

## Illegal Drug Use Policies

*Geoffrey Stokes, Peter Chalk and Karen Gillen (eds), Drugs and Democracy: In Search of New Directions, University of Melbourne Press, 2000*

*Reviewed by Harry Clarke*

This book is a loosely edited set of readings containing arguments that primarily favour more tolerant legal attitudes toward illicit drug use in Australia. The book seeks increased spending on harm reduction to offset the *consequences* of drug use rather than prohibition of drug use *per se*. This should occur through policies that treat illicit drug users as citizens with medical or other problems rather than as lawbreakers subject to law enforcement.

There is nothing radical or original about this proposal — outside of the current Howard Coalition Government, and its widely criticised drug policy advisers, the ‘user-as-victim’ view of illicit drug use is a conventional wisdom in modern Australia. While the book claims to recognise the virtues of a broad approach, it is disappointing that only this conventional wisdom is pursued.

Nor do the arguments in this volume have a distinctive intellectual base. They are not, for example, derived primarily from concern with individual rights. Instead they are written primarily in that social democratic tradition which sees the ‘nanny state’ as a tool for dealing with misguided individual behaviour that causes either self-harm and damage to others. The problem then is not that current policies attack individual freedoms but that attacks on these freedoms do not achieve desired outcomes. (Analogous arguments see criminals as victims who should be given electro-shock or counselling or which see non-performing minorities as oppressed classes requiring social subsidies and apologies).

Despite its failure to base its position on arguments for individual freedom, this volume does see the major policy issue as the consistency of actions designed to limit drug use with liberal democratic values. This interpretation of liberalism identifies it as politics with a community or consensus view. Classic liberal theory on the other hand suggests that individuals should be able to pursue their private objectives, given private assessments of net advantage, provided such pursuits impose no (external) costs on others. This is also the view adopted by many economists. Then the only role for the state is to regulate or ban illicit drug use if use implies significant externality costs and if social costs of regulating do not swamp reduced externality costs.

Australian governments act to limit external costs of illicit drug use but also to express community disapproval of drug taking. Drugs are seen as both individually and socially harmful, with democratic government having a role in seeking abstinence to express community disapproval of use. Bans also induce considerable costs of state intervention in terms of law enforcement and illegal activity, such as theft. These facts motivate the direction of this volume although,

it can be argued, approaches grounded in classic liberalism might produce better policies given the social efficiency they foster.

While there are questions of political values in drug debates there are also substantial issues of fact that throw light on the design on useful drug use policies. Given (classic) *liberal premises*, how substantial are the external costs associated with drug use? Do external costs reflect usage *per se* or are they consequences of drug illegality and distortions in health supply and legal penalties? Do heroin users steal because they are heroin users or because heroin is expensive as a consequence of illegality? Can crime and health costs be internalised by moving toward higher penalties for heroin-induced theft and less subsidised health, or are such limits entrenched 'second-best' constraints?

Accepting the *democratic premise*, is it true that drug use is individually harmful? Are policies addressed to reduce individual costs of use creating larger individual and social costs of overdoses and crime?

These issues have been hotly debated but not in the book reviewed even given its title and its professed objective to examine 'how Australia's national drug strategies might be improved within the confines of liberal-democratic values and culture'. Facts that bear on policy choices are not provided and alternative theories are left unexplored. In short, this is a discursive, non-analytical volume that does not provide theories that are tested with evidence.

Andrew Parkin contributes a chapter which recognises inherent conflicts between liberal values and collective aspirations but which throws no light on what this means for policy. Most of the chapter expresses the fact of the conflict using obscure language. There are also bold, unsubstantiated claims ('The enormous investment of money in treating the symptoms of demand and supply could no doubt be better spent elsewhere on improving social conditions in Australia') that raise issues of scholarship and seriousness of intent.

Five consequent papers on 'Policy Responses' turn to Australian policy and particularly the *National Drug Strategy* and 'harm minimisation' policy. Timothy Rohl suggests policies need to educate the community, treat users and target large-scale drug suppliers. David Crosbie suggests the need for greater 'accountability' in policy. No real surprises here.

Ann Roche and Keith Evans argue for harm minimisation while noting that it might be advanced by abstinence policies since, without drug use, there is no harm. Their proposal is for a two-level strategy based first on 'harm-minimisation', 'use reduction', 'non-use' and 'abstinence' with an 'illustrative' second level being 'a contextual layer in which the above operational approaches are located' and comprising 'meta-level factors' such as equity, gender, culture and socio-economic status. Again, for language reasons, I am unclear what is being proposed and why the authors need such abstract terms of reference. Without providing empirical evidence or formal modelling, it is unclear that the authors understand certain implications of their proposals.

For example, as noted, a perceived community desire for drug abstinence exists. Society is also concerned that 1,000 Australians will die from heroin overdoses during the year 2000. Society therefore considers harm minimisation

via schemes such as safe injecting rooms and public provision of heroin for addicts. Because safe injecting rooms reduce the risks of heroin use, and should stimulate heroin usage through such adverse incentives, the pursuit of minimisation objectives conflicts with abstinence. Resolution of this policy tradeoff depends on the relative weight placed on addict lives versus additional addict numbers. It also depends on the strength of the adverse incentive effects. Simulation results suggest that, with plausible weights and parameter estimates, safe injecting rooms increase abstinence costs more than they reduce harm (Clarke, 2000). Further, publicly providing heroin for addicts at low cost reduces the price of heroin in Australia for non-addicted new users and encourages greater long-term addiction. Again conflicts arise between abstinence and harm minimisation (Clarke, 1999).

It is of concern that, even though this volume addresses policy, conflicts between objectives of practical importance in understanding current issues are not analysed. Yet, the current Howard Coalition Government *is* concerned that excessive reliance on harm minimisation increases long-run addiction while the medical profession (and some State Governments) are more concerned with current deaths.

The views of Alex Wodak are then presented. He argues that too much is being spent on supply reduction and not enough on demand reduction and harm minimisation. Thus law enforcement is seen as a policy failure given rising drug use, overdose deaths, crime and corruption. Moreover, drug seizures have not reduced price or drug availability. Therefore, it is claimed, illicit drug use should be redefined as a health and social issue with more spent on health and education and those apprehended using drugs directed into treatment not prison.

There are errors of logic in this view and something of a medical mafia-blinkered overtone. (Economists who only see drug use as an incentive issue addressable by 'carrot and stick' policies can be analogously characterised).

Is it clear that drug policies have failed? What is the relevant counterfactual? If there had been less severe penalties for use and supply, and if harm-minimisation schemes had already turned drug problems into 'public health issues' rather than socially-condemned activities, *would current levels of heroin use and addiction be lower?* This is what Wodak must be claiming. There may have been fewer overdose deaths with more methadone programs and other harm-reduction schemes, but would not abstinence objectives lose out with such institutional changes because of higher levels of induced use?

Is it true that drug seizure policies have not affected availability and price? Again a counterfactual analysis rather than a strong claim is needed. Would heroin not be more readily available without stringent penalties and the prospect of hefty prison sentences on suppliers?

The answers to these questions need not necessarily contradict Wodak's conclusions but evidence (and theory) is needed rather than assertion. Evidence cited in Wodak suggests that stabilisation of Dutch drug overdose rates during the 1990s, following harm minimisation programs there, was combined with a steady increase in average user ages. This suggests declining recruitment of new users –

an important result that, if substantiated, throws water on concerns that harm-minimisation fosters increased use. This evidence needs careful examination.

Adam Sutton and Stephen James take up the theme of 'law enforcement and accountability' in a chapter on goals versus behaviour of Australian drug enforcement bodies. Contrasting these aspects shows actual behaviour is less-than-rational: the Mr. Bigs of drug trading are nominally targeted but most actual effort is directed at low-level traders. The suggested reform is to tie enforcement effort toward harm minimisation via co-operative efforts with health and other agencies. This is subject to the incentive difficulties already discussed. Also, few who place weight on abstinence would argue against measures making life for large-scale drug dealers more difficult even if it cannot be made impossible.

Again the level of discussion is limited. How should authorities target links in a criminal chain? Targeting those high in criminal organisations offers low probability of disrupting major supply chains but may substantially disrupt supply chains. Targeting street dealers provides higher arrest and conviction probabilities but causes less supply chain disruption. Standard arguments suggest that appropriate responses should be based on the authority's risk attitudes, but decisive supply disruptions *will* often in practice be preferred targets and, of course, arrests of low-level dealers at low cost is effective strategy if arrests of the Mr. Bigs pose specific detection and conviction difficulties.

Other parts of this volume deal with the global trade in drugs, drug trafficking in South-East Asia, Australian prohibition history and a descriptive account of illicit drug use in Australia (accompanied by a dated descriptive appendix of drug use and drug prosecution statistics). This literature provides useful facts and is a good read but again lacks much analytical depth.

Economists should generally exercise caution in dealing with the 'borderline' issues conventionally examined by other social sciences. Legal and social issues do need a broad perspective that includes analysis by those with legal, sociological, political, historical and other training. However because the economics of illicit drug use (for example, Becker and Murphy, 1988) operates with a clear model and explicit assumptions and confronts model predictions with data, it clearly has substantial advantages as a policy-design tool. None of these simple methodological virtues are present in the approaches developed in the volume under review. In my view, these non-economic approaches do not add much value to the analysis of drug policy design.

## References

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