

The Illicit Drug Trade and the Global Economy: How Does the US Relate to the Drug Trafficking Business?

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Region: [USA](#)

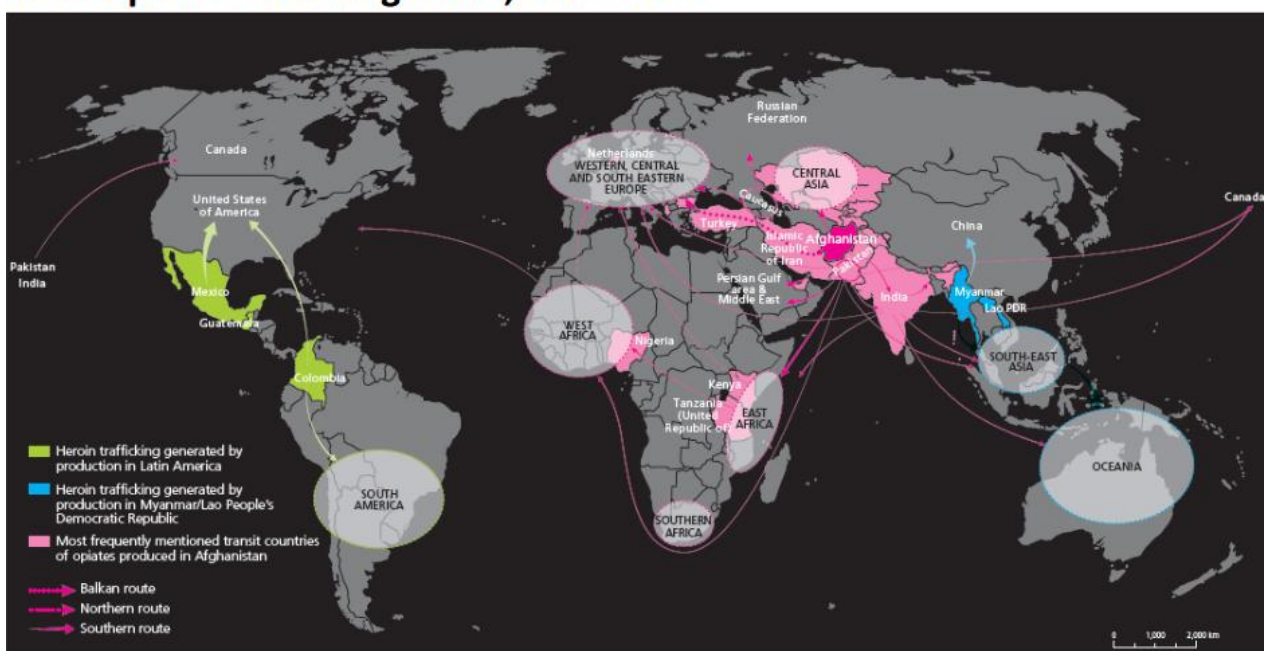
Theme: [Global Economy](#), [Intelligence](#)

Oil, weapons and drugs are among the products with the largest turnover in the world. According to the International Energy Agency, the world demand for oil is between 94 million barrels per day with the United States being the largest oil consumer in the world, 11,500,000 barrels of oil per day. Likewise, according to the International Institute of Studies for Peace in Stockholm, the United States is the leading producer and exporter of weapons worldwide, controlling 31% of the international market.

Regarding drugs, according to the [United Nations report](#), 255 million people – slightly over 5 per cent of those aged 15 to 64 years worldwide – consume drugs. 182 million people consume only marijuana, 48.9 million people use heroin, 17 million users consume cocaine and the rest of people consume amphetamines, ecstasy and other types of drugs. According to the UN Drug Report, an unacceptable number of drug users worldwide continue to lose their lives prematurely, with an estimated 190,000 drug-related deaths in 2017.

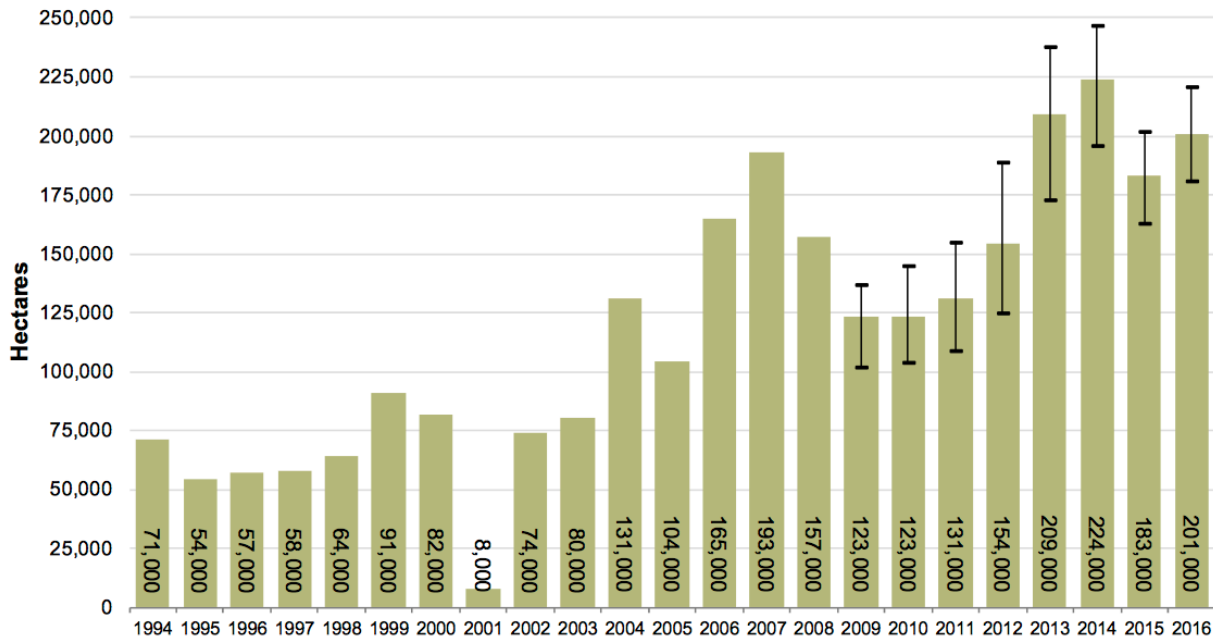
Today the United States is the first marijuana producer in the world. As for heroin, Afghanistan (invaded by the United States since 2001) is the world’s leading producer of this drug. Cocaine continues to flow mainly from Colombia (where the United States has been operating since 2000 with the “Plan Colombia”). This country ranks first in the world for its illegal production that increased over the past years.

Main opiate trafficking flows, 2011-2015



By the way, the case of Afghanistan is very interesting. According to the United Nations, the country, before the US intervention, had almost eradicated the production of heroin. However, since 2002 its production increased significantly, considering that only in 2014 there were estimated 6,500 tons of opium. It is even more amazing to know that 90% of the heroin consumed in Canada comes from Afghanistan. The heroin market of Europe is supplied by this invaded country as well.

Figure 1: Opium poppy cultivation in Afghanistan, 1994-2016 (hectares)

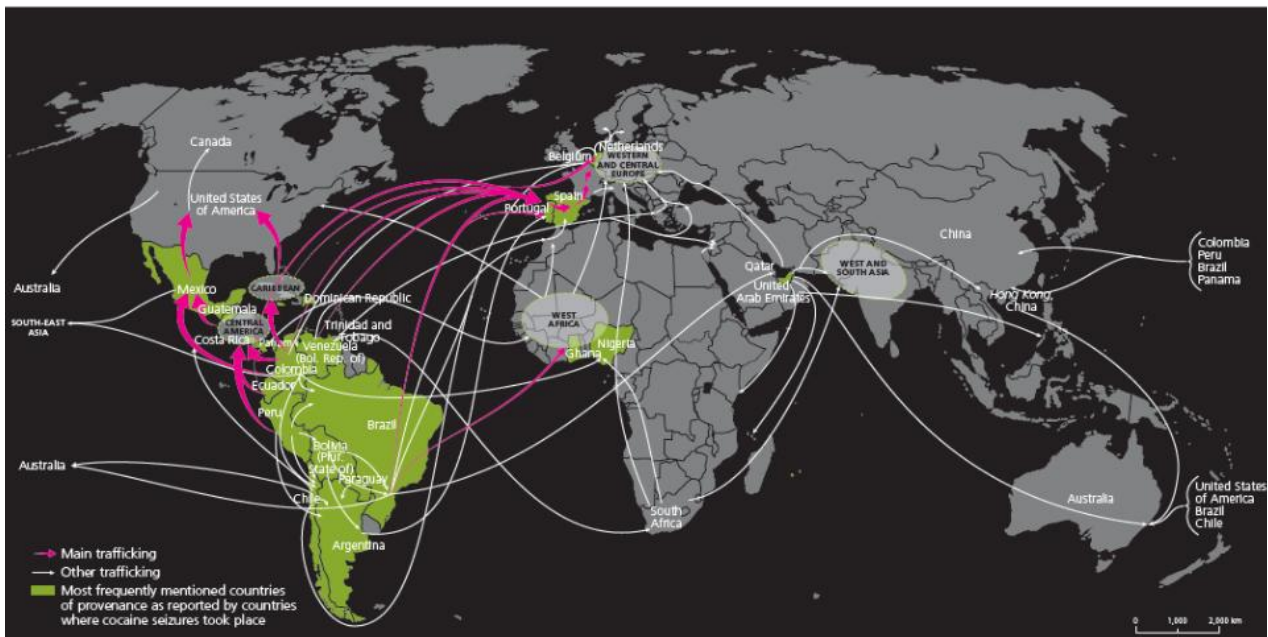


Sources: UNODC/MCN opium surveys 1994-2016. The vertical lines represent the upper and lower bounds of the 95% confidence interval.

The same thing happens to the production of cocaine in Colombia. The United States has implemented an alleged plan to shovel the cultivation of this illegal product since 2000 and has deployed 7 military bases in this country.

However, contrary to these measures drug production keeps on increasing and Colombia continues to supply cocaine to the American and European markets. According to the UN, Colombia has increased the production of this drug by 52% in 2015; it is about 442 metric tons per year.

Main cocaine trafficking flows, 2011-2015



How does the United States relate to the drug trafficking business?

The United States used the drug business to finance the subversive activities of the Central Intelligence Agency against other states. The CIA and the DEA - expelled in Venezuela and Bolivia - have acted hand in hand to support the world drug trade, thus turning the United States into an Empire of Drug Trafficking.

The CIA began using the drug trade to generate income since the 1950s, financing operations in Thailand and other Asian countries with a great amount of drugs. The climax of these American activities became evident in the 1980s when the United States used the funds obtained from heroin taken from Afghanistan to Western Europe for financing the organization led by Osama Bin Laden.

The same case occurred in Central America, when the United States with the mediation of the CIA, funded the Nicaraguan contras on the money taken from the sale of cocaine they received from Colombia, Peru and Bolivia and imported into their territory. Reports published by the US Congress and declassified documents confirm how the CIA and the DEA [worked](#) with drug traffickers and provided material assistance, including using their bank accounts in Bank of Credit and Commerce International to launder the drug money with which they financed their secret activities in the world.

Due to the international scandal the US position to “fight against drug trafficking” was under question and all the officials involved in these cases were prosecuted, however none of them was punished in fact and were reinstated by George Bush Jr.

Does the United States use this scheme today?

The monetary income from the sale of narcotics continues to be used by the United States to finance clandestine operations, but it has also served to finance its own crises. In 2009, **Antonio Maria Costa**, head of the UN Office on Drugs and Crime, [stated](#) that drugs money worth billions of dollars kept the financial system afloat at the height of the global crisis. Later, in 2012, the Senate Permanent Subcommittee on Investigations [released the report](#) on U.S. vulnerabilities to money laundering, drugs, and terrorist financing stating that

every year almost 300 billion dollars of criminal origin are washed by the banks throughout the world and half of those funds pass through the American banks.

Such allegations of the Senate Permanent Subcommittee were confirmed in 2012 when the New York Federal Court made public the participation of HSBC, JP Morgan, Wells Fargo and Banks of America in the laundering of money from drug trafficking.

In 2008, it was confirmed that HSBC had laundered 1,100 million dollars of the Sinaloa cartel for the United States. The Court imposed fines but [none of its directors or staff](#) was imprisoned. This indicates that we are facing a society of accomplices, where the state finishes legalizing drug money through the fines. There are more US banks that are identified to be involved in the laundering of drug dollars, such as City Group, Bank of New York, and Bank of Boston, however, everything indicates that they have the protection of the US authorities.



There are countless confirmed scandals around DEA in Latin America. This US entity maintains close relations with drug cartels in Colombia despite being presented as the one that fights them. In March 2015, the US Department of Justice [published the report](#) confirming the deformed behavior of these officials participating in sex parties organized by drug traffickers using the facilities of the DEA and receiving gifts from criminals.

The US intelligence flagrantly uses drug trafficking to keep its activities hidden under the international law, as well as to raise money for special operations. The policy chosen in the 1980s is currently maintained, and both the CIA and the DEA continue to protect their drug trafficking corridors. What continues to attract attention is that the UN Office against Drugs and Crime, despite having decisive information to blame US officials of being drug criminals, maintains an inert attitude towards this illegal activity that takes thousands of lives every year and causes so much harm to the society. In other words, interests of the White House and Wall Street prevail over those of humanity.

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