# Chapter 1 Introduction

There is broad consensus that the overall aim of drug policy is to reduce drug use and drug-related harms and to advance the health and welfare of mankind. Despite this general agreement, the design and content of national drug policies vary to a great extent. The variation partly reflects differences in the nature of national drug problems and the resources allocated to this policy field, but it also reflects ideological differences in views on how to respond to drug problems.

In line with Babor et al. (2010) we use the term “drug policy” as to include governmental policies on prevention, supply control, treatment and harm reduction. Supply control, or drugcontrolpolicy, is one of the main approaches for addressing the drugs problem in many countries. Prohibition and its law enforcement aim at reducing drug availability and have been regarded as useful and necessary elements of the drug policy, i.e. drug control policy is an essential component of a well-balanced strategic approach to reduce drug-related problems.

The effects of supply and demand side efforts are often interrelated. For instance, successful reduction in drug availability increases the likelihood of reduced drug use and by that, also reduced risk for problematic drug use and adverse drug use consequences. Striking the optimal balance between supply and demand side initiatives is challenging, however, as is it also to develop efficient strategies on both sides. Despite the interrelationship between the two, we will in this report focus on supply side efforts only. Our intention is not to weigh alternative policy options or to propose any particular drug reform but to improve the knowledge base to enable policy makers to make more informed choices with regard to drug control policy.

Many countries have a stated aim of a balanced approach between demand and supply reduction policies. What constitute a “balanced approach” is often not defined or operationalized but comparing public expenditures for demand and supply side efforts is one way of examining the balance. When coupled with stated aims, examining public expenditure may constitute an important first step in a drug policy evaluation as one then can examine whether stated policy intentions are reflected in relevant budgets. Improved understanding and overview of these expenditure may also help policy makers to plan and make the required funds available (ex-ante) as well as examine if the resources are spent cost-effectively; i.e. have they provided the best value for money, given the specified objectives (ex-post). Assessing public expenditure on drug control policies also contribute to improved transparency and accountability for public institutions.

Further, to evaluate and improve drug policy, it is imperative to know and take note of *all* possible effects of the different decisions and actions. It is well known that for any purpose and politics, even with the best of intentions, there is a risk for unintended consequences. Unintended consequences can be defined as consequences that are not deliberate or intentional, i.e. they are not the targeted effects of a given action. However, that doesn’t imply that they necessarily are unexpected – on the contrary, their occurrence may in some cases be considered as very likely. For instance, the ban on production and sale of listed substances carried the high risk of the appearance of an illegal drug market.

One important feature of drug control efforts is that they may influence *all* citizens’ life and human rights, not only those who are personally involved on either side of the drug market. Thus, regular assessments and careful considerations of whether drug control measures possibly compete or undermine other essential policy goals is needed. Unintended consequences will be an important part of that assessment. They may be positive or negative in nature although the negative side effects naturally get more attention. Identifying and considering also unintended consequences are essential when deciding on the policy and what measures to implement. Despite frequent mentioning, little has been done so far towards this end.

The criticism of drug control has increased in recent years. More and more often, loud voices are questioning the efficiency of drug control measures and some even claim that they don’t actually contribute to the stated goals. Drug control efforts are criticized for striking unequally and for being disproportionate to the actions they are used in response to. In response, many countries and jurisdictions have introduced significant changes in their drug regulations. The decriminalisation of drugs in Portugal, the recent legalisation of cannabis in four US states, the legalisation of cannabis in Uruguay are some examples of this trend of drug law liberalisation. The call for further humanisation and revision of drug control policies (i.e. increased flexibility for introducing various drug control models minimising harms and costs) must be viewed in light of the increased focus on the adverse consequences.

This report aims to define and identify costs and unintended effects, carried by individuals and society, of drug control policies. We do this to improve the knowledge base for better enabling policy makers to make informed choices in this area. Improved knowledge, also with regard to the recourses that are allocated to this policy field, will help planning and strategic thinking, particularly needed in times of austerity. As all policy option implies some unintended consequences, there is no way to completely avoid them. It is therefore of great importance to take them adequately into account when deciding on aims and measures for the drug control area. Further, we suggest potential interventions to reduce the effects of the identified unintended consequences. Irrespective of the regulatory regime currently implemented, there are interventions available that may reduce its adverse and unintended effects.

Figure 1 illustrates the outline of the report. The expert group has taken the many different drug control regimes as a point of departure. We aim to analyse the cost and effects of different drug control regimes to highlight the costs and consequences of the policy options. Despite that there may be some individual costs involved, we will focus on public expenditures only. Chapter 2 provides a guidelines for how to collect relevant information. Further, we present a cross-country comparisons of levels and compositions of drug policy expenditures, which shows that most countries seem to spend more on drug control than on demand reducing efforts. Chapter 3 presents our analysis of unintended consequences. Although we, of course, acknowledge that defining and measuring intended effects is an important task for any policy evaluation, we still confine our analyses to the unintended effects. These unintended consequences are split into societal and individual effects. Chapter 4 will discuss our findings, while some central concepts and background for the drug control policy is found below in Chapter 1.



**Figure 1 Outline of the report**

## Drug control policy

National drug control policies are based on three internationally agreed conventions, namely the 1961 Single convention on Narcotic Drugs as amended in 1972; the 1971 Convention on Psychotropic Substances; and the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. National legislation and implementation may introduce stricter domestic legislation than that demanded by the Conventions but they should not bring in more lenient legislation[[1]](#endnote-1). Signing countries are obligated to make production, sale, transport and distribution of drugs for non-medical purposes a criminal act but the conventions do not oblige any penalty to be imposed for consumption per se.

Although the conventions treat the listed drugs similarly, the national drug laws and enforcement practice often separate between them. For instance, the use, sale and production of cannabis are in most countries often regulated and enforced very differently compared to substances like amphetamines, ecstasy or heroin.

Drug control policy has both domestic and international dimensions. Nationally, it includes factors like[[2]](#endnote-2):

* enforcement of anti-drug laws
* eradication of drug production and cultivation
* control of precursor chemicals
* customs' inspection of commerce and persons entering the country
* screening for drugs in prisons

Internationally, drug control policy includes

* coordinated investigations
* interdiction
* control of precursors
* anti-money-laundering initiatives
* drug-crop substitution and eradication
* strengthening public institutions

Drug control measures may be divided according to whether they are aiming at drug users or drug producers and suppliers. By controlling and arresting drug users the police increase the individual costs of using illegal substances. Although this part of the drug law enforcement may constitute a smaller share than control measures towards producers, couriers, dealers, money-launderers etc., it often receives more public attention and more people seem to be critical of enforcement practice against individual users than against the latter groups.

## Evaluation of drug policies

For drug control policy to be most effective, it must both be evidenced-based and supported by a budget (Carnevale Associates 2008). Furthermore, results need to be evaluated and compared to their costs. The European Union’s Action Plans to Combat Drugs () stresses that the evaluation of a drug policy is an integral part of the European Union approach to fight illicit drugs.

To optimize the resources allocation in this policy field, one ideally should conduct a cost-benefit analysis. A cost-benefit analysis systematically compares all costs and benefits of one particular policy area to determine whether there is a positive net benefit (i.e. whether benefits outweigh the costs). The analysis can also compare alternative policy options and evaluate the effectiveness of separate parts of a comprehensive policy.

For the drug control area, a cost-benefit analysis would explicitly have taken all the costs, including unintended costs or adverse effects of the policy, into account when evaluating whether the policy provided a net benefit to society. Unfortunately, a regular cost-benefit analysis is currently not attainable as the quantification of both benefits and costs of drug control policies are underdeveloped. Still, a better understanding of the different parts is possible and useful. This report will take a first step towards such a systematic analysis by examining the public expenditure and the unintended consequences of the cost drug control policy.

## Public expenditure

We define control costs to include all kinds of public expenditure on efforts aiming at reducing the availability of drugs through reducing or eliminating the cultivation, production and trafficking of illicit drugs. Thus, drug control costs comprise governmental expending on public order and safety, such as budgetary expenses for the police, customs, judicial system and prisons.

As will be expanded on in Chapter 2, analyses of public expenditure on drug control policies are seriously hindered by limited data availability. Many countries do not have separate budget for drug-related expenditures but embed them in broader budget categories. Often is also more than one sector involved and the expenditures are found at different administration levels (central, regional, local). Chapter 2 provide suggestions for how to improve data collection and estimations.

## Unintended consequences of drug control policy

Unintended effects will vary substantially across national drug legislations and their *de facto* implementation. Generally, one may say that the stricter regulations the higher is the risk for unintended consequences. One should bear in mind, however, that all control regimes imply unintended effects, even the most liberal ones. If all drugs were freely available and no control measures were implemented at all, substantial non-intended burden on society and non-users would still apply as a consequence of increased drug use. Further, legal but regulated drugs like alcohol and tobacco also imply control costs, both intended and unintended. Thus, the relationship between the level of regulations and unintended consequences may be illustrated by an u-shaped curve, see Figure 1, where every drug policy regime can be viewed as points on a continuum from very liberal regimes to very strict ones.

**Level of unintended consequences**

**Very liberal drug control regimes Very strict drug control regimes**

**Figure 2. An assumed u-shaped relationship between the level of drug control regulations and unintended consequences.**

As mentioned, unintended consequences can be split into effects for society and individuals. Unintended societal consequences can include factors such as the emergence of organized crime dealing with drug production and trafficking or the general risk increase in public safety due to illegal ways of drug financing. Some producing countries like Mexico and Colombia, have experienced extreme violence and thousands of deaths, but public health, security and safety have also been significantly negatively affected in many European countries (EMCDDA/Europol, 2016). Often mentioned individual adverse effects are, in addition to stigmatization, social exclusion, negative effects of imprisonment, reduced educational and labour market opportunities, disconnection to work life, visa problems and limited access to essential medicines for medical and scientific purposes. As chapter 3 will elaborate on, adverse effects may further vary according to the social/economical context, type of substance, individual characteristics and periods of time.

# Lastly, one may note that public expenditures and unintended consequences are linked. More public expenditures on for examples law enforcement will increase the risk of apprehension and by that increase the risk of unintended effects of control measures. Further, although unintended effects are usually not measured in monetary units they may still have serious economic impact. For individuals apprehended for drug-related crimes, their job and thereby their income opportunities are reduced, which also imply a welfare loss for society. Still, public expenditures and unintended consequences will be treated separately in this report.

1. C.S.J. Fazey / International Journal of Drug Policy 14 (2003) 155\_/169 [↑](#endnote-ref-1)
2. https://www.ncjrs.gov/ondcppubs/publications/policy/99ndcs/iv-g.html [↑](#endnote-ref-2)