

FLORIDA'S ILLICIT DRUG TRAFFIC

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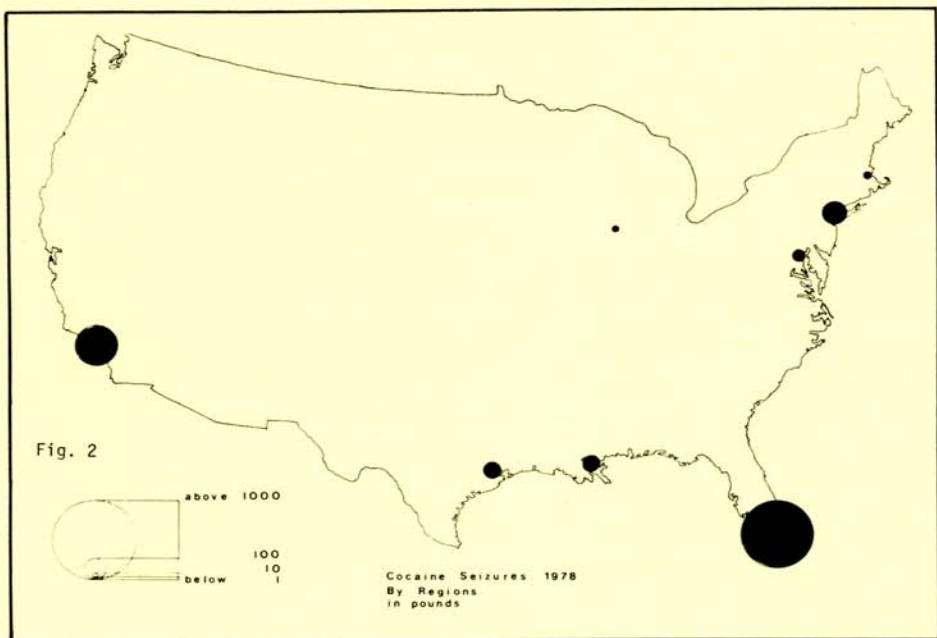
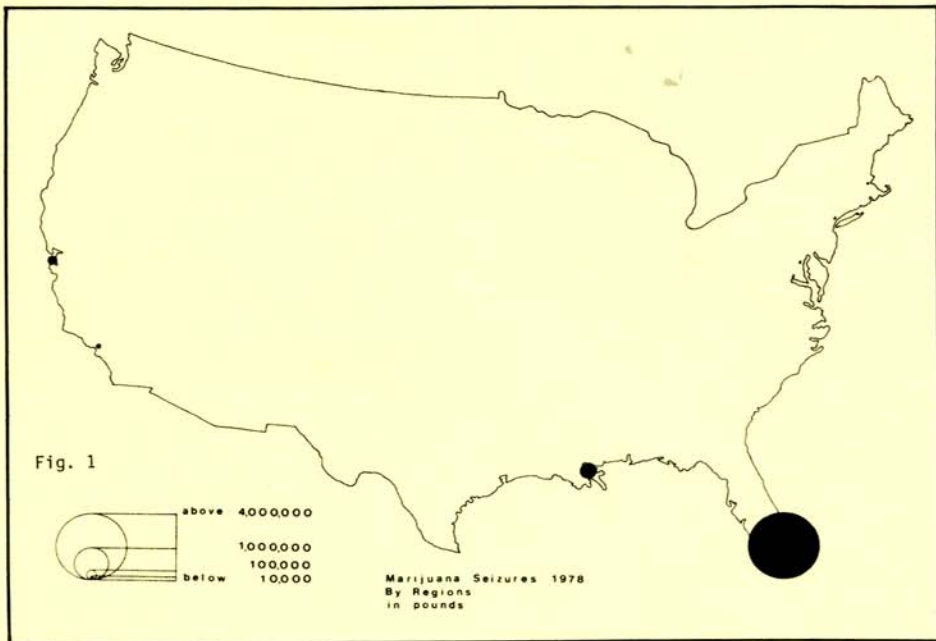
The increasing attention paid to the geographical incidence and ecology of crime¹ has not been accompanied by investigations of the economic geography of illicit activities. No emulation of Durand's study of Appalachian moon-shining² has yet emerged to map the doings of the dope trade. This scant heed would seem a serious oversight, especially among those concerned with Florida.

Description

In October 1978 a congressional committee reported that drug smuggling was Florida's single biggest commercial activity, turning over \$7 billion a year.³ The twelve tons a day required by the 20 million regular users and 50 million occasional users of marijuana in the USA are provided by soaring clandestine imports, along with the output of an estimated 12 million home growers concentrated in Hawaii, Florida, Louisiana, Texas, Iowa, and Georgia. It is estimated that 80 percent of the marijuana and 50 percent of the heroin illegally imported come in over Florida's coast.⁴ Using custom's seizures as a proxy for imports it is evident that south Florida is the chief area of egress in the nation. The Miami Region of Customs (encompassing North and South Carolina, Georgia, Florida, Puerto Rico, and the Virgin Islands) accounted for 57 percent of all cocaine seized and 87 percent of all marijuana seized in 1978.⁵ During 1977 and 1978 the flow of coastal smuggling increased most rapidly in the Southeast, leaving the Mexican border trade far behind. The coast of the Southeast accounts for 62 percent of the aircraft and vessels seized by Customs. If the rate of increase in seizures reflects the increase in trade, then it has grown threefold over the last two years. Figures 1 and 2 show the seizures of marijuana and cocaine by national customs regions. Within the Southeast, 84 percent of the cocaine and 55 percent of the marijuana were seized in the southern ten counties of Florida. The concentration of this traffic within the region is given in Figure 3, showing the seizures of cocaine and marijuana by sectors of the Southeast coast. The rapid increase in trade is being accommodated by larger vessels which stand outside territorial waters while their cargo is landed by small, fast boats. By air several hundred flights a day by small craft bring the goods in undetected by FAA or NORRAD radar. Even large freighters are used. A DC-7 carrying ten tons of marijuana from Colombia with a street value of \$22 million means \$2 million for the smuggler, which is sufficient to overcome a lot of risk aversion.

Once the material has landed there is no way of tracking its movement with any accuracy. However, it seems clear that from Florida it mostly makes its way north up I-95 and I-75. One proxy measure of the drug market which is collected on a regular basis is the number of drug abuse mentions. The Drug Enforcement Administration collects and publishes these data for each of twenty-one SMSAs. "Mentions" are cases appearing in hospital emergency rooms and clinics. Under the assumption that abuse cases are a constant proportion of users across the nation, this should be a good index of demand. Figure 4 maps these data for 1977. There is clearly a close correlation with total population. From an examination of the points of entry in Figures 1, 2, and 3 and the distribution of demand in Figure 4, it seems evident that these high value per bulk products are transported considerable distances internally, entering the country along the most difficult coasts to monitor and traveling overland with impunity to metropolitan market centers.

The flurry of police and customs activity seeking to intercept this illegal trade has not proven very successful. Law enforcement has lost out, particularly in the case of the highest value per weight item -- heroin.



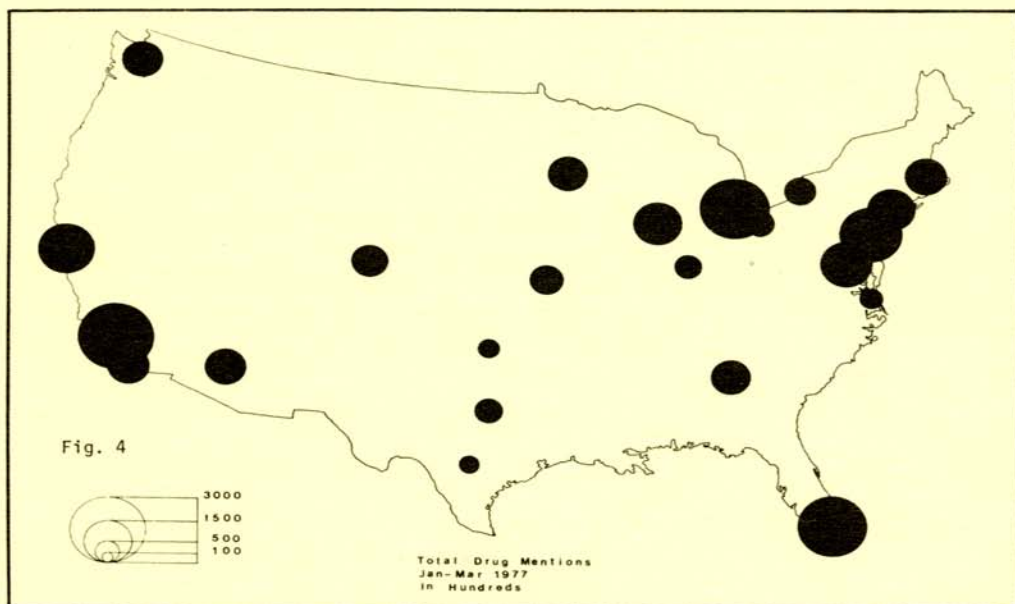
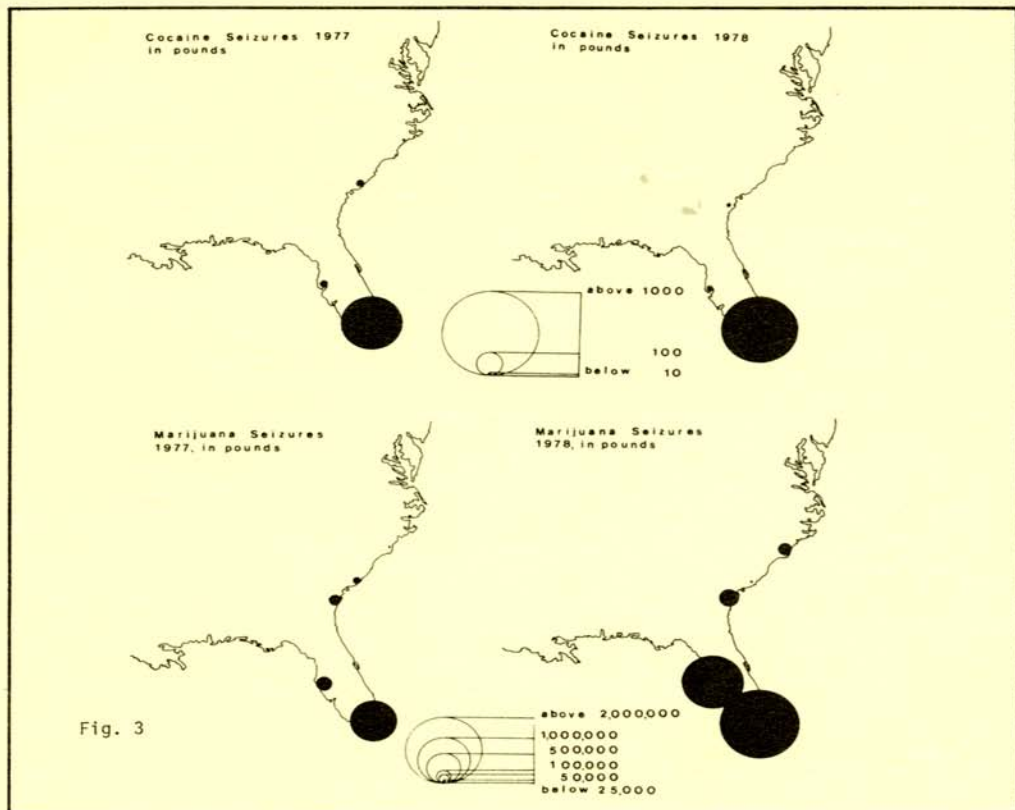
The \$1 billion campaign to disrupt and discourage drug smuggling intercepts less than 20 percent of the total volume traded. The legal penalties involved are no great deterrent. The smugglers are often well-educated young people seeking early retirement after a brief and daring career. They are willing to risk light sentences for large profits and can afford effective lawyers and boats which are faster and better equipped than those of their pursuers.

Large amounts of money are being made in this business. According to Bourne,⁶ the Commerce Department estimates that the marijuana traffic alone is the third leading business in the nation with an annual turnover of \$48 billion, exceeded only by Exxon and General Motors. Exceeding even tourism in Florida, the drug business attracts a good deal of foreign risk capital and much of the increase in Miami foreign bank accounts from \$25 million in 1976 to \$250 million in 1978 is involved in financing the marijuana and cocaine trade. The final incidence of the wealth generated by this traffic is not necessarily to be seen in Florida but where the investors choose to spend or reinvest their profits. Undoubtedly some of this largesse is pumped into legitimate Floridian developments but the traces are carefully covered and unlikely to be revealed unless proposed state grand jury indictments of businessmen involved transpire. What is visible and more readily attributable to smuggling income is the reflections of affluence in small, previously dilapidated fishing villages where nocturnal road traffic has increased of late.

Prescription

The lessons of history would suggest that prohibition cannot prevail in an atomistic society which prefers a minimum of formal or social control. Right now enforcement of restrictions on trade and possession are not succeeding. A victory such as the reduction of the Mexican poppy crop in 1976 and the consequent decrease of heroin availability, is offset by the use of other products from other sources. The volume of White Chinese heroin arriving from Europe increased notably in 1977 and 1978. The Administration has contemplated legalization of marijuana and cocaine. The Treasury has examined the feasibility of the governmental control of marijuana imports, with a duty being levied. They evidently considered it practical.⁷ There is thus a distinct possibility of a relaxation of restrictions.

In judging the implications of such a step for the general well-being, it comes down to the balance between satisfying what Rottenberg⁸ called the demand for euphoria of some and the desire to coerce what others regard as a noxious habit. From the benefit of euphoria to those who indulge must be subtracted the social cost of clearing up the mess of death and illness resulting from abuse and addiction. On the other hand, against any reduction in use to satisfy the antipathetic majority must be set the high cost of trying to stamp it out, including the crime, mayhem, potential for corruption and monopoly profits encouraged by legal restriction. Illegality inhibits the market, encouraging truly cut-throat competition and the creation of artificial monopolies. Small fry cannot turn to the state for protection from the lethal predatory acts of the more organized and ruthless. Having obtained a degree of monopoly over the distribution of a product in very inelastic demand, any costs of evasion of enforcement agencies, mostly accruing as increased transport costs, can be passed on to the consumer.



If drug use were inelastic in demand, as some evidence suggests, then removing the legal barriers to the trade will not result in a vast extension of consumption but mostly a reduction in the cost of euphoria to the existing users along with a reduction of direct and indirect law enforcement costs. The crucial issue is whether the demand for drugs is inelastic as price decreases as well as when it increases. Addicts demand is inelastic to a price rise. The question is whether the path to addiction is widened by a reduction in price and easy availability. Will the number of users increase markedly with lower prices and greater availability? Marijuana is widely available at present. It has been estimated that 56 percent of all high school seniors have tried it and that 10 percent use it daily.⁹ School children, the most susceptible, are the most exposed now. They are also the most vulnerable to the attraction of forbidden fruit, which would diminish with the removal of legal restraint. It is also clear that marijuana and cocaine are not excessively dangerous or addictive. For these substances at least, the choice between the overrated joys of temporary departure from reality for some and the misinformed disdain for dirty habits of others, would most simply be resolved in the same way that it is for alcohol and tobacco use in most communities. For more dangerous and addictive narcotics, depressants, stimulants and hallucinogens, some sense of collective responsibility may sustain legal control where familial or social control do not function effectively.

Prediction

Should the restrictions on the consumption, sale, and trade in marijuana and cocaine be removed it is quite probable that the current volume of traffic passing through Florida would decrease. Florida's advantage for the illegal trade is a long coastline of relatively inaccessible inlets and landings close to the Caribbean and Latin American sources. When the advantages of remote points of entry and the comparative security of overland transport are removed, major sea and airports closer to the major markets should gain the traffic. It is not surprising that one source of opposition to making the business legal is among Floridian drug traders. In the words of a marijuana and cocaine importer from Tampa: "It's part of the American tax revolt. Pot and coke prices have been about the same for years. Thousands of organizations are making a living from it. The feds can't stop it. So who needs it legal so we can pay a dope tax?"¹⁰

There may be an alternative outlet for such entrepreneurs in agriculture. Florida is presently second to Hawaii in domestic production of cannabis with a crop of some \$70 million in value. This is grown surreptitiously on government or paper company land. The adoption of the sinsemillas hybrid with a tetrahydrocannabinol content five times that of common Mexican marijuana has led to a boom in clandestine domestic production. As a legal crop it would generate a considerable return.

The solutions to the drug traffic which are being applied currently do not appear to stand much chance of lasting success. They are efforts to raise the costs of operation to an industry which can write off the loss of a \$2 million aircraft without flinching. In Florida, Governor Graham and many legislators wish to enact legislation to impose mandatory and heavier sentences and encourage "mules" (loaders and pushers, the laborers of the trade) to turn State's evidence against the entrepreneurs and organizers. This might well merely raise the illegal reward for loyalty and possible penalty for squealing. At the federal level, the Air Force is providing training and equipment for better surveillance of illegal air freighting, but as yet the internal movement from a multiplicity of small coastal points of sea-borne entry is only faced with the scanty resources of the poorly paid Agricultural Inspectorate. All that is necessary is to take a route avoiding inspection stations. For the foreseeable future, then, Florida's illicit drug traffic will continue to flourish.



1. D. E. Georges, *The Geography of Crime and Violence: A Spatial and Ecological Perspective*, Resource Papers for College Geography No. 78-1 (Washington, D.C.: Association of American Geographers, 1978).
2. L. Durand, Jr., "Mountain Moonshining in East Tennessee," *Geographical Review* 46 (1956): 168-181.
3. "Business this Week" item in *The Economist*, 14 October 1978, p. 113.
4. T. Batten (Producer), For Your Information program "Drugs in America," broadcast 29 November 1978 by WETA 26 Greater Washington Educational Telecom Association Inc.; transcript (Santa Ana CAL: PTV Publications 1978), p. 14.
5. US Customs Service, Miami Region, News Release, 16 November 1978.
6. P. Bourne (former White House health advisor) speaking at the annual meeting of the Southeastern Conference on Alcoholism and Drug Abuse, quoted in *Florida Flambeau*, 4 December 1978, p. 4.
7. B. L. Collier, "The New U.S. Drug War," *Parade*, 17 September 1978, pp. 4-7.
8. S. Rottenberg, "The Clandestine Distribution of Heroin, Its Discovery and Suppression," *Journal of Political Economy* 76 (January/February 1968): 78-90.
9. University of Wisconsin survey report quoted in *Florida Flambeau*, 1 December 1978, p. 15.
10. Collier, "New U.S. Drug War," p. 7.



Don Brandes