and we have nearly wiped out LSD availability in the U.S. We have indicted the stronghold of the Norte Valle Cartel in Colombia. They were responsible for bringing a third to a half of the cocaine in the United States. And we have dramatically reduced the super methamphetamine labs in the United States by working bilaterally with Canada to stop the flow of bulk pseudoephedrine that was feeding these U.S. meth labs.

We also worked with Canada on an Ecstasy operation that stemmed from China. About a year ago, we wrapped up an investigation called Operation Candy Box. It is believed to be the largest single U.S.-Canadian enforcement action that was ever taken against Ecstasy traffickers. In that case, it was a Chinese National who joined with a Vietnamese national and their organisation to smuggle what amounted to about fifteen percent of the U.S. Ecstasy supply through Canada into the United States. It turned out that organisation was distributing about one million Ecstasy tablets a month into the United States.

This is staggering, and by removing this organisation, we sent a shock wave through the U.S. Ecstasy market. For the first time in law enforcement, we measured whether it made a difference. We measured the effect, if any, our efforts had in reducing the supply after the case was taken down. What we found was that indeed it had a tremendous effect both in increasing the price of Ecstasy and reducing its availability for months after the operation ended. In one city in Florida, there were no Ecstasy-related deaths. Whereas they had four such deaths in the three-month period before the operation was taken down. These are some of the measures that are critical to effective supply reduction, and in turn, effective treatment and prevention.

On another front, I know that Hong Kong is beginning to experience a staggering increase in cocaine moving through here in the past year. As I understand, the total of seized cocaine in 2004 is more than four times the combined amount of cocaine coming through this country in the years 2002 and 2003. This is a critical emerging threat for Hong Kong. And I speak with experience because the United States has been in the grip of cocaine for decades. This is a drug that the U.S. has a long history with.

Ketamine and Ecstasy are also huge issues for you here. For the United States, we have less of a Ketamine problem partly because we took out some significant Ketamine labs that wiped out the immediate supply of the drug in the U.S.

Heroin is clearly a popular drug in this region and the number one drug of abuse here in Hong Kong and a real treatment challenge. I understand in Taiwan that the use of heroin among young people has taken on a stigma. This is a trend that hopefully will continue, and the risks and perception of risk from taking heroin will take the treatment community far into the future and clearly aid prevention efforts.



The President of the United States has set ambitious goals for the first time in reducing drug abuse in the United States. A ten percent reduction in two years—we just passed that benchmark. He's also called for a total of 25 percent reduction over five years, which we will reach in the year 2007. We met the two year mark, and in fact we exceeded that ten percent reduction, and we are currently on pace to reduce drug abuse in the United States, consistent with the President's five-year goal.

We are now experiencing the lowest teenage drug abuse rates that we have seen in nearly a decade, and our latest surveys show that since the year 2001, there are now 600,000 fewer teenagers in the United States using drugs. Overall drug abuse is down among teens by 17 percent since 2001. Marijuana has declined 18 percent. Marijuana is our greatest drug of abuse in the United States and the drug for which more of our young people are seeking treatment than all other drugs and alcohol combined.

LSD use was practically wiped out and has been reduced by nearly two-thirds. In large measure, this is because of enforcement wiping out the principal manufacturer of LSD. Ecstasy use was slashed by more than half among our teenagers. Why? It had less to do with law enforcement, and much more to do with prevention and education increasing the perception of risk among our youth. Methamphetamine use, while still staggeringly high and difficult to cure, was reduced by 25 percent.

I want to congratulate those in Hong Kong because I understand that there was a recent joint operation that yielded the arrest of two couriers and the seizure of five kilograms of Ketamine, which reflects so well on the enforcement effort of the people in this room.

I would like to conclude by talking about methamphetamine. It is an issue that we are all grappling with, especially with crystal methamphetamine, produced mainly in Mainland China, the Philippines, Malaysia, and Taiwan, with mega-huge crystal meth labs that can produce as much as 500 kilograms of ice per week. We all have our work cut out for us in this room. In Malaysia last year, law enforcement seized a sophisticated lab that was housed in a warehouse the size of two football fields. In another seizure in November 2003 law enforcement seized a metric ton of crystal ice in one of those large labs, showing the huge quantity of finished product that these labs are capable of producing. Meth tablets have found a major market in Thailand and are produced in Burma. In this region and in the United States, we've seen the ability of traffickers to conduct global crystal meth operations.

Law enforcement recently identified ice manufacturing groups that have been associated with record ice lab seizures in California, Fiji, Malaysia, Mainland China, and the Philippines. These manufacturing groups supplied equipment and chemicals directly from Taiwan and China and were manufacturing ice in the United States, Mainland China, Taiwan, Fiji, Malaysia, and the Philippines. These super labs have got to be where we target enforcement efforts, because it is this kind of lab that will prevent you from ultimately succeeding in the way that you intend in treating abuse and addiction of this drug.

In terms of methamphetamine, I specifically want to single out Hong Kong. Hong Kong has taken courageous and dramatic steps to ensure pseudoephedrine from Hong Kong will not be diverted into Mexico for those super labs in Mexico. That is a critical issue for the U.S. When we worked with Canada to shut off the bulk supply of pseudoephedrine supplying our super labs in the United States, those super-labs just moved south into Mexico. Then Mexico started manufacturing the methamphetamine. They don't produce the chemicals. They were getting chemicals from Hong Kong. It is the courageous and heroic work of Hong Kong that has now given us the opportunity to shut down those labs in Mexico through a trilateral or multilateral agreement between Hong Kong and Mexico that the pseudoephedrine will not be shipped to Mexico from Hong Kong unless there is a legitimate company on the receiving end in Mexico. That is a huge step forward for us, and those kinds of steps are needed throughout this region as well as globally if we're going to take down these labs in a permanent way.

I would like to conclude by talking for a moment about our findings, about what has been the most successful step towards long-term success in treatment. For us in the United States, what we have found is that our 25 million drug abusers do not wake up one day and decide: today I'm going to seek treatment.

It is forcing them through the judicial system into treatment that gets these people the help that they need. We have set up drug courts in the United States, and President Bush has expended a great deal of money, some \$32 million increase in the past two years to expand drug courts, and what we have found is our greatest success rate for treatment is when someone is locked into that treatment through the judicial system. It is judicial supervision over the treatment and the threat of going to jail if they don't stay in treatment that keeps them there. And the long term – five years out - success



rate, has demonstrated that that kind of judicial supervised treatment is where our greatest success has been found against drug abuse in the United States.

At DEA, we are working very closely with the prevention community. Because what we found is it is very hard for you to put your treatment dollars where they'll be most effective if you don't know what the problem is and what the emerging drug trafficking trends are. So DEA spends a great deal of time with the prevention and treatment community, telling them where the trafficking trends are shifting, what we see as the upcoming drug issues so that resources can be allocated more effectively in the prevention and treatment community.

And lastly, we have joined hands with the medical examiners, the coroners who examine the cause of death in overdose cases, and we have created a secure web-based system for medical examiners to talk to each other. There was no system before this. They are sharing emerging trends when they see fatalities from drugs, so that we all can redirect our resources appropriately to meet those new causes of fatalities. Our medical examiners have provided a great deal of information to us.

So with that, let me wish you my very best for your continued success for the wonderful exchange of strategies and information that will flow during this week at this symposium. And thank you very, very much for the honour of getting to share this time with you.