US demand drives profitable cross-border fentanyl trade

Demand for illegal opioids in the US market is leading Mexican cartels to expand their involvement in fentanyl trafficking. James Blake reports from the Mexico-US border on the production and distribution of fentanyl and the national security impact of the trade

Key Points
- Mexican cartels have expanded their role in the illicit trade of synthetic opioids since 2014 in response to high demand in the US and because fentanyl is profitable and comparatively easy to move across borders.
- US and Chinese efforts to stem the importation of fentanyl and related chemicals into North America have had limited effect, although there are indications that Mexican cartels are seeking to reduce their dependence on China.
- A long-term reduction in the trade is unlikely without public education efforts in the US aimed at reducing demand for fentanyl, although growing domestic fentanyl use in Mexico and China could disrupt existing production and distribution lines.

Synthetic opioids other than methadone were responsible for more than 28,400 overdose deaths in the US in 2017, according to figures cited on the website of the US Centers for Disease Control and Prevention (CDC). The CDC website noted that much of this increase “may be due to illegally or illicitly made fentanyl”, and that the figure represented an almost 47% increase from 2016.

The opioid crisis in the US can be traced to the over-use of prescription painkillers in the 1990s. As doctors curbed prescriptions, addicts turned to illegal opioids – initially heroin but increasingly fentanyl, which is much more potent. Vanda Felbab-Brown, a senior fellow and expert on opioids and illicit trafficking at the US Brookings Institute, told Jane’s on 26 April that fentanyl had been in the US drug market since the 1980s but was only trafficked from Mexico in or around 2014.

US Customs and Border Protection (CBP) figures released in 2019 showed that most intercepted illegal fentanyl arrives across the southwest border of the US, between San Diego and the Mexican city of Tijuana. Speaking to Jane’s on 20 April, Kameron Korte, a Drug Enforcement Administration (DEA) agent from San Diego, confirmed that a “majority of fentanyl is coming into the US from the southern border”.

Felbab-Brown said that Mexican cartels had expanded their role in the market to capitalise on high US demand. Mexican cartels are also increasingly diversifying away from plant-based drugs such as heroin to synthetic drugs and fentanyl, with the legalisation of...
marijuana in California partly driving a need for new products and markets. Fentanyl is an attractive product for criminal organisations; it can be produced in a matter of days (in contrast, poppy cultivation for heroin takes months), and it can be moved in smaller quantities because of its potency.

US, Chinese, and Mexican authorities are implementing policies to stem the flow of fentanyl into the US. However, cartels have proven innovative in trafficking fentanyl and distributing it in the US market.

**Origins in China**

The US administration of President Donald Trump recognises the opioid crisis as a national emergency, and has concentrated its prevention strategy on stemming fentanyl and related substances coming to the US from China. In 2018, Senate Minority Leader Chuck Schumer said that China produced more than 90% of fentanyl coming into the US. This statistic is likely to include Mexican fentanyl produced using Chinese precursors, as well as fentanyl moved directly into the US from China.

![A US police officer searches an abandoned house littered with needles and known for drug use on 19 April 2017 in Huntington, West Virginia, on the border with Kentucky. West Virginia and Kentucky had among the highest death by overdose rates of any US states in 2017. (Brendan Smialowski/AFP/Getty Images)](image)

A February 2019 Wilson Center report on fentanyl, *Mexico’s role in the deadly rise of fentanyl*, stated that Chinese fentanyl production takes place via ‘third-shift’ operations at
poorly regulated Chinese pharmaceutical and chemical factories (where production lines are secretly used to produce materials for illicit distribution), and in clandestine factories operated by criminal networks.

Fentanyl and other illicit opioids are often ordered online, either on the surface web or the dark web, and then shipped through the international mail system. According to a DEA agent who spoke to Jane’s in early May, the preferred method is the Express Mail Service, a global delivery service for documents and merchandise contained in letters and packages. Orders are then distributed to the Postal Service in the US and elsewhere.

Packages are also sent from China through Canada into the US. Fentanyl is hard to detect, as it can be shipped economically in small quantities, and there is no available data on what percentage of the opioid is coming into the US via this method.

Fentanyl is also shipped from China to Mexico. Deborah Bonello, a Mexico-based investigative journalist focused on Mexican drug cartels who contributed to the Wilson Center report, told Jane’s on 26 April that the main ports receiving fentanyl and precursors from China were Manzanillo in Colima state and Lázaro Cárdenas in Michoacán state. Manzanillo accounted for most seizures of fentanyl by the authorities during 2007–18, according to statistics from the Mexican army cited in the Wilson Center report.

**Production and trafficking**

After pure fentanyl arrives in Mexico, it is mixed with lactose, dipyrone, or acetaminophen, according to the Wilson Center report. The precursor chemicals are stored in production points including around Mexico City, Guadalajara, and Culiacán. Fentanyl is then driven, flown, or shipped up to the main Tijuana-San Diego border crossing, often alongside other drugs.

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