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State-Backed Synthetic Narcotics Trafficking Syndicates and the Vectored Threat to the Five Eyes Alliance

The Strategic Utility of Multi-Domain Network Graphs for Precision Targeting and Network Collapse Applications: The CCP BioThreats Initiative Method



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Exponential Growth in Harm Caused by Synthetic Narcotics Trafficking Networks: Biochemical Warfare?

In 2022 over 75,000 Americans died from overdose of synthetic opioids, with fentanyl being the most statistically prominent.¹ Much of the bulk movements of fentanyl (which is mostly consumed in pill form in the United States) is believed to originate from Mexico where it is often produced in pharmaceutical-grade pill manufacturing facilities. The United States Drug Enforcement Administration (DEA) has publicly alleged that China is a key supplier of key precursor chemicals to the Mexican cartels and also provides critical engineering and managerial knowhow in the manufacturing of fentanyl in pill form.²

A joint Europol-DEA report published in December 2022 also stated that Mexican-origin fentanyl has also now become a major challenge in Europe and that Mexican cartels have established complex networks on the continent.³ When these official positions are considered alongside Representative Dunn's bill to designate fentanyl-related substances as a weapon of mass destruction, there is potential for this issue to escalate.⁴

Are Synthetic Narcotics a Commercially Viable Illicit Market? Hostile State Subsidization Required

Synthetic narcotics are a fundamentally different type of illicit industry compared to previous generations of 'naturally-grown' narcotics, such as cocaine. Synthetic narcotics, namely fentanyl-laced heroin, are produced in pharmaceutical-grade manufacturing facilities under standardized industrial processes with associated supply chains and distribution channels.

Synthetic narcotics traffickers are not dependent on jungle airstrips or remote unguarded shorelines to produce or move their product like previous cocaine traffickers such as Pablo Escobar in Colombia or Félix Gallardo in Mexico. Synthetic narcotics is a fully industrialized illicit business with economies of scale, modern financial infrastructure, and continuously increasing efficiency gains.

¹ 'Fentanyl Letter to President Biden', Attorney General of the State of Florida and the Attorney General of the State of Connecticut, 14 September 2022. Fentanyl Letter (tn.gov).

Provisional Drug Overdose Death Counts - 12 Month-ending Provisional Number of Drug Overdose Deaths by Drug or Drug Class, United States Centers for Disease Control and Prevention, 1 January 2023. Products - Vital Statistics Rapid Release - Provisional Drug Overdose Data (cdc.gov)

² 'Fentanyl Flow to the United States', DEA Intelligence Report, January 2020. DEA_GOV_DIR-008-20 Fentanyl Flow in the United States_0.pdf

³ Complexities and Conveniences in the International Drug Trade: The Involvement of Mexican Criminal Actors in the EU Drug Market', Europol and the United States Drug Enforcement Administration, December 2002. Europol_DEA_Joint_Report.pdf (europa.eu)

⁴ H.Res.39 - Expressing the sense of the House of Representatives that illicit fentanyl-related substances are a weapon of mass destruction and should be classified as such', United States House of Representatives, 17 January 2023.

H.Res.39 - 118th Congress (2023-2024): Expressing the sense of the House of Representatives that illicit fentanyl-related substances are a weapon of mass destruction and should be classified as such. | Congress.gov | Library of Congress

However, in spite of the ‘professionalization’ of this illicit industry, synthetic narcotics are not likely to be commercially viable even over the medium term. For example, fentanyl-laced heroin does not generate a stable population of consumers given the high fatality rates of users. Users of many other naturally grown narcotics will purchase product for multiple years (or even a lifetime in some cases) thereby generating a stable and commercially viable illicit market.

In the case of fentanyl-laced heroin (for example), the product itself is highly likely to either kill or severely debilitate the user over a short timeframe. It is therefore unclear as to whether there is a purely commercial motive for the manufacturing and trafficking of these synthetic narcotics and whether there are hidden subsidies from state sources to maintain the market.

Why Are Synthetic Narcotics the Most Prevalent in Five Eyes Alliance Countries? Anomalous Distribution Patterns Due to Hostile State Direction and Control

There is another unique feature of synthetic narcotics, and fentanyl-laced heroin in particular: this epidemic appears to be almost exclusively confined to the Five Eyes Alliance countries. While these biochemical weapons are generating multiple public security risks across the United States, Canada, Australia and New Zealand, their presence has also recently begun to increase in the United Kingdom. The United States and Canada are currently facing the most acute situations while Australia and New Zealand are now both beginning to witness exponential growth curves in overdose deaths.

Meanwhile, this degradation of public order and human misery is not witnessed on nearly the same scale in other major Western nations like Germany, France or Italy. Why is this? Every other major natural narcotic (such as cocaine) is as readily available in Berlin or Paris as it is in London or Vancouver. What is fundamentally different about the synthetic narcotics market that results in this anomalous distribution pattern? State sponsorship, organization, and strategic control.

Synthetic narcotics are not a commercial market with the associated logic and incentive/disincentive structures. This is strategic activity that is driven by hostile state intent. Our intelligence collection and analysis and criminal investigative activities must recognize this fundamental difference and be configured around it.

Hostile State Sponsorship Generates a Fundamentally Different Type of Syndicate

Collapsing a purely commercial narcotics trafficking syndicate is a fundamentally different operation compared to a syndicate with state sponsorship. A commercially-driven syndicate is much more vulnerable to a decapitating strike by killing/capturing key leaders, seizing specific bank accounts and/or assets (i.e., planes, ships, submarines) and/or eliminating physical safe havens.

When faced with these types of losses, criminal networks tend to degrade rapidly and often enter a death spiral with rival syndicates seeking to capitalize on these developments and expand their own market share. The historical example of Colombia in the 1980s and 1990s and present-day Mexico are stark cases in point. However, when an illicit market is propped up by state support,

these same targeting actions do not achieve the same type of strategic effects. Fundamentally different methods are required.

Mexico's multiple drug cartels are engaged in vicious fighting with each other as well as against the Mexican military and police. Mexican cartel infrastructure has been destroyed, multiple key personalities have been killed or imprisoned (including in the United States), and there is ongoing World War I-style trench warfare in the state of Michoacan between cartels and the Mexican Army. Not surprisingly, these developments and others have generated some 'supply side disruptions' to the trafficking of cocaine, opium, and other narcotics which require agricultural-sized plots of land and storage facilities.

However, fentanyl-laced heroin pills continue to experience exponential growth in production in the exact same geographies in Mexico that are under civil war conditions. This is not possible without state sponsorship and the immense resources (namely geographically distributed redundant assets) and transnational organizational and financial infrastructure that come with it.

Using Network Graphs to Precision Target and Collapse State- Sponsored Synthetic Narcotics Trafficking Syndicates: The CCP BioThreats (CCP BTI) Initiative Method

State-sponsored synthetic narcotics trafficking networks are more complex, decentralized and are deliberately compartmentalized. This makes them more difficult to fully enumerate, investigate, and collapse given their amorphous structure. Deliberate asset duplication and organizational redundancies that are commercially inefficient but enhance the robustness of a network are capabilities that only a state can afford. Given this, CCP BTI's multi-domain network graphs are the most effective method to surface, map, and assess the entire international network of a state-sponsored synthetic narcotics trafficking organization.

Network graphs can identify key control points and critical assets along with their redundant 'fall back' options (including those that are off-shore) in the event of a precision strike. This enables operators and investigators to determine the most efficacious courses of action that will cause permanent, strategic-level network degradation to an on-shore state-sponsored network.

For example, a CCP BTI network graph has the ability to enumerate a syndicate's entire supply chain of precursor chemicals and determine the key dependencies of each key component. If a syndicate has two land-based, on-shore production facilities to distribute the risk plus an off-shore sea-based supply, a network graph can be used to illuminate the most effective strike options to knock down all three of these sources simultaneously for maximum network degradation effect.

Through strategic data partnerships, CCP BTI can also provide hard to find inputs regarding Ultimate Beneficial Ownership of these targeted assets. This critical information is often deliberately obfuscated, in multiple languages, and fragmented across multiple countries. With this type of data, CCP BTI has the unique field-validated capability to aggregate, analyze and represent the entire system of a state-sponsored synthetic narcotics trafficking syndicate. This enables operators and investigators to identify new previously unsurfaced network segments that can then drive further network degradation.

Network graphs also enable the identification and isolation of key inputs and/or enabling infrastructure (i.e., key technical personnel, off-shore bank accounts, pharmaceutical equipment) that are off-shore in origin but would have a catastrophic impact on the on-shore network if they were cut off. Armed with a full strategic intelligence picture across all geographies, assets, and personnel, CCP BTI network graphs provide operators and investigators with pure precision strike options against state-sponsored synthetic narcotics trafficking syndicates.

In addition to its own extensive in-house capabilities, CCP BTI also has unique data partnerships with a range of other data intelligence providers, including dark web, social media, and relevant news that covers multiple critical languages, geographies, and relevant domain areas.

Maintaining a close data-based proximity to the digital underground gives CCP BTI and its partners a clear line of sight on state-sponsored synthetic narcotics activity that operates through these illicit channels. Targeted news data also further enriches a CCP BTI network graph as it provides additional inputs regarding ongoing enforcement action and what has become publicly known. These developments actively shape the operational environment that a syndicate must adjust to and operate within.

These hostile state extensions are presently engaged in biochemical warfare against a highly clustered group of Western countries. The effects have been devastating but are fragile and reversible once the massive information asymmetries regarding network structure are rebalanced. The successful collapse of these syndicates in the Five Eyes nations will reduce the likelihood of spread to other countries. The inverse is also true.