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Tackling online drug trafficking



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INTRODUCTION

Online drug trafficking is the transaction of drugs through the internet by using cryptomarkets. Drugs are increasingly being traded online through the dark web on darknet markets. A darknet vendor is different from a normal vendor because of the reach the internet provides. Internet vendors can access multiple buyers at a time both in their countries and internationally. The first major cryptomarket on the dark web, 'Silk Road' was shut down by the American Federal Bureau of Investigation (FBI) in 2013. However, since 2013, online drug trafficking has tripled, and the revenues have doubled. According to the United Nations Office on Drugs and Crime (UNODC), drug trafficking is the "single most important illegal activity done via the darknet". Drug trafficking on the internet has increased dramatically creating more challenges and danger than traditional drug trafficking. Like Interpol officer Daniel Altmeyer said in 2008: "Buying drugs on the internet is really easy. You only need an Internet cafe, a credit card, and it's done. Online drug trafficking can enhance a person's addiction as the drugs are so easy to obtain. The internet has played a major role in facilitating drug sales and there have many operations to shut this down. However, the anonymity of the darknet has made it much harder for law enforcement to crack down on these criminals."

DEFINITION OF KEY TERMS

Cryptocurrency- Are a form of digital or virtual currency. It can be used as normal money such as dollars or euros. However, it only exists in electrical form and cannot be carried around as banknotes or coins. In this case, cryptocurrency is used to trade drugs on *cryptomarkets*.

(drug) Cryptomarkets- Are used by buyers and sellers on the dark web as it ensures anonymity in terms of identity and location. These markets facilitate drug trafficking and allows for drugs to be traded internationally.

Psychoactive substances- Are drugs that affect mental processes. These drugs change the brain's function and alters perception, mood, behaviour, consciousness and cognition. Examples include *depressants* such as alcohol, *hallucinogens* like LSD, *stimulants* like nicotine, and *opioids* like heroin.

Pharmaceutical (drugs)- Are chemicals created and used to prevent, treat, diagnose and or cure a disorder. These are simply referred to as medicines. There are multiple different types of pharmaceuticals. They are a key factor of modern medicine.

Illicit- Illicit is something (such as drugs) that is forbidden by law, rules or custom. It is similar to illegal however illegal is only forbidden by law whereas illicit has other factors to it.

Licit- The opposite of illicit. If something is licit, it is lawful and not forbidden.

Dark web- The dark web is a subset of the *deep web* that is hidden. It cannot be accessed through 'normal' search engines and users must use Tor instead. Dark web websites are often used for illegal activity but not everything on the dark web is illegal.

Opioid- A type of drug used for pain relief. Opioids are substances that act on opioid receptors creating morphine-like effects. Examples include fentanyl and codeine.

Prescription drugs- A form of pharmaceutical drugs that legally require a medical prescription to be distributed. This includes *opioids* such as Vicodin, *depressants* such as Xanax and *stimulants* such as adderall.

Depressants- Depressants are drugs that slow down the activity of the brain. They are useful in treating different diseases such as insomnia, anxiety and seizures. There are different types of depressants such as alcohol, cannabis and Rohypnol

Stimulants- Stimulants increase activity. They are used to stimulate the brain and improve alertness. Examples include caffeine, nicotine and cocaine.

Controlled substances- Are drugs or chemicals whose making or possession are regulated by the government. This is because these drugs can be abused and are seen as addictive. Controlled substances include opioids, stimulants, hallucinogens and anabolic steroids.

Anabolic steroids- Are formerly known as anabolic androgenic steroids. These are steroidal androgens and they include natural androgens such as testosterone and synthetic androgens that are structurally like testosterone. They are usually used by athletes to increase muscle mass and strength.

GENERAL OVERVIEW

The internet is being used to traffic different categories of controlled substances. The first is illicit controlled substances such as MDMA (ecstasy) heroin, cocaine and marijuana. The second is licitly produced pharmaceutical substances including oxycodone and hydrocodone. There has also been the trade of counterfeit controlled substances presented as legitimate pharmaceuticals. Illicit controlled substances are illegal from production to use. This means that they are illegally produced or illegally imported and transported. Licitly produced substances are produced legally but are sold under uncontrolled circumstances on the internet which may lead to illicit use.

The issue with online drug trafficking is that the secrecy of the hidden web makes it much harder for laws to be enforced and criminals to be caught. The accessibility to drugs has increased and drug abuse has become increasingly widespread. The trade of these drugs includes multiple people including growers, producers, suppliers, couriers and users. Drug trafficking is a problem for many countries as it undermines a country's political and economic stability. European agencies including Interpol and the EU Drugs Agency believe that the increase in drug trafficking is a result of new technology and globalisation. Research made in a joint 'dossier' states that Europeans spend at least \$30 billion on drugs. The most 'popular' drugs are cannabis, cocaine and heroin.

There has been an increase in drug trafficking on the internet and as a result, global drug use (in general) has also increased. According to the Global Drug Survey, 60% of drug users have admitted to purchasing illegal drugs online such as marijuana and LSD. The reason that there has been an increase in online drug trafficking is because certain sites allow people to purchase drugs anonymously using bitcoin peer-to-peer digital currency.

The first modern darknet store was 'Silk Road' which was shut down by the FBI in 2013. It was known for selling illegal drugs and operates a Tor hidden service. The fact that it was a Tor service meant that users were able to operate anonymously and securely without the threat of potential traffic monitoring. When the FBI seized Silk Road servers and arrested its creator, the site had 12,000 listings. The items sold on the site ranged from marijuana, to ecstasy, to heroin and even counterfeit documents. However, the dark web is not the only place where people are able to obtain drugs. There are web shops that can be found on normal search engines which offer psychoactive substances sometimes referred to as 'research chemicals'.

Since the shutting down of 'Silk Road' in 2013, multiple 'copycats' have come up on the darknet for online drug trafficking including: Alphabay, Dream Market, Grams and Russian Anonymous Marketplace (RAMP). All of these have been shut down by different organisations. However, there are still multiple darknet markets that are still up such as: Empire, BitBazaar, Majestic Garden and Deep Sea.

The drugs being traded on these 'cryptomarkets', are being traded for cryptocurrencies such as Bitcoin. Drug trafficking is also being associated with other crimes such as money laundering and corruption. The routes used to traffic drugs, can also be used by criminals to transport other illicit products.

As a result of the coronavirus, drug trafficking has increased as people can no longer deal on the streets. Listings for illegal drugs on the dark web surged by over a hundred percent as people are being forced to use alternatives. Cannabis postings grew by around 555 percent and MDMA postings surged by 224 percent. However listings for cocaine grew the most as it surged by one thousand percent between December and April. This information can be found in a report made by Sixgill.

Overall drug trafficking has been heavily affected by the virus however the sale of different drugs have been affected differently. Methamphetamine is usually trafficked by air and cocaine is trafficked by sea. Naturally, the virus has affected the trafficking of these drugs as a result of restrictions. However, the trafficking of drugs like cannabis has not been heavily affected as it is usually produced locally.

MAJOR PARTIES INVOLVED

The Netherlands per capita had or have the highest revenues for drug sales on crypto markets. Overall, in 2016, Dutch vendors were able to make around € 1 million in January. The Netherlands dominated MDMA and ecstasy sales on crypto markets as they had 23 per cent of global revenues of those drugs. Vendors showing, they operated in the Netherlands only had two percent of global revenues for cannabis sales.

The United States has a major issue with drug trafficking and usage. Research done by the RAND corporation showed that vendors who worked from the US had the highest market share of drugs as they held 35.9% of revenues. In January of 2020, US Department of Justice charged five people in a \$2.8 million dark web drug trafficking and money laundering conspiracy.

The United Kingdom (in 2016) was believed to be ‘the biggest online drug dealing country in Europe’. At the time, British vendors generated over 16% of global revenues (18 million pounds) across the eight largest marketplaces. Although the UK had less vendors than the US, UK vendors made almost double the transactions each over the month of January.

The Federal Bureau of Investigation (FBI) The FBI have carried out multiple operations to shut down (illegal) online drug stores. The most recent operation was Operation SaboTor in 2019. In this operation, the FBI managed a Joint Criminal Opioid Darknet Enforcement (J-CODE) team that consisted of different federal agencies to disrupt opioid sales online.

RAND Corporation On behalf of the Dutch Ministry of Justice, the Research and Document centre authorized RAND Europe to look at how online drug trafficking operates in order to find ways for law enforcement to detect and intervene. The study researched: those involved in the trading including vendors and buyers, the types of drugs being sold online as well as the scope of the online drug trade and how law enforcement can act on this.

TIMELINE OF KEY EVENTS

Release of The Onion Router, 2002- The Onion RoutER (TOR) project was created by the US Naval Research Laboratory as a way to communicate online anonymously. The creation of TOR was a result of internet users wanting more privacy between the 1960’s and the 90s.

The Creation of Bitcoin, 2009- The creation of cryptocurrency made illegal transactions on the dark web much easier. Bitcoin meant that people no longer had to worry about being caught by law enforcement through Paypal.

Paul Le Roux is arrested, 2012- Paul Le Roux was an (online) drug lord. He created two software's: E4M and TrueCrypt. He trafficked methamphetamine and was also involved in selling weapons technology to Iran.

Silk Road Shutdown, 2013- In 2011, a blog published a 'report' or 'exposé' on Silk Road which helped boost the sales on the website. The FBI then caught on and started a campaign to shut it down which they managed in 2013. This is considered as historic because Silk Road had around 1 million users at one point.

Operation Onymous, 2014- Operation Onymous was an international law enforcement operation. It targeted darknet markets and other services hidden on TOR networks. Seventeen people were arrested, and the anonymity of the TOR network was made vulnerable.

Global Drug Survey, 2015- British addiction psychiatrist, Dr. Adam Winstock questioned multiple drug users about their drug purchasing habits. The research showed the types of drugs sold on the darknet showing that MDMA was the most popular drug. The least purchased drug was 25I-NBOMe.

AlphaBay Shutdown, 2017- Alphabay was an online darknet market that operated on TOR. It was shut down as a part of Operation Bayonet in the US, Canada and Thailand.

Empire Market, 2018- Empire Market was launched in February 2018 and is a 'copycat' of Alphabay. In 2019, Empire Market had more than 18,000 drug listings.

EU Drug Markets Report, 2019- Research done by EMCDDA and EUROPOL showed the 'trends' in the European drug market. The report looked at production and trafficking to distribution and sales.

Infiltration/hacking of Encrochat, 2020- UK authorities arrested 746 suspected criminals involved in murder, gun smuggling and drug trafficking. The police seized 54 million pounds and 1.5 tonnes of cocaine.

PREVIOUS ATTEMPTS TO SOLVE THE ISSUE

There have been many operations and attempts to solve the issue of online drug trafficking. Most of these 'operations' have been carried out by the FBI however others have been carried out by INTERPOL and other policing organizations. There have also been UN resolutions that address the issue.

In 2018, the FBI introduced Joint Criminal Opioid Darknet Enforcement (J-CODE) to target illicit opioid sales on the internet. It was announced by the US Attorney General Jeff Sessions and since then operations have been carried out. The first J-CODE operation is known as Operation Disarray in 2018. Disarray targeted dark web drug sales of opiates such as heroine and pain killers. The operation showcased the risks of selling and purchasing drugs on the internet. Multiple FBI agents

and members of other 'policing' organisations such as the Drug Enforcement Administration made searches and arrests during this operation. The organisations also carried out talks with over 160 people involved in the market. The FBI has made stopping the sale of drugs on the internet a priority. The second J-CODE operation is known as operation SaboTor. The operation was a major success and led to 61 arrests and the shutting down of 50 darknet accounts used for illegal activity.

Another attempt at shutting down Darknet drug sales is Operation Onymous which was carried out in 2014. The operation was organised by Europol's EC3 and was joined by the FBI, ICE, HIS, and Eurojust. The goal of the operation was to stop the sale of illegal and harmful items sold on the dark net. This operation was a success with 410 hidden services taken down and vendors and administrators being arrested. Furthermore, \$ 1 million worth of bitcoin, €180, 000 in cash, drugs, gold, and silver were seized.

In December of 2019, India also took measures to solve this issue by trying to stop the sale of medicines online. The drug regulator issued orders stating that drugs could not be sold online without a valid licence. The 'goal' of this was to e-pharmacies to shut down operations as state authorities cannot provide e-pharmacies with licenses. To strengthen these orders, the Drug Controller General of India asked authorities to look out for these sales and take immediate action in case of violations.

From the 8th to the 12th of July 2019, the Shanghai Cooperation Organisation (SCO) carried out the International Anti-Drug Operation Spiderweb. The goal of the operation was to address cutting off the channels used to sell and transport drugs. SCO Member States wanted to adopt measures in prevent the use of the internet and online payments for drug sales. Member states wanted to increase the effectiveness of agencies in fighting the illegal drug trade. According to data from the operation, 6, 422 kg of narcotic drugs was seized. Furthermore, the operation was able to 3, 241 arrests and confiscate \$638, 834. Overall, the operation was a major success.

The most 'significant' attempt in shutting down or stopping online drug trafficking was the taking down of Silk Road. The original was shut down by the FBI in October 2013 and the second version was shut down by the FBI and Europol in November 2014. The 'mastermind' behind Silk Road, Ross William Ulbricht was arrested and convicted for drug trafficking, computer hacking and money laundering. The FBI used undercover agents to buy heroin, cocaine and LSD and also purchased computer software. Furthermore, these agents were able to track down multiple Silk Road servers and even managed to find one in a different country.

The most recent 'takedown' of an online drug trafficking platform is the hacking of Encrochat. Multiple European agencies took part in shutting down the group leading to arrests in the UK, Norway, France and the Netherlands. In the Netherlands alone, the shutting down of Encrochat has led to the arrests of over 100 suspects, the confiscation of 8,000 kilos of cocaine and 1,200 kilos crystal meth. Encrochat was highly secretive and its being shut down is seen as a major success for law enforcement.

POSSIBLE SOLUTIONS

One way to prevent and prosecute the sale of drugs on the internet is by getting governments to implement national legislations and provide law enforcement forces with the means and power to investigate and shut down (illicit) E-pharmacies. Internet service providers such as AT&T must be required to fully cooperate with law enforcement throughout investigations. Internet service providers would be expected to shut down websites and 'accounts' associated to online drug trafficking. In this regard, internet service providers must include in their contractual agreements that they will terminate a client's account or websites in cases of illegal activities. By law, it should be required that these internet providers keep their clients' data or 'information' for at least 5 years in order for law enforcement to access such evidence. Furthermore, public 'areas' that provide internet access such as internet cafés should also be able to keep data for at least 2 years for the same reason. This would be extremely helpful in helping law enforcement identify criminals and obtaining enough evidence for prosecution. This would also be a form of deterrence for illegal online activities as it would limit their anonymity.

It is important that UN member states adopt national legislation that allows the inspection and control of all the routes (mail, sea, air, etc.) used to traffic drugs. If there is suspicion with any shipment, local authorities should be able to inspect it and control whatever is entering or leaving their country. This includes shipments made by international courier companies. Governments must also respect the rules applied in other countries. This means that if a country prohibits the shipment of internationally controlled substances by mail, such shipments should be stopped from being sent there. Taking this into account, governments should put in place basic legal frameworks regulating the trafficking of drugs through mail and other routes.

All internet pharmacies should obtain a licence before operating. Governments and law enforcement would be expected to carry out checks making sure that pharmacies are not selling any controlled substances without permission. It is crucial that the websites used to buy or sell such substances have valid licence. People operating internet pharmacies must also obtain permission from the Government of the country where their drugs in question are being shipped from or sold. Furthermore, these pharmacies must be obligated to display information on their websites including a street address, email address, and phone number. Authorities and clients should be able to know the physical location of the business. Authorities should also be able to identify the pharmacist selling the drugs, the name on the licence, the licence number and the dates of its issuance and expiration.

Governments that allow internet pharmacies to operate freely must re-evaluate their protocols. Member states must ensure that laws including sanctions for offences are both sufficient and deterrent. These laws must be compatible with international drug control treaties. Governments should assess whether their existing laws are adequate for controlling the manufacturing and sale of these drugs. Weaknesses should be identified and addressed. Governments whose laws fail to prevent and or sanction the illegal sale of substances on E-pharmacies must adopt new laws to do so. They should also adopt better methods for monitoring supply channels.

It is crucial that member states adopt newer and better mechanisms allowing rapid exchanges of information between governments and law enforcement. Such information should be accessible to national and international investigations. It would be helpful in the fight against online drug

trafficking, the shutting down of websites and the arrest of suspects. The exchange of such information could be channel through a single forum or contact point. If any information is found, it should immediately be transmitted to the relevant entities in charge of dealing with such matters in the countries concerned. Furthermore, the internet services that are being used to commit these crimes should be alerted as soon as the illegal activity is noticed. Taking all of this into account, governments must build relations with industries whose services are used for drug trafficking in order to have more control over such illegal activities.

All governments should have 'cyber units' that specialise in investigating dark web crimes. However, governments should also put in place sub-units dealing only with their efforts to prevent and stop the sale of drugs online, in cooperation with partners. Additionally, organisations such as medical chambers or pharmacy guilds like the one in Australia should be encouraged to look out for and pay attention to suspicious websites. Governments could also set up websites for the public allowing citizens to be informed and eventually report any illegal sale of drugs online. This would ensure cooperation between citizens and government in taking down those involved in illegal drug sales.

International cooperation is crucial in preventing and or ending the illegal sale of drugs on the internet. Government entities that are experienced in these issues could provide training and organise workshops in order to help their counterparts in less experienced countries. If a government has experience in identifying these websites, they would be expected to provide adequate training for countries needing help. The origin countries of illegal drug shipments should cooperate when asked by sanctioning the vendors and carrying out criminal proceedings.

Finally, governments should set high standards for collecting data related to seizures of any drugs by law enforcement from online drug trafficking. This data should be reported and access should be given to all relevant organisations such as the UNODC, INTERPOL, EUROPOL and the World Customs Organisation. All information on the drugs seized should be documented, including the quantity seized, the origin and sender of the shipment, its destination, its value, its owner, etc. This would allow governments and the public to track the process being made in stopping the trade of drugs on the internet.

APPENDIX

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