

West Coast Booms and East Coast Busts: Methamphetamine Commodity Chains of the 1970s and 1980s

Aaron H. Gilbreath

*Department of Political Science and Global Affairs
City University of New York: College of Staten Island*

ABSTRACT: This article attempts to explain the peculiar western distribution of methamphetamine production and distribution from a commodity network perspective. The author finds that the drug's western bias dates back to the regulation of a particular precursor, phenyl-2-propanone, in 1981. In reaction to that regulation, producers on the West Coast developed a new method of producing the drug, which resulted in a boom in both production and consumption in that region. East Coast networks, on the other hand, partnered with traditional organized crime to smuggle the precursor into the country. This resulted in increased persecution from police agencies, and the eventual dismantling of East Coast methamphetamine networks.

In 2003 at the height of the national methamphetamine epidemic, Rogelio Guevara, the chief of operations for the Drug Enforcement Administration (DEA), was called to testify before Congress regarding the perceived boom in the drug's availability. Law enforcement officials had shut down 9,324 clandestine methamphetamine labs nationwide in 2002, and by the end of the year in which Guevara was testifying, that total would be 10,332.¹ Although methamphetamine, or meth as it is often called, was certainly in the public consciousness, its presence was not evenly dispersed across the country.² In fact, the distribution of methamphetamine labs reflected what an expert from the Office of National Drug Control Policy called a distinct "lack of uniformity."³

The other major problem drugs in the United States—marijuana, cocaine, and heroin—might show some variation in availability by region, but that variation is negligible compared to the one exhibited by methamphetamine. A map of drug availability from the *National Drug Threat Assessment: 2003* reflects the truth in this observation (Figure 1).⁴ Methamphetamine was readily available west of the Mississippi, but largely absent from the rest of the country. In fact, 77.8 percent of methamphetamine labs seized in the country between 2000 and 2003 were found in the West Central, Pacific, and Southwest regions designated by the Organized Crime Drug Enforcement Taskforce Regions.⁵ However, when DEA Chief Guevara was asked to explain why meth markets were so disproportionately encountered in the American West, he could not.⁶

The western concentration of methamphetamine in 2003, and to a lesser extent today, is confounding on a number of levels. In the mid-twentieth century, the drug was available in numerous over-the-counter and prescription preparations throughout the United States.⁷ Every part of the country had the opportunity to develop a taste for the stimulant. In fact, methamphetamine was made a schedule II substance in 1971 precisely due to its being what an editorial in the *Annals of Internal Medicine* described as "perhaps the most serious drug of abuse in the United States."⁸ Data from the Client-Oriented Data Acquisition Program also showed that amphetamine abuse in the 1970s was a nationally dispersed phenomenon, with no region exhibiting a more significant predilection for abuse than any other.⁹

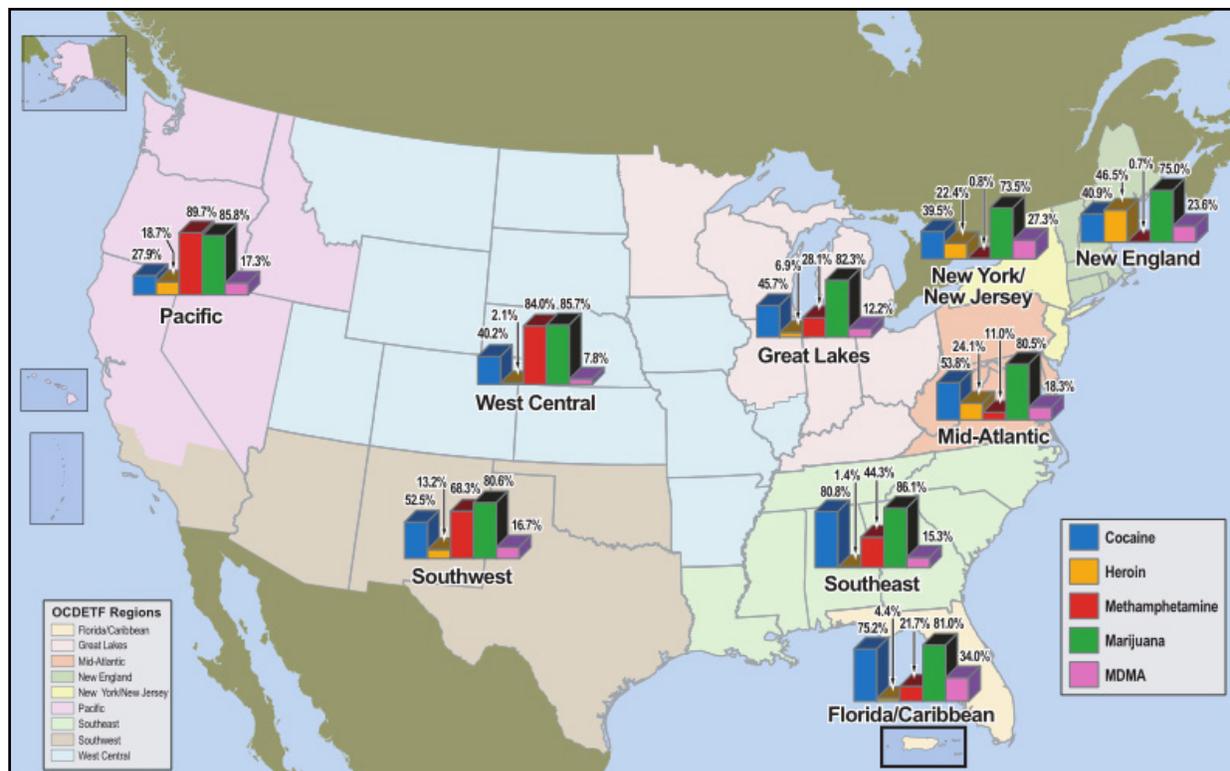


Figure 1. Drug availability by Organized Crime Drug Enforcement Task Force region.¹⁰

Secondly, if demand was established everywhere, there is little apparent reason for there to have been a lack of supply anywhere in the country. As a synthetic drug, meth can, theoretically, be made anywhere. Meth labs have been found in houses, hotel rooms, trailers, car trunks, Igloo coolers, back packs, and even soda bottles. The list of possible locations for production is almost limitless. And yet, by 2003, a phenomenon (methamphetamine abuse) that was at one point national in scale, had become strongly regionalized. Clandestine production showed a similar distribution.

This article seeks to explain the processes behind the transition from national to regional phenomenon through a historical analysis of methamphetamine commodity chains. Though rarely presented in this manner, most of the illicit drugs consumed in the United States are commodities, produced and distributed for profit like any licit good, though oftentimes by members of society who have been deprived of access to other economic outlets.¹¹ Gootenberg (2009) has summarized how illicit drugs operate as commodities through an explanation of the heroin trade:

The again booming heroin trade can be seen as comprised of shifting patterns of supply and demand, profit-seeking and risk-taking entrepreneurs, rationalized labor and flexible-production schedules, extensive networks of middlemen and retailers, transport and outsourcing dilemmas, product testing and product substitution, all under crunching global competition.¹²

Economic geographers have long used commodity chain analyses. In an early explanation of the technique, Gereffi et al. (1994) described how following a commodity through each sequential stage of its life from raw material to consumed good could show “how production,

distribution, and consumption are shaped by the social relations (including organizations) that characterize the sequential stages of input acquisition, manufacturing, distribution, marketing, and consumption."¹³ More recently, geographers have begun to emphasize not just the actions of producers and consumers, but also those of regulators whose decisions can create dramatic changes in the institutional context within which firms operate, causing them to relocate both production and sourcing.¹⁴

Few geographers have studied drugs at all, and very few have approached them from the commodity chain perspective.¹⁵ Wilson and Zambrano (1994) produced the most significant study of a single drug, analyzing the chains involved in the production and distribution of cocaine.¹⁶ In doing so, they were able to demonstrate the manner in which legitimate chemical businesses in the United States were implicated in the trade of cocaine through selling the chemicals that were essential to the processing of coca leaves.

Since that seminal work, few geographers have taken up the gauntlet of drug chain analysis. There have been geographical studies of drug markets and studies of the beginning of the chains related to organically based drugs, but no one has undertaken a study of a chain in its entirety since Wilson and Zambrano.¹⁷ Geographic analyses of methamphetamine have rarely, if ever, taken a historical perspective, and have generally fallen into the category of statistical analyses of lab seizures.¹⁸

This article applies the commodity chain perspective to methamphetamine networks operating in the United States in the 1970s and 1980s. The commodity chains associated with methamphetamine are different from those of organically based drugs. Whereas cocaine is derived from the coca leaf and heroin from the poppy, methamphetamine is produced in clandestine laboratories without the need for organic ingredients. Its production, rather than relying on particular environmental requirements, is dependent on a series of chemicals, the most important of which are termed precursors, and are incorporated into the final product's molecular structure as a result of the production process.¹⁹ For the last three decades, federal and state governments have attempted to disrupt illegal methamphetamine chains by limiting access to these precursor chemicals.

Tracing the commodity chains associated with illicit drugs can be a difficult process. Even licit firms often seek to obfuscate the chains associated with their products. Fortunately, the chains that form around drugs are easier to trace from a historical perspective, after they have been made visible through newspaper reporting, police action, and court cases. In the case of methamphetamine, the chains often become visible at the moment of attempted precursor acquisition, and it is possible to retrace them outward from those flashes of visibility.²⁰

In analyzing the actions of actors in the commodity chains that formed around methamphetamine after it was made a controlled substance in 1971, I demonstrate that the peculiar geography of methamphetamine is a byproduct of decisions made by key actors in the drug's commodity chain in response to dramatic changes in the regulatory environment within which they operated. Methamphetamine markets in the 1980s thrived in regions in which key actors in the chain were able to adapt to new regulations, and withered in those regions where criminal operatives were unable to overcome path dependency in their chain. Their success or failure laid the groundwork for the peculiar geography of methamphetamine that continues to this day. The findings demonstrate the explanatory efficacy of commodity chain analysis in historical investigations of the illicit economy, and explain the roots of methamphetamine's peculiar distribution.

Methamphetamine in the 1970s

In May of 1971 in response to rising indicators of abuse, all members of the amphetamine family of drugs, including methamphetamine, were made schedule II substances. At the time of their scheduling, methamphetamine-based products were available in a dizzying array of preparations from liquid ampoules for home injection to pills and inhalers, and were marketed for a myriad of illnesses ranging from depression to narcolepsy.²¹

As a schedule II substance, the indications for which meth could be prescribed were severely limited, and all prescriptions for the drug were made non-renewable. The drug's licit commodity chain also became highly regulated, with the government limiting the number of firms that could produce it, and establishing strict production quotas. By 1973 legal methamphetamine production was reduced to 373 kilograms, a 90 percent reduction from the peak year of 1970.²² Prior to the scheduling, it was estimated that 92 percent of all amphetamines abused nationwide had been legally produced and then diverted to the black market, so such reductions were significant to both licit and illicit markets.²³

The effect of the new scheduling was to virtually eliminate the availability of legally produced amphetamines for black market diversion. The impact on the drug's illicit market was dramatic, particularly because illicit methamphetamine producers did not immediately swoop in to fill the void left by the government's crackdown on amphetamines. In 1975, only eleven meth labs were seized by the DEA nationwide. Without new producers entering the market, street quality quickly declined. By 1973, after the extant supply of already diverted pills and ampoules had been consumed, the percentage of drugs sold as amphetamines on the street that actually contained them dropped significantly, to the point that, between 1975 and 1977 the average purity of amphetamine purchased on the street was fifteen percent. Many of the speed injectors in former epicenters of abuse moved on to other drugs, particularly heroin and barbiturates. The Speed Kills campaign had also tarnished meth's reputation among drug users so that fewer individuals were trying it for the first time. In short, it was a drug in decline.²⁴

Because of the dearth of methamphetamine on the street, the market price of the drug increased tenfold between 1965 and 1975. This rise in price served as an incentive for more individuals to enter the market, and as the decade of the 1970s wore on, the number of labs seized began to climb steadily. By 1979 the total number of lab seizures had risen to 137, a 1,200 percent increase from 1975.²⁵

The networks behind the rising number of methamphetamine labs in the 1970s varied significantly in their levels of sophistication and organization. Some were individuals and small groups who took up methamphetamine manufacture as a way to support their own habit or make a quick profit. In some parts of the country, traditional organized crime became involved in the chain. However, the dominant organization type, or chain driver, for the drug in the 1970s and 1980s was the outlaw motorcycle gang (OMG).²⁶ In fact, one of the drug's street names, "crank," purportedly comes from its frequently being hidden for shipment in the crankcases of the Harley Davidsons that gang members rode.

Most prominent among the motorcycle gangs involved in methamphetamine production and distribution were the four major motorcycle gangs operating at the time—the Pagans, Outlaws, Bandidos, and Hell's Angels. With regionalized networks of chapters, hierarchical governance structures, and a propensity towards crime and secrecy, OMGs were an ideal system of organization for the distribution of drugs.²⁷ They combined corporate efficiency with higher levels of loyalty than one might expect in a large drug-trafficking organization. Furthermore, the mobility of OMGs, their very *raison d'être*, made them nearly impossible to police because their activities fell within no single jurisdiction. As Gil Amoroso, a DEA agent in Philadelphia,

explained: "They have no boundaries. It's nothing for them to get on a motorcycle, a car, a van, and drive to Florida at the spur of a moment, whereas your local officials can't go outside their jurisdictional boundaries."²⁸

Meth distribution was a natural choice for the gangs. First, it was already popular among club members. Second, its price per ounce made it profitable even in small amounts, and increased its transferability. A member of the Bandidos explained the importance in less sophisticated terms: "Everything in the whole club revolves around crank. You can't ride a \$10,000 motorcycle, have a big gun collection, and take care of three 19-year-old ladies working in no body shop."²⁹

In 1980, federal officials estimated that OMGs controlled fifty percent of the methamphetamine trade nationwide.³⁰ However, the ways they engaged the market differed by gang and region. On the West Coast, where little traditional organized crime existed, the Hell's Angels appear to have controlled a large portion of the industry at every level of the chain, from material acquisition through production to distribution.³¹ On the East Coast, the Pagans were forced to operate in cooperation with traditional organized crime around New York and Philadelphia, primarily providing muscle and handling distribution.

No matter who was making it, the methamphetamine production process in the 1970s used the chemical phenyl-2-propanone, or P2P, in combination with methylamine, as its primary precursor. P2P methamphetamine production methods produce what is called "racemic methamphetamine."³² Methamphetamine is a chiral compound, meaning it has symmetrical isomers. These isomers are referred to as levorotatory (l) and dextrorotatory (d) methamphetamine.

The two molecules behave in different ways. The levorotary-methamphetamine molecule has sympathomimetic qualities (raises the heart rate and blood pressure, causes smooth muscle contraction, etc.), but is not a strong central nervous system stimulant. Dextrorotary-methamphetamine is the molecule that provides methamphetamine with the stimulant and euphoriant qualities that make it a drug of abuse by promoting the release of dopamine and then inhibiting its reuptake in the brain.³³ A racemic mixture contains equal parts of levorotary- and dextrorotary-methamphetamine.

In the 1970s, phenyl-2-propanone was not a controlled substance; its sale was completely unregulated. Instead, the DEA relied on the cooperation of chemical sellers in what they called the "Precursor Liaison Program." Largely educational, this program taught chemical companies to look for businesses or individuals that were buying the necessary combination of chemicals to make illicit drugs, and then asked them to report those people. Participation was voluntary. Norton J. Wilder, the DEA agent in charge of Philadelphia, estimated that 40 percent of the labs seized nationwide in 1979 had been detected via the liaison program and the diligence of the chemical companies.³⁴ However, enterprising producers were able to acquire the necessary precursors quite easily in a relatively unregulated market.

On February 11, 1980, in response to the 1,200 percent increase in methamphetamine lab seizures over the latter half of the 1970s, the DEA made phenyl-2-propanone a controlled substance, making its diversion to methamphetamine production a much more difficult proposition. This new regulation, and the manner in which producers responded to it, set in motion events that permanently altered the geography of methamphetamine in the United States. On the West Coast, regulation led to innovation in the supply chain, the loosening of the Hell's Angels' control of the market, and a boom in clandestine methamphetamine production. On the East Coast, the scheduling further entrenched the relationship between the Pagans and traditional organized crime, and eventually led to the drug's fall from favor among eastern drug users. The spatial variation in these responses rewrote the drug's geography, leading to the agglomeration of methamphetamine production in the West and Southwest and setting the stage for the eastward-moving epidemic of the 1990s and 2000s.

A West Coast boom

Meth producers on the West Coast responded nimbly to the loss of P2P, and the region became the center of methamphetamine innovation in the 1980s. As early as 1981, rather than continuing to try to make meth with P2P, producers there began to adopt the Red-Phosphorus, or Red-P method of methamphetamine production, which used ephedrine as the primary precursor.³⁵ The new method caught on for a number of reasons. First, it circumvented the need for P2P. After scheduling, only powerful criminal organizations such as the Hell's Angels or traditional mafia could find black-market sources of P2P and avoid being detected by the DEA. That option was not readily available to small-scale producers. However, in the early 1980s, ephedrine was not even on the government's radar, meaning its sale was not monitored, and any potential cook could easily buy it in bulk from wholesalers. Most other necessary ingredients could be purchased from hardware stores.

The wide availability of the new precursor meant that many freelance producers could enter the market. Small-scale cooks operating in groups of two or three appeared in large numbers, each producing a small amount of product for personal use and sale. This type of network was a far cry from the vast, vertically integrated, interstate drug-trafficking Hell's Angels that previously had driven the chain on the West Coast.³⁶ DEA agent Ron D'Ulisse lamented how the new method had changed the drug market in San Diego: "Everyone and anyone can do it. We were dealing with the motorcycle gangs, but now we find it's amateur hour, with people who don't belong in the business cooking methamphetamine."³⁷ The *Los Angeles Times* associated the transition with increased volatility in San Diego: "Virtually unlimited access to precursor chemicals drew a new breed of unsophisticated criminals into the methamphetamine business. It was these entrepreneurs, cooking drugs in their suburban garages and city homes, who were largely responsible for making the explosions, fires, and other dangers of drug manufacture virtually an everyday part of life in San Diego."³⁸

Quality was another reason for the increasing popularity of the new Red-P method. The Red Phosphorous method produces meth that is composed entirely of dextrorotary-methamphetamine molecules, rather than the fifty/fifty racemic mixture found in meth produced from P2P. This means that the meth made with the Red-P method is significantly more psychoactive than racemic methamphetamine, and users get much more of the desired central nervous system stimulation with each dose.³⁹ To producers who were operating for profit, higher purity allowed the meth coming out of the newer labs to be "stepped on," or degraded with other products, at a higher rate than P2P meth, which translates into higher yields and profits. To users, the purity meant that the meth being made in Southern California after 1981 was a significantly more appealing form of the drug than anything that had come before it.

It does not seem coincidental then, that Southern California and the rest of the West Coast experienced a methamphetamine boom after the introduction of the Red-P method. Nationally, the DEA seized eighty-eight labs in 1981. By 1989 that number had jumped to 652, with the West Coast making up a disproportionate segment of that number. In 1987 California and Oregon accounted for 61.7 percent of all meth labs seized in the U. S. In 1988 that number grew to 66 percent (Figure 2).⁴⁰

As the 1980s wore on, more and more meth producers adopted the Red-P method. A 1990 report on the procedure by a DEA chemist described it as "the most common method of manufacture of methamphetamine in the United States."⁴¹ This was true, but only by a slim margin. Of the 416 labs seized nationally in 1989 for which the manner of production was determined, 53 percent used the Red-P method and 47 percent used P2P.⁴² Regionality was strong. In Southern California, the percentage of labs using Red-P was as high as 90 percent in 1988.⁴³ Gilbreath (2012) estimates that in 1988, 45 percent of all the Red-P labs seized nationally were found in San Diego alone.⁴⁴

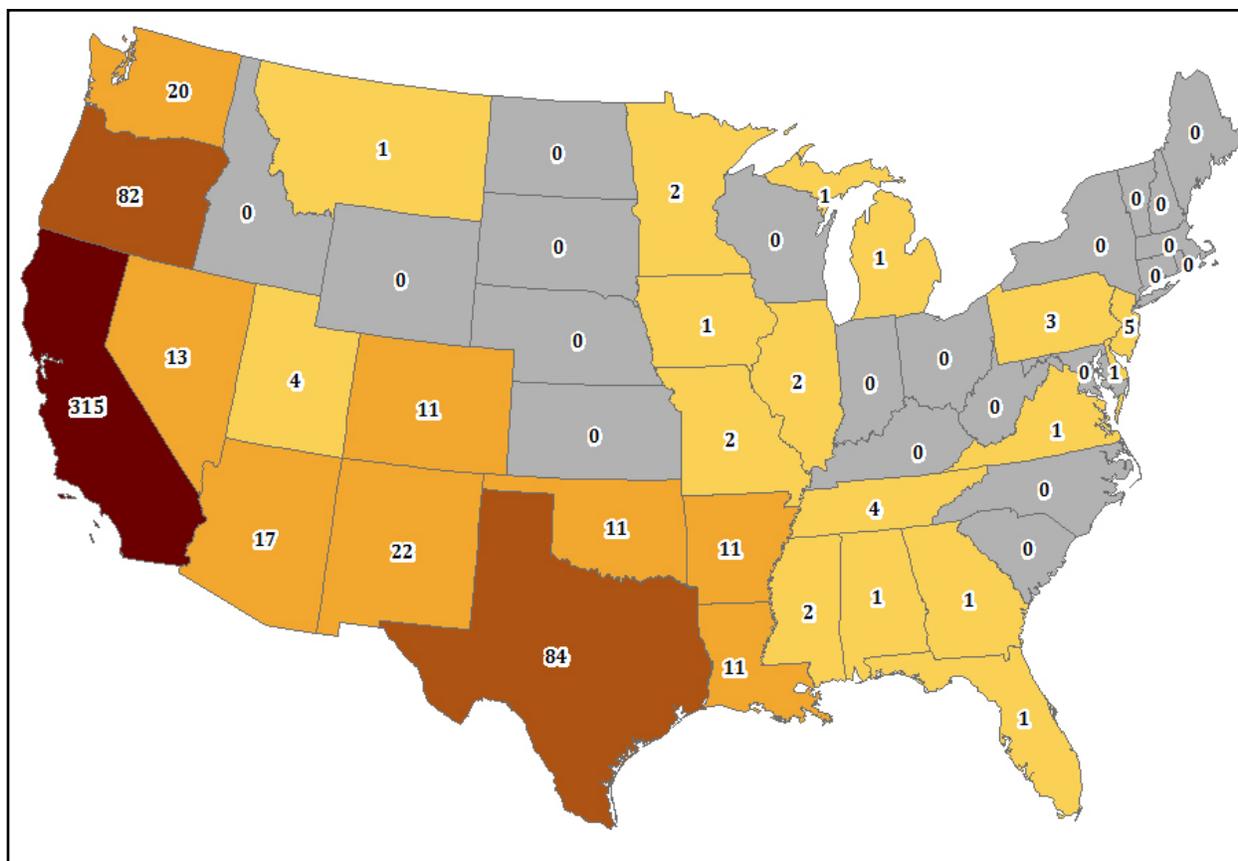


Figure 2. Methamphetamine Lab Seizures by the DEA for 1988.⁴⁵

The percentage of all seized clandestine labs that were making methamphetamine also grew throughout the 1980s. In 1981, methamphetamine labs made up 48 percent of the drug labs seized by the DEA. By 1987 that number was 80 percent.⁴⁶ On the streets in the 1980s methamphetamine emerged as the best bet among street stimulants (not including cocaine) to contain what it claimed, rather than another chemical. Puder et al. (1988) found that drugs purporting to contain methamphetamine did so 93 percent of the time in 1983, up from roughly 23 percent in 1972.⁴⁷

As the number of labs using the Red-P technique increased, so too did methamphetamine use. In 1979 methamphetamine mentions in the Drug Abuse Warning Network system in San Diego were statistically insignificant (Figure 3). In 1984 they represented 3.6 percent of emergency room drug mentions, but by 1989, it was the drug mentioned second most frequently in local ERs, and represented 12 percent of all drug mentions for the metropolitan area.⁴⁸ This is not surprising given that, in 1988, the National Institute on Drug Abuse concluded that the most important factor in the spread of methamphetamine abuse was the presence of methamphetamine labs within a community.⁴⁹

Based on its usage rates and a steadily increasing number of lab seizures, San Diego soon began to attract national attention as the meth capital of the United States. DEA operatives in the area did much to encourage that reputation. One in particular, Ron D'Ulisse, was quoted in newspapers throughout the 1980s. Agent D'Ulisse compared San Diego to Bogota in a conversation with the *Chicago Tribune* in 1987.⁵¹ In 1988, he estimated to the *Washington Post* that San Diego

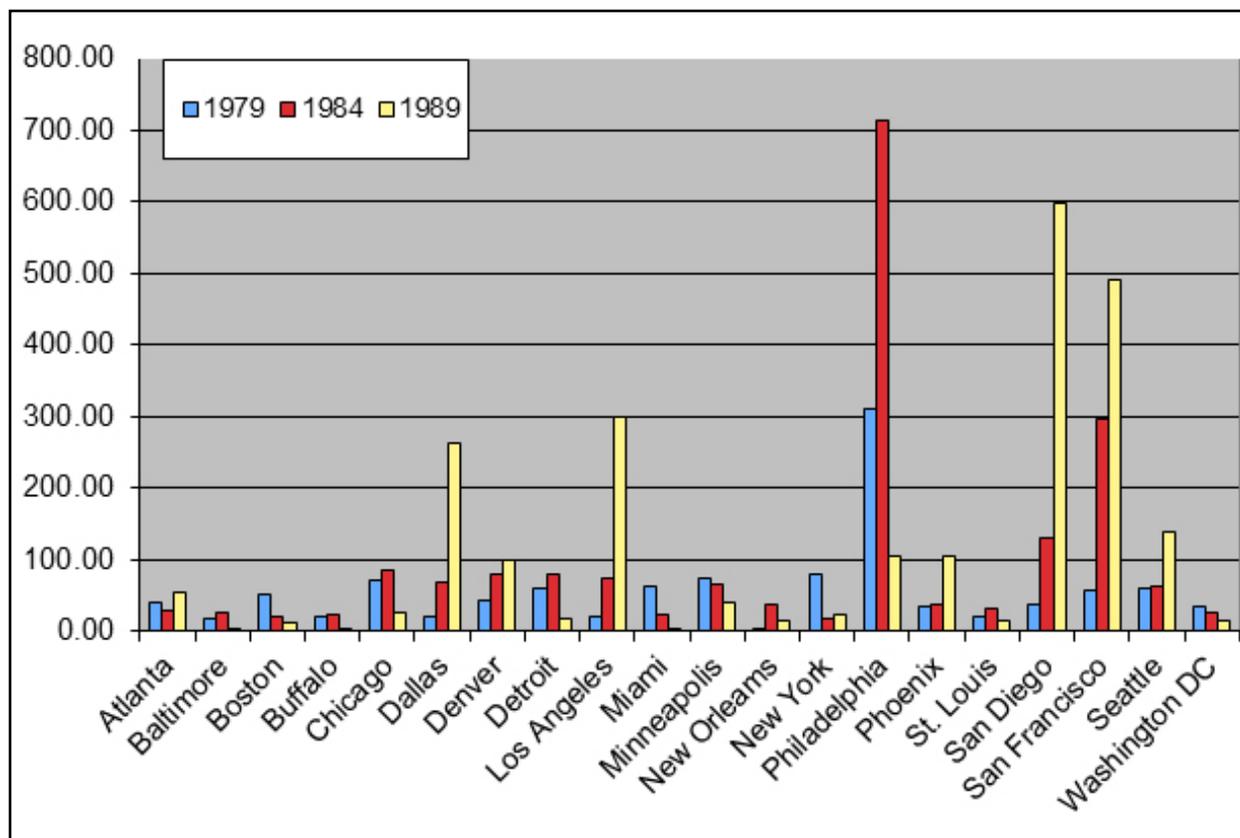


Figure 3. Emergency room mentions for methamphetamine from the National Institute of Drug Abuse's Drug Abuse Warning Network (DAWN) system.⁵⁰

produced twenty thousand pounds of methamphetamine per year, or as he put it, enough to keep every man woman and child in the city high for six months.⁵²

As the number of meth labs grew in California, the business of supplying precursor chemicals and equipment to cooks became a big business. In Southern California, ephedrine was being sold for twenty dollars a pound wholesale and \$150-\$230 a pound retail, a markup that yielded profits from \$10,000 wholesale to \$50,000 retail.⁵³ The DEA estimated that wholesalers were selling more than ten thousand pounds of ephedrine per year in Southern California, enough to make eight thousand to ten thousand pounds of meth. In 1986, the California Legislature sought to end this business and the clandestine labs themselves by scheduling the chemicals involved. Chemical companies (in this case wholesalers and retailers rather than producers) were quick to fight the new law.

One enterprising chemical supply storeowner, Robert J. Miskinis, hired a lobbyist to successfully delay the implementation of the law from 1986 until October of 1987. However, when it was revealed that this lobbyist had been hired by a man whose company, RJM Laboratories, had sold all of the essential ingredients to cook meth on at least 142 separate occasions between 1982 and 1984, the law's implementation was pushed up to April 1, 1987.⁵⁴ The new California precursor legislation required that chemical sellers report all sales of meth precursors to the state justice department. It also installed a twenty-one-day waiting period between reporting the purchase and delivery of the chemicals. Over-the-counter cold medicine preparations were excluded from the new law.

The California regulations were tough, but of course West Coast methamphetamine production was not confined to California (Figure 2). In the late 1980s, predictably, Oregon and Washington experienced major upsurges in meth activity. Between 1983 and 1987 lab seizures in Oregon grew from ten to 131, while in Washington they grew from zero to twenty-seven.⁵⁵ Observers saw the growth as a direct result of producers fleeing persecution in California, and in 1987 both states passed chemical reporting laws almost identical to those of California in an effort to push production out of their states.⁵⁶

The chemicals listed in the new laws included anthranilic acid, ephedrine, methylamine, phenylacetic acid, pseudoephedrine, lead acetate, and methyl formamide. As was the case in California, the laws scheduled ephedrine and pseudoephedrine except in the form of cold pills, a loophole that was quickly discovered by cooks. San Diego Police reported that lab seizures dipped for only three months after the law's implementation in California before they saw production return to its previous levels.⁵⁷

East Coast busts

Before the scheduling of P2P, methamphetamine use and production on the East Coast was most prominent in Philadelphia and surrounding counties in the Delaware Valley. As was the case in the rest of the country, clandestine production had begun there in the 1960s as the police cut down on diversion of legally produced meth. Also following national trends, methamphetamine use had declined in most former East Coast hot spots during the 1970s. Most drug users in this section of the country turned to heroin or cocaine and did not return to meth as the decade wore on. Eastern Pennsylvania was the exception. Philadelphia, in fact, was the only city in the entire DAWN system to have a significant number of mentions for prescription methamphetamine in 1979 (Figure 3). It was also the only metropolitan area for which mentions of "speed" (the term used for nonprescription methamphetamine) ranked in the top ten of drugs mentioned at admission.⁵⁸ Meth's popularity in Philadelphia makes sense given the drug's demographics. Since the 1950s, it had been the drug of choice for many dispossessed and working class whites who used the stimulant as a means of extracting more hours out of the day, and Philadelphia in the 1980s had a large, white, working-class population. It also had a well-established organized crime element. As Jenkins (1992) explained: "It was almost inevitable that any city with a history of well-entrenched labor racketeering [like Philadelphia] would also have a thriving business in the manufacture and distribution of stimulant drugs."⁵⁹

By 1980 clandestine meth production had become enough of a problem locally that the House Select Committee on Narcotics Abuse and Control held a meeting in Philadelphia to assess the impact of the labs. In this hearing, local law enforcement referred to Philadelphia as the methamphetamine capital of the United States.⁶⁰ Much of the testimony that day focused on the Pagans Motorcycle Club and the partnership it had formed with traditional organized crime. Robert Walker, the congressman for the district, described the Pagans as simply hired muscle for the mob. Although it is true that some members of Pagans had acted as paid assassins for members of the Scarfo-Testa Mob, the overall relationship was far more complicated than that.⁶¹ Sergeant Robert Collison of the Delaware State Police argued that the Pagans had cornered the market on meth in the area, testifying that "the street word is if you do not sell Pagan dope, or Pagan methamphetamine or crank, you do not sell it."⁶²

The head of the intelligence division of the DEA, Frank Wickes, testified that traditional organized crime partnered with the Pagans to finance methamphetamine operations, obtain the necessary precursors, and find chemists to do the cooking.⁶³ The Pagans handled lab setup, security, and distribution of the final product. The Special Agent in Charge of the DEA in Philadelphia, Norton Wilder, predicted that the scheduling of P2P would only entrench that relationship as the market for P2P became increasingly lucrative and precarious.⁶⁴

Wilder's prediction proved prescient. As the 1980s wore on, the Pagans formed partnerships with various organized crime units within Philadelphia. The groups involved included not only members of the traditional Cosa Nostra Italian Mafia, but also members of the Greek Mob, a Jewish and Irish group known as the "K&A Gang," and African-American groups.⁶⁵ The associations these mob members formed with the Pagans were not the top-down, corporate models one might expect from traditional organized crime, but rather reflected an opportunistic and temporary coming together of motivated parties.⁶⁶ The mob members who interacted with the Pagans did so of their own accord, rather than at the instruction of higher-ups within the organizations. Those interactions were fluid and temporary, and almost always dealt with the smuggling and trade of P2P.⁶⁷

Because of the relationships formed between the Pagans and various members of organized crime, methamphetamine production and distribution on the East Coast remained dependent on P2P and in the hands of very few individuals in the 1980s. This lack of diversity directly contributed to the decline of the East Coast methamphetamine market because police could more easily identify and target important operators. Federal officials had been monitoring the activities of traditional (that is to say ethnically-based) organized crime since the 1920s. In 1970, they passed the Racketeer Influenced and Corrupt Organizations Act (RICO) as a tool for prosecuting such groups. At approximately the same time, the government also began to view Outlaw Motorcycle Gangs as an organized criminal threat. With all groups involved in the market already under government investigation in the 1980s, the methamphetamine networks around Philadelphia felt the full brunt of governmental scrutiny.

Government officials were unsuccessful at prosecuting mob bosses such as Nicodemo Scarfo for drug dealing under the Kingpin provisions of RICO, because the members of their organizations who entered the methamphetamine market did so for themselves, seizing an opportunity for quick profit. However prosecutors proved much more adept at convicting smugglers of P2P. Throughout the 1980s members of the Greek Mob, the K&A gang, and key Italian-American P2P suppliers from within the Bruno and Scarfo organizations were all successfully prosecuted.⁶⁸

The Pagans faced a similar fate. In 1984 and 1985, government officials arrested over fifty members of the gang in the Delaware Valley region. Prosecutors focused on the group's mother club (the lead chapter), and by 1985, had successfully convicted the group's president Paul "Ooch" Ferry to eighteen years in prison. The vice president, sergeant at arms, and treasurer, along with nearly half of the rest of the mother club, also received sentences of at least fifteen years. Because their national organization was perhaps the most centralized and hierarchical of the Big Four, these arrests were particularly crippling to the gang.⁶⁹

The successful actions against methamphetamine on the East Coast had a rapid and permanent effect on the market there. By 1989 the government had eliminated the body that controlled most methamphetamine distribution in the region as well most sources for P2P. Seizures declined in stepwise fashion. Philadelphia Police seized 105 pounds of meth in 1987, but only fourteen pounds in 1988. In 1989 that number grew again to seventy-seven pounds, all but two of which originated in one high profile bust. With a low-grade product in limited supply, drug users soon moved on to other stimulants. In testimony before the House Select Committee on Narcotics Abuse and Control, Robert F. Armstrong, the special assistant to the mayor for drug control, stated in 1989 that crack had replaced methamphetamine as the drug of choice in Philadelphia.⁷⁰

Data from the National Institute of Drug Abuse's Drug Abuse Warning Network (DAWN) reflected the West Coast agglomeration and East Coast decline of methamphetamine at the end of the 1980s (Figure 3).⁷¹ Among the cities included in the DAWN system, six had significant rates

of methamphetamine abuse reported between 1985 and 1989: Dallas, Los Angeles, Philadelphia, Phoenix, San Diego, and San Francisco. Between 1985 and 1989 the number of emergency mentions of methamphetamine rose from 726 to 2,336 nationally. Three cities, Dallas, Philadelphia, and San Diego, accounted for 74 percent of those mentions in 1985, 63 percent in 1986, and 68 percent in 1987. However, as the number of mentions increased for San Diego (+501 percent) and Dallas (+271 percent), the number of mentions in Philadelphia declined by 41.5 percent.⁷² Philadelphia's portion of national emergency room methamphetamine mentions dropped from 53 percent in 1985 to 4.5 percent in 1989.⁷³

Conclusions

In the era presented here (primarily the 1980s), methamphetamine declined as a drug of choice on the East Coast at the same time that it rose in prominence in the West. The unofficial title of the methamphetamine capital of the United States reflected this change, as it moved from Philadelphia in 1980 to San Diego in 1987. During the 1990s, the drug would continue to grow in prominence on the West Coast before migrating steadily eastward in the 2000s.⁷⁴ Policing agencies in charge of both tracking and stopping the spread of drugs have historically been unable to explain why methamphetamine has shown such a distinctively western distribution. However, this study has disinterred the roots of the drug's particular distribution through a historical analysis of its commodity chains. By emphasizing methods of production and product sourcing, I have shown that the western concentration of methamphetamine in the United States stems from sourcing decisions and production techniques adopted in the wake of precursor regulation established in 1980.

This should not be surprising. The long history of methamphetamine shows that changes in the regulatory environment have consistently produced unexpected and problematic results. Initial regulation of injectable ampoules led to the country's first clandestine labs in San Francisco in the 1960s.⁷⁵ After the timeframe of this paper, regulation of ephedrine sales following the Chemical Diversion and Trafficking Act of 1988 opened an opportunity for market penetration by Mexican Drug Trafficking Organizations, who produced methamphetamine at an industrial scale and greatly expanded the market.

The efficacy of the commodity chain perspective shown here demonstrates a need for more historical geographical analysis of all sorts of illicit commodities. By analyzing not just consumption, but production, distribution, and regulation as well, new insight can be offered on these significant global phenomena that can be of use not just to academics, but also to society as a whole.

NOTES

- 1 These numbers reflect data extracted from the National Clandestine Laboratory Seizure System (NCLSS) in January 2011. National Clandestine Laboratory Seizure System. Report extracted January 15, 2011. (Washington, DC: Drug Enforcement Agency, 2011).
- 2 J. Caulkins, "Methamphetamine Epidemics: An Empirical Overview." *Law Enforcement Executive Forum* 3, no. 4 (2003): 17-42.
- 3 House Subcommittee on Criminal Justice, Drug Policy, and Human Resources, *Facing the Methamphetamine Problem in America*, 109 Cong., 1st sess., June 18, 2003, 70.
- 4 National Drug Intelligence Center, *National Drug Threat Assessment: 2002* (Washington DC: Government Printing Office, 2002).
- 5 National Clandestine Laboratory Seizure System.
- 6 House Subcommittee, *Facing the Methamphetamine Problem*.

- 7 Lester Grinspoon and Peter Hedblom, *The Speed Culture: Amphetamine Use and Abuse in America* (Cambridge: Harvard University Press, 1975); Nicholas Rasmussen, *On Speed: The Many Lives of Amphetamine* (New York: New York University Press, 2008).
- 8 George R. Edison, "Amphetamines: A Dangerous Illusion," *Annals of Internal Medicine* 7, no. 4 (1971): 608.
- 9 National Institute on Drug Abuse, *National Institute on Drug Abuse Statistical Series: State Statistics 1976* (Washington, DC: Government Printing Office, 1977); National Institute on Drug Abuse, *Trend Report: January 1977 - September 1980* (Washington DC: Government Printing Office, 1981).
- 10 NDIC, *Threat Assessment 2002*.
- 11 Henry H. Brownstein, Timothy M. Mulcahy, Johannes Huessy, Bruce G. Taylor, and Daniel Woods, "The Organization and Operation of Illicit Retail Methamphetamine Markets," *Justice Policy Review* 20, no. 10 (2010): 1-23; Jonathan P. Caulkins and Peter Rueter, "What Can We Learn from Drug Prices?" *Journal of Drug Issues* 28, no. 3 (1998): 593-612; Johnathan Caulkins and Peter Reuter, "Illicit Drug Markets and Economic Irregularities," *Socio Economic Planning Sciences* 40 (2006): 1-14; John E. Eck, "A General Model of the Geography of Illicit Retail Marketplaces" in *Crime and Place*, ed. John E. Eck and David Weisburd (Monsey, NY: Criminal Justice Press, 1994); John E. Eck, "Drug Markets and Drug Places: A Case-Control Study of the Spatial Structure of Illicit Drug Dealing" (Ph.D. Dissertation, University of Maryland, 1995); Paul Gootenberg, "Talking About the Flow: Drugs, Borders, and the Discourse of Drug Control," *Cultural Critique* 71 (Winter 2009): 13-46; Mark A. R. Kleimann and Rebecca M. Young, "The Factors of Production in Retail Drug Dealing," *Urban Affairs Review* 30, no. 5 (1995): 730-748; Mangai Natarajan and Mike Hough, eds., *Illegal Drug Markets: From Research to Prevention Policy*, (Monsey, NY: Criminal Justice Press, 2000). I am using illicit drugs to describe intoxicating substances that have been scheduled or banned. For analysis of drug markets, see references cited.
- 12 Gootenberg, *Talking About the Flow*, 15.
- 13 Gary Gereffi, Miguel Korzeniewicz, and Roberto P. Korzeniewicz, "Introduction to Global Commodity Chains," in *Commodity Chains and Global Capitalism*, eds. Gary Gereffi and Miguel Korzeniewicz (Westport, CT: Greenwood Press, 1994).
- 14 Jennifer Bair, "Global Capitalism and Commodity Chains: Looking Back, Going Forward," *Competition and Change* 9, no. 2 (2005): 153-180; Neil M. Coe, Peter Dicken, and Martin Hess, "Global Production Networks: Realizing the Potential," *Journal of Economic Geography* 8 (2008): 271- 295; Jeffrey Henderson, Peter Dicken, Martin Hess, Neil Coe, and Henry Wai-Chung, "Global Production Networks and the Analysis of Economic Development," *Review of International Political Economy* 9, no. 3 (2002): 436-464; Gary Gereffi and Miguel Korzeniewicz, eds., *Commodity Chains and Global Capitalism* (Wesport, CT: Greenwood Press, 1994), 1-14; Gary Gereffi and Karina Fernandez-Stark, *Global Value Chain Analysis: A Primer* (Durham, NC: Center on Globalization, Governance, and Competitiveness, 2011); Elaine Hartwick, "The Cultural Turn in Geography: A New Link in the Commodity Chain," in *Encounters and Engagements Between Economic and Cultural Geography*, ed. Barney Warf (New York: Springer, 2012); Suzanne Wilson and Marta Zambrano, "Cocaine, Commodity Chains, and Drug Politics, A Transnational Approach," in *Commodity Chains and Global Capitalism*, eds. Gary Gereffi and Miguel Korzeniewicz (Westport, CT: Greenwood Press, 1994), 297-316.
- 15 George Rengert, *The Geography of Illegal Drugs*, (Boulder, CO: Westview Press, 1996). Rengert's *Geography of Illegal Drugs* is still the most prominent work by a geographer on the broad topic of drugs.

- 16 Wilson and Zambrano, *Cocaine, Commodity Chains and Drug Politics*.
- 17 George Rengert, Sanjoy Chakravorty, Tom Bole, and Kristen Henderson, "A Geographic Analysis of Illegal Drug Markets," in *Illegal Drug Markets: From Research to Prevention Policy*, eds. Mangai Natarajan and Mike Hough (Monsey, NY: Criminal Justice Press, 2000); George F. Rengert, Jerry Ratcliffe, and Sanjoy Chakravorty, *Policing Illegal Drug Markets: Geographic Approaches to Crime Reduction* (Monsey, NY: Criminal Justice Press, 2005); Jenifer B. Robinson and George Rengert, "Illegal Drug Markets: The Geographic Perspective," *Western Criminology Review* 7, no. 1 (2006): 453-463; Micheal K. Steinberg, Joseph J. Hobbs, and Kent Matthewson, eds., *Dangerous Harvests: Drug Plants and the Transformation of Indigenous Landscapes* (New York: Oxford University Press, 2004). See note 11 above, as well as first three listed references. For the start of the drug chain, see last reference.
- 18 Aaron H. Gilbreath, "From Made in America to Hecho en Sinaloa: A Historical Geography of North American Methamphetamine Networks" (PhD dissertation, University of Kansas, 2012); Aaron H. Gilbreath, "A Spatial Analysis of Methamphetamine Lab Seizures in the Midwest High-Intensity Drug Trafficking Area Before and After Federal Precursor Legislation," in *Crime Modeling and Mapping Using Geospatial Technologies*, ed. Michael Leitner (New York: Springer, 2013): 297-316; Max Lu and Jessica Burnum, "Spatial Patterns of Clandestine Methamphetamine Labs in Colorado Springs, Colorado," in *Geography and Drug Addiction*, eds. Yonette F. Thomas, Douglas Richard, and Ivan Chueng (Washington: Springer, 2008); Ralph A. Weisheit and L. Edward Wells, "Methamphetamine Laboratories: the Geography of Drug Production," *Western Criminology Review* 11, no. 2 (2010): 9-26.
- 19 James R. Sevick, *Precursor and Essential Chemicals in Illicit Drug Production: Approaches to Enforcement* (Washington DC: Government Printing Office, 1993).
- 20 Gilbreath, "From Made in America to Hecho en Sinaloa."
- 21 James M. Graham, "Amphetamine Politics on Capitol Hill," *Society* 9, no. 3 (1972): 14-22, 53; Rasmussen, *On Speed*.
- 22 Harold Schmeck Jr., "Sharp Reduction in Quotas on Amphetamines is Urged," *New York Times* April 4, 1973.
- 23 Graham, "Amphetamine Politics".
- 24 John P. Morgan and Doreen Kagan, "Street Amphetamine Quality and the Controlled Substances Act of 1970," *Journal of Psychedelic Drugs* 10, no. 4 (1978): 303-317; John A. Newmyer, "The Epidemiology of the Use of Amphetamines and Related Substances," *Journal of Psychedelic Drugs* 10, no. 4 (1978): 293-302; Roger C. Smith, "Observations on the Illicit Marketplace of Psychedelics, Amphetamines, and Barbiturates," in *Amphetamine Barbiturates and Hallucinogens: An Analysis of Use, Distribution, and Control* (Washington DC: Government Printing Office, 1973).
- 25 House Select Committee on Narcotics Abuse and Control, *Illicit Methamphetamine Laboratories in Pennsylvania/New Jersey/Delaware Area*, 96th Cong., 2nd sess., 1980.
- 26 Ibid.
- 27 Thomas Barker, "One Percent Biker Clubs: A Description," *Trends in Organized Crime* 9, no. 1 (2005): 101-1012, 2005; James F. Quinn, "Angels, Bandidos, Outlaws, and Pagans: The Evolution of Criminality Among the Big Four 1% Motorcycle Clubs," *Deviant Behavior: An Interdisciplinary Journal* 23 (2001): 379-399; Dick Thornburgh, *Drug Trafficking: Report to the President of the United States* (Washington, DC: Government Printing Office, 1989).
- 28 House Select Committee on Narcotics Abuse and Control, *Illicit Methamphetamine*, 52.
- 29 Michael Isikoff, "Rural Drug Users Spur Comeback of 'Crank.'" *Washington Post*, February 10, 1989.
- 30 House Select Committee on Narcotics Abuse and Control, *Illicit Methamphetamine*.

- 31 *Los Angeles Times*, "Jury Indicts 17 in Drug Ring," May 26, 1979.
- 32 Environmental Protection Agency, *Voluntary Guidelines for Methamphetamine Laboratory Clean Up* (Washington, DC: Government Printing Office, 2009); Melissa A. Miller and Bruce Heischober, "Methamphetamine Abuse in California," in *Methamphetamine Abuse: Epidemiologic Issues and Implications*, eds. K. Marissa A. Miller and Nicholas J. Kozel (Washington, DC: Government Printing Office, 1991); Harry F. Skinner, "Methamphetamine Synthesis via Hydroiodic Acid/Red Phosphorus Reduction of Ephedrine," *Forensic Science International* 48 (1990): 123-134.
- 33 John Mendelson, Naoto Uemora, Debra Harris, Rajneesh P. Nath, Emilio Fernandez, Peyton Jacon II, E. Thomas Everhart, and Reese T. Jones, "Human Pharmacology of the Methamphetamine Stereoisomers," *Clinical Pharmacology & Therapeutics* 80, no. 4, (2006): 403-420.
- 34 House Select Committee on Narcotics Abuse and Control, *Illicit Methamphetamine*, 24
- 35 Skinner, "Methamphetamine Synthesis."
- 36 John P. Morgan and Jerome E. Beck, "The Legacy and the Paradox: Hidden Contexts of Methamphetamine Use in the United States," in *Amphetamine Misuse: International Perspectives on Current Trends*, ed. Hillary Klee (Amsterdam: Harwood Academic Publishers, 1997).
- 37 Matt Lait, "California's New Role: Leading PCP Supplier," *Washington Post*, April 17, 1988, A14.
- 38 Jim Schachter, "Methamphetamine Labs Reviving after Chemical Cutback," *Los Angeles Times*, September 1, 1987, A5.
- 39 Kenneth Taylor and Solomon H. Snyder, "Amphetamine: Differentiation by d and l Isomers of Behavior Involving Brain Norepinephrine or Dopamine," *Science* 168, no. 3938 (1970): 1487-1489; Scott Lukas, "Pharmacology and Toxicology," *The National Methamphetamine Drug Conference Report* (Washington DC: Government Printing Office, 1997); Miller and Heischober, "Methamphetamine Abuse in California"; Skinner, "Methamphetamine Synthesis."
- 40 House Committee on Small Business, Subcommittee on Regulation and Business Opportunities, of Representatives, *Impact of Clandestine Drug Laboratories on Small Business*, 100th Cong., 2nd sess., May 13, 1988; Gary D. Irvine and Ling Chin, "The Environmental Impact and Adverse Health Effects of the Clandestine Manufacture of Methamphetamine," in *Methamphetamine Abuse: Epidemiologic Issues and Implications*, eds. Marissa A. Miller and Nicholas J. Kozel (Washington, DC: Government Printing Office, 1990)
- 41 Skinner, "Methamphetamine Synthesis."
- 42 Irvine and Chin, "Environmental Impact."
- 43 Robert W. Derlet and Bruce Heischober, "Methamphetamine: Stimulant of the 1990s?" *The Western Journal of Medicine* 153, no.6 (1990): 625-628.
- 44 Gilbreath, "From Made in America to Hecho en Sinaloa."
- 45 Irvine and Chin, "Environmental Impact."
- 46 Karoline S. Puder, Doreen V. Kagan, and John P. Morgan, "Illicit Methamphetamine Analysis, Synthesis, and Availability," *American Journal of Drug and Alcohol Abuse* 14, no. 4 (1988): 463-473; Irvine and Chin Environmental Impact
- 47 Puder et al., "Illicit Methamphetamine."
- 48 National Institute on Drug Abuse, *Annual Data: Data from the Drug Abuse Warning Network* (Washington DC; Government Printing Office, 1980); National Institute on Drug Abuse, *Annual Data: Data from the Drug Abuse Warning Network* (Washington DC; Government Printing Office, 1985); National Institute on Drug Abuse, *Annual Emergency Room Data: Data from the Drug Abuse Warning Network* (Washington DC; Government Printing Office, 1990).

- 49 National Institute on Drug Abuse, *Methamphetamine Abuse in the United States* (Washington, DC: Government Printing Office, 1988).
- 50 For 1979 and 1984, methamphetamine mentions in the graph represent the combination of specific methamphetamine mentions (prescription form) as well as mentions of "speed," which was a street term that probably included both methamphetamine and some street amphetamines. See note 47.
- 51 Bob Wiedrich, "Dope Merchants Make San Diego Capital of "Speed," *Chicago Tribune*, April 20, 1987.
- 52 Lait, "California's New Role." This comment was repeated frequently in the press and is almost certainly hyperbole. Just the year before, Representative Bill Lowry had testified before Congress that San Diego produced between eight and ten thousand pounds of methamphetamine in 1987, and described how that could keep every man woman and child in the city high for three months. D'Ulisse was claiming this total doubled in a year. David Voreacos, "Congressman Calls for Tougher Restrictions on Meth Chemicals," *Los Angeles Times*, October 16, 1987.
- 53 Wiedrich, "Dope Merchants."
- 54 Danieal Weintraub, "Lobbyist Helped Drug Dealer Win Delay on Controls," *Los Angeles Times*, March 20, 1987.
- 55 House Committee on Small Business, *Impact of Clandestine Drug Laboratories*.
- 56 It is possible that the new reporting laws contributed to the increase in lab seizures on the West Coast by improving the ability of police to catch cooks, and that the new numbers do not reflect an actual increase in production. However, given the actual growth in labs in San Diego before the 1987 law, I do not believe this to be the case.
- 57 Schachter, "Methamphetamine Labs Reviving." The concentration of methamphetamine production and use in the American West led to two other significant developments that are outside of the temporal scope of this paper. The first was market penetration by Mexican Drug-Trafficking Organizations, which resulted in industrial-scale production and a significant increase in the volume of methamphetamine available in the U.S. The second was the development of the Nazi method of production, which was even simpler than the Red-P method, and eventually evolved into the one-pot method which is so prevalent today. The Nazi-method first appeared in Vacaville, California in the late 1980s, but did not spread significantly until the 1990s. For more on these topics, see: Drug Enforcement Administration, *Methamphetamine Situation in the United States* (Washington, DC: Government Printing Office, 1996); Roger A. Ely and Diane C. McGrath, "Lithium-Ammonia Reduction of Ephedrine to Methamphetamine, An Unusual Clandestine Synthesis." *Journal of Forensic Sciences* 35, no. 3 (1990): 720-723; Gilbreath, "From Made in America to Hecho en Sinaloa."
- 58 NIDA, *Annual Data 1980*.
- 59 Phillip Jenkins, "The Speed Capital of the World: Organizing the Methamphetamine Industry in Philadelphia: 1970-1990," *Criminal Justice Policy Review* 6, no. 1 (1992): 18-39.
- 60 House Select Committee on Narcotics Abuse, *Illicit Methamphetamine*.
- 61 Michael D. Lyman, *Gangland: Drug Trafficking by Organized Criminals* (Springfield, Il: Charles C. Thomas, 1989); Jenkins, "Speed Capital."
- 62 House Select Committee on Narcotics Abuse, *Illicit Methamphetamine*, 95.
- 63 House Select Committee on Narcotics Abuse, *Illicit Methamphetamine*.
- 64 Bill Hazlett, "Five Charged with Operating Drug Laboratory," *Los Angeles Times*, September 19 1979; House Select Committee on Narcotics Abuse, *Illicit Methamphetamine*.
- 65 Jenkins, "Speed Capital"; Lyman, *Gangland*.

-
- 66 Mangai Natarajan, "Understanding the Structure of a Large Heroin Distribution Network: A Quantitative Analysis of Qualitative Data," *Journal of Quantitative Criminology* 22, no. 2 (2006): 171-192. For an excellent explanation of the level of coordination in organized crime, see reference.
- 67 Well into the early 1990s, arrests involving methamphetamine in Philadelphia still involved the precursor P2P, a stark contrast to the West Coast. In the pre-Internet era, it appears that knowledge of new methods simply did not travel across the country like it does today. This also indicates that East Coast meth did not improve like it did on in the West.
- 68 Jenkins, "Speed Capital."
- 69 Ann O'Neill, "The Road to Ruin: The Pagans Started Dealing Drugs, and It Was All Down Hill from There," *Philadelphia Daily News*, February 7, 1985; Barker, "One Percent Bikers Clubs."
- 70 House select Committee on Narcotics and Abuse and Control, *The Reemergence of Methamphetamine: Hearing Before the Select Committee on Narcotics Abuse and Control*, 101st Cong., 1st sess., October 24, 1989.
- 71 Treatment data is not available for this era, as the Client-Oriented Data Acquisition Program was no longer in operation, and Treatment Episode Data Sets were not yet being collected. Furthermore, the National Survey on Drug Use and Health was not asking specifically about methamphetamine, so that source is also not available. Therefore, the Drug Abuse Warning Network, which tracks drug related admissions to emergency rooms is our best national measure for use in this era, despite its limited geographic scope.
- 72 National Institute on Drug Abuse, *Methamphetamine Abuse in the United States* (Washington, DC: Government Printing Office, 1988).
- 73 National Institute on Drug Abuse, *Methamphetamine Abuse: Epidemiologic Issues and Implications* (Washington, DC: Government Printing Office, 1990).
- 74 Gilbreath, "From Made in America to Hecho en Sinaloa."
- 75 Patricia Morgan and James E. Beck, "The Legacy and the Paradox: Hidden Contexts of Methamphetamine Use in the United States," in *Amphetamine Misuse: International Perspectives on Current Trends*, ed. Hillary Klee (Amsterdam: Harwood Academic Publishers, 1997); Roger C. Smith, "Traffic in Amphetamine: Patterns of Illegal Manufacture and Distribution," *Journal of Psychedelic Drugs* 2, no. 2 (1969): 20-24.