# Chapter 1 Introduction

There is broad consensus that the overall aim of drug policy is to advance the health and welfare of mankind and reduce drug use and its adverse effects. Despite this general understanding, the design and content of national drug policies vary to a great extent. This 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 a great part of the academic literature (Babor et al., 2010), this report uses the term “drug policy” as to include governmental policies on prevention, supply control, treatment and harm reduction. Drug *control* policy, aimed at disrupting production/trafficking/sale and the user of illicit drugs, is a subset of this policy. Drug control policy comprises the complete criminal justice structure and processes, i.e., includes crime prevention, defining the legal framework, policing, prosecution, sentencing, imprisonments and probation and community services as well as social reintegration interventions (Maguire, 1997). In many countries, the violation of the some drug laws results in criminal sanctions, if caught by the authorities. Although also the production and sale of legal substances like alcohol are regulated, the illegality of production/trafficking/dealing/use and corresponding control regimes separate illegal drugs from alcohol.

In some countries drug control policies[[1]](#footnote-1) is the main approach for addressing the drug problem. Still, efforts aiming at reducing the demand (prevention and treatment measures) are important elements, and harm reduction initiatives have gained importance. For instance, in the EU, balanced approach between demand reduction and drug control policies is a clear aim of policy makers,. The European Union Drug Strategy for 2013-2020, states that the (…) ‘European Drugs Strategy is based first and foremost on the fundamental principles of EU law and (…) it aims to protect: ‘to take a balanced, integrated and evidence-based approach to the drugs phenomenon ]…[. The effects of drug control initiatives and demand side efforts are, however, also often interrelated. For instance, successful reduction in drug availability increases the likelihood of reduced drug use and by that also a reduced risk for problematic drug use and adverse drug use consequences.

Indeed, national drug strategies often state the aim of a balanced approach between demand and supply reduction policies. Still, what constitutes a “balanced approach” is usually not clearly defined or operationalized, and striking an optimal balance is challenging. However, 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 drug policy evaluation since one then can examine whether stated policy intentions are reflected in relevant budgets. Improved understanding and overview of these expenditures may also help policy makers to plan and make the required resources available (ex-ante), as well as to 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 of public policy and 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 policy 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 carries a 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 are 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 is essential when deciding on a policy and what measures to implement. Despite frequent mentioning, little has been done so far towards this end.

The criticism of existing drug control policies 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 acts they are used in response to. This have been one reason for why 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 of drug control policies, borne by individuals and society. 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 options imply 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 drug. Further, we suggest potential interventions to reduce the effects of the identified unintended consequences. Irrespective of what regulatory regime that is currently implemented, there are interventions available that may reduce its adverse and unintended effects.

Figure 1 illustrates the outline of the report. Some central concepts and background for the drug control policy is found below in Chapter 1. Chapter 2 provides guidelines for how to collect relevant cost information. Despite that there are individual costs involved, we will focus on public expenditures only. Further, we present compiled national information of levels and compositions of drug-related public expenditure, which show that most countries tend to spend more on supply reduction 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 ones. These unintended consequences are split into health and non-health effects and we relate them to the bearers of these consequences (users/producers/dealers and non-users of drugs). The chapter also offers a list of potential interventions that may reduce the unintended consequences. Chapter 4 discusses our findings and suggest a way forward.



**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[[2]](#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 criminal sanctions to be imposed for possession and consumption per se.

Although the conventions treat the listed drugs similarly, the national drug laws and enforcement practice often distinguish between them. For instance, the use, possession, sale and production of cannabis are in most countries 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[[3]](#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
* initiatives against drug-related corruption, terrorism and human trafficking

Drug control measures may be divided according to whether they are targeting drug users or drug producers, traffickers and suppliers. By controlling and arresting drug users the police increase the individual costs of using illegal substances. Although law enforcement toward use consumes substantially less resources than the law enforcement towards producers, couriers, dealers, money-launderers etc., it often receives more public attention and more people seem to be critical of enforcement practices 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 Drug Strategy and the EU Action Plan to Combat Drugs 2013-2016 () stress 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 costs, including unintended 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 elements involved 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 drug control policy.

## Public expenditure

We define drug control costs to include all kinds of public expenditure on efforts aiming at reducing drug use and availability through enforcing drug laws. Thus, drug control costs comprise governments’ spending on public order and safety, such as budgetary expenses for police, customs, judicial system and prisons on the appliance of drug law and related initiatives. The vast majority of resources will be spent on enforcement towards producers, traffickers and dealers, but it also include legal actions toward drug users. In should be noted that the term “drug control costs” will be used interchangeably with “supply reduction costs”, although it also includes the mentioned enforcement expenditures related to drug use. This is in line with the terminology used by others such as the European Monitoring Centre for Drug use and Drug Addiction (EMCDDA).

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 budgets for drug-related expenditures but embed them in broader budget categories. Often is also more than one sector involved and drug-related expenditures are found at different administration levels (central, regional, local and social security). Chapter 2 provides suggestions for how to improve data collection and estimates.

## 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 the 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 a potential increased drug use. Further, legal but regulated substances 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.

High

**Level of unintended consequences**

Low

**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.**

Unintended consequences can be divided by the effects for the whole society and for an individual. Unintended societal consequences can include factors such as the emergence of organized crime dealing with drug production and trafficking or a general risk of decrease 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, while public health, security and safety have also been significantly negatively affected, as is showed by data available for 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, limited visa availability and limited access to essential medicines for medical 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 law enforcement will most likely increase the risk of apprehension, but of a higher-in-the-rank drug trafficker. Therefore, on the one hand, more investment in law enforcement may increase the number of apprehensions may increase the risk of unintended effects of control measures but, on the other hand, may increase the probability that only criminals are captured and therefore, reduces their unintended harms. 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. This report opted to use the terminology drug control policy, while other reports focusing on the same topic do use supply reduction initiatives, law enforcement activity. It is outside the scope of this report to make an in-depth discussion of the meaning of these different terminologies. [↑](#footnote-ref-1)
2. C.S.J. Fazey / International Journal of Drug Policy 14 (2003) 155\_/169 [↑](#endnote-ref-1)
3. https://www.ncjrs.gov/ondcppubs/publications/policy/99ndcs/iv-g.html [↑](#endnote-ref-2)