DARKNET DRUG MARKETS
SUPPLY CHAINS, STAKEHOLDERS, AND OPPORTUNITIES FOR PUBLIC HEALTH

#NSFW

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RADARS Annual Meeting
Friday May 12, 2017
Washington, DC
1. Global history of fentanyl-heroin
2. What are cryptomarkets?
3. How do they interact with established drug supply chains for fentanyl-heroin?

Discussion: What are the implications for public health and surveillance?
An abbreviated global history

**US EAST COAST**

1991-2

Fentanyl tainted heroin responsible for 126 overdose deaths in major cities.

**EUROPE**

1993

Fentanyl implicated in sporadic overdose deaths.

**SWEDEN**

Illicitly manufactured fentanyl implicated in overdose deaths.

1990s

**KANSAS**

“The Drug Wizard of Wichita” — two self-taught chemists apprehended in “the country's only operational fentanyl lab” and “the only active fentanyl lab DEA agents have ever busted.”

— *Newsweek*, June 20, 1993
Fentanyl-analogues start appearing regularly in Canada and USA darknet markets. ‘Research chemical’ vendors and mass producers become established, despite government crackdowns.

- **2011**: Silk Road, the first major darknet market opens using Bitcoin for currency.
- **2014**: Fentanyl-analogue market opens in Europe.
- **2015**: ‘Research chemical’ vendors and mass producers become established, despite government crackdowns.
- **2017**: China.

**NORTH AMERICA**
- **2014**: Fentanyl-analogues start appearing regularly in Canada and USA.

**EUROPE**
- **2015**: ‘Research chemical’ vendors and mass producers become established, despite government crackdowns.
- **2017**: China.

**CHINA**
- **2015**: ‘Research chemical’ vendors and mass producers become established, despite government crackdowns.

**DARKNET MARKETS**
- **2011**: Silk Road, the first major darknet market opens using Bitcoin for currency.
- **2014**: Fentanyl-analogues start appearing regularly in Canada and USA darknet markets.
- **2015**: ‘Research chemical’ vendors and mass producers become established, despite government crackdowns.

**BRAZIL**
- **2014**: Fentanyl-analogues start appearing regularly in Brazil.

**JAPAN**
- **2014**: Fentanyl-analogues start appearing regularly in Japan.

**AUSTRALIA**
- **2014**: Fentanyl-analogues start appearing regularly in Australia.
AUDIENCE PARTICIPATION AND DEMO

Buying Fentanyl from Online Black Markets

1. BUYER places order with MARKET
2. BUYER sends Bitcoin to MARKET escrow
3. VENDOR gets order & escrow confirmation
4. VENDOR ships product
5. BUYER confirms receipt
6. MARKET releases escrow to VENDOR
7. BUYER leaves feedback on MARKET
EXAMPLE 1: DIRECT SALE OF COUNTERFEITS

No cartel involvement

Pharma-Master

TrustworthyMoney
EXAMPLE 2: LOCAL CARTEL SALES ONLINE

Cartel involvement

- Oregon
- South Dakota
- Canada
- China

PDXBlack
EXAMPLE 3: RESELLING CARTEL-SOURCED DRUGS
Redistribution to meet niche demand

1G Sinaloa Black Tar Heroin (BTH)

NOTE: With this time of year its getting hot, so since BTH is hydromorphic it may get sticky and difficult to work with, if you experience this PLEASE REMEMBER my shit is tested and definitely pure enough to go back to solid just place it in the freezer and poof you have hard shattering BTH don’t lose product due to heat if its quality product it can be placed in freezer for 25 min and all fix...

Sold by Las *** - 48 sold since Nov 8, 2015  Vendor Level 1  Trust Level 6

<table>
<thead>
<tr>
<th>Features</th>
<th>Features</th>
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<tbody>
<tr>
<td>Product class</td>
<td>Physical package</td>
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<tr>
<td>Quantity left</td>
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<td>Ends in</td>
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<td>Ships to</td>
<td>United States</td>
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<tr>
<td>Payment</td>
<td>Escrow</td>
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USPS Priority - 2 days - USD +10.00 / item

Purchase price: USD 132.00

Qty: 1  Buy Now  Queue

0.1208 BTC / 6.0801 XMR
NEW FORM FACTORS
The leading edge of innovation?
1. What are the implications of data misclassification?
2. What new information can we learn from markets?
3. Risks and benefits of buying drugs online?
4. What is the future of drugs checking services for public health and surveillance?
Thank you

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Slides will be posted at radars.org

For more info on cryptomarkets see September 2016 special issue of International Journal of Drug Policy