

From Illicit to Value Added: Part I

International to National Drug Policies

Dr John Collins | John.collins@globalinitiative.net

Director of Academic Engagement

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JIED

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JIED is a peer-reviewed, open access, electronic journal publishing research and policy commentary on the complex relationship between illicit markets and development. The journal is cross-disciplinary and engages with academics, practitioners, and decision makers in facilitating for interventions and development planning that incorporates an in-depth understanding of the dynamics of illicit markets. The journal welcomes scholars and practitioners from all disciplines with an interest and expertise in the complexities illicit markets pose to the achievement of key development goals, such as the United Nations 2030 Agenda for Sustainable Development, and progress towards peace and security in fragile settings.

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From Alternative Development to Sustainable Development: The Role of Development Within the Global Drug Control Regime

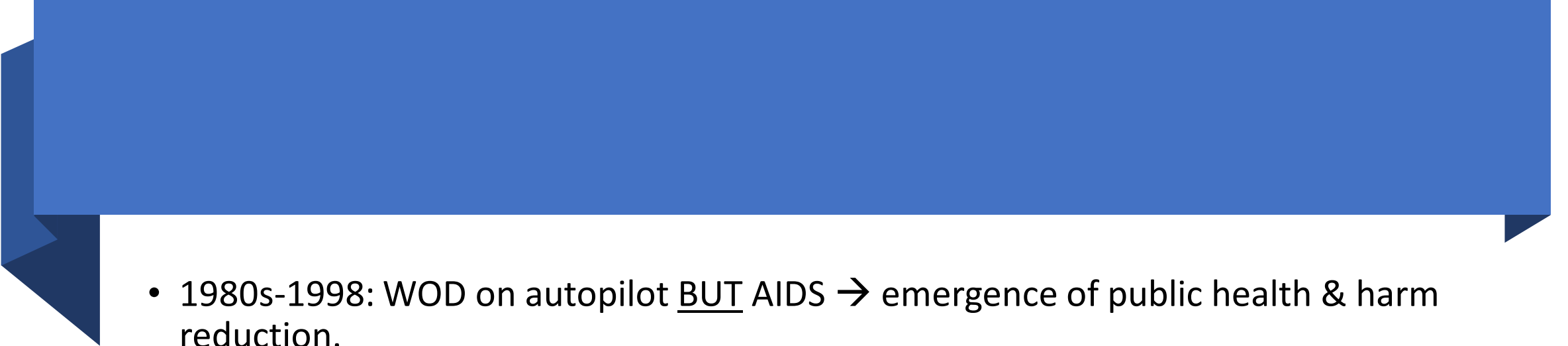
The Paradox of Local and Global in Drug Control

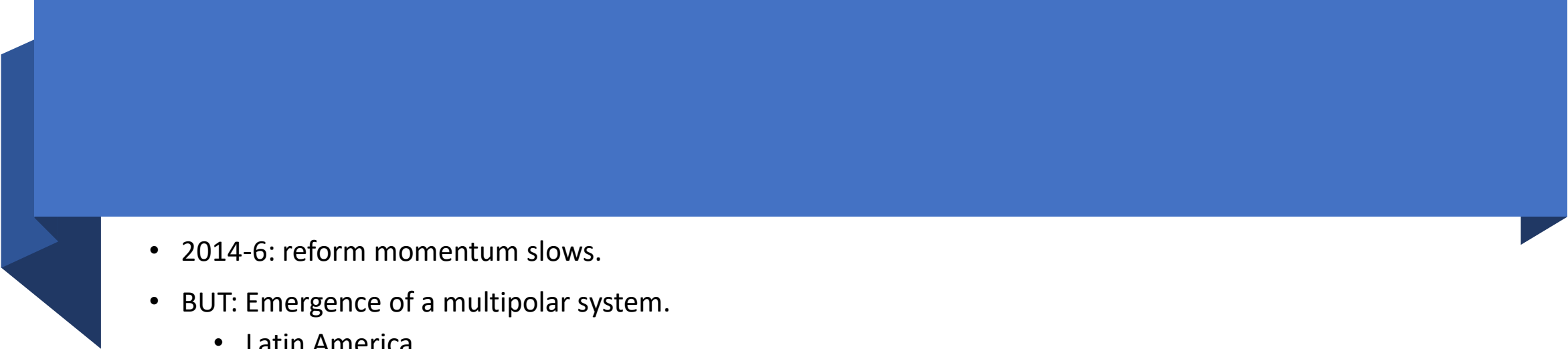
- Historically Drug Control seen as a global prohibition/suppression “regime”. A global policy framework contingent on local enforcement.
 - Not all institutions are capable of enforcing.
 - Not all states have capacity/will to enforce.
 - The illegality of markets themselves drives institutional rot and undermines the viability of good government.
 - Not all enforcement policies are good.
 - Traditionally poor alignment between development and enforcement goals.
- → *The failures and intractability of the “war on drugs”.*

The Long durée of Opium in Asia

- William O. Walker III wrote, “[t]here is no adequate way...to understand the foreign and security policy issues affecting Asia without appreciation of opium’s role” (Walker, 1992).
 - A commodity that has been fundamental to the development of Asian states.
- “the globalisation of the opium trade in Asia closely mapped onto the globalisation of transnational labour and population flows”, (Collins 2020).
- The expansion of drug supply and drug markets globally was an innate process of globalisation.
 - Chouvy: “[t]he caravan tracks of the Haw, which crisscrossed Siam very early, largely contributed in turning Thailand into a privileged hub of heroin trafficking” (Chouvy, 2013, p. 4).
 - i.e. deep socioeconomic substructures of these trades.
 - the contemporary trade routes serving legal and illegal commodities same that the Burmese had used previously to invade Siam, in 16th & 18th centuries (Chouvy, 2013)
 - ***The link between illicit economies, empire, state formation and conflict is at once inextricable and innately complex.***
 - Attempt to develop a value-added response must be cognisant.
- Thailand as a very specific case in a global drug control system/regime.

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- 1900 - 1939: Creation of International Regulatory Structure. League of Nations.
 - 1939 – 1945: War & Regulatory Capture.
 - 1945 – 1967: Recreation Int. Cooperation UN.
 - Culminates: 1961 Single Convention on Narcotics.
 - A “prohibitionist” treaty?
 - 1970s:
 - Solidification of Global Regulatory Apparatus.
 - Emergence of “War on Drugs” as a bilateral construct.

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- 1980s-1998: WOD on autopilot BUT AIDS → emergence of public health & harm reduction.
 - 1988 Convention, additional push on prohibitionist and repressive strand.
 - 1998: UNGASS: “A drug free world. We can do it!”.
 - 2008-12: Failures of UNGASS clear.
 - Civil society successes.
 - Latin American divergence.
 - 2012-4: Debate breaks open. All option on the table. E.g. Marijuana Legalisation occurs.

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- 2014-6: reform momentum slows.
 - BUT: Emergence of a multipolar system.
 - Latin America
 - vs. SE Asia & Russia.
 - US: Four Pillar “Brownfield Doctrine”, 2014:
 - **“Things have changed since 1961. We must have enough flexibility to allow us to incorporate those changes into our policies ... to tolerate different national drug policies, to accept the fact that some countries will have very strict drug approaches; other countries will legalize entire categories of drugs.”**
 - **2016 UNGASS Outcome Document.**
 - **2019 High Level Meeting.**

Post-UNGASS:

- System of “policy pluralism”.
- Post-war on drugs internationally with national resurgences.
- Recognising drugs as a development issue.
- Experimenting with regulation.
- Minimising harms of drugs and illicit markets.

How to Manage Fragmentation

- More recent scholarship seeking to adjust narrative in terms of “regime complex” or “complex Regulatory system”.
- We are seeing change at national and local levels.
 - This is creating complexity and dissensus at the UN level.
 - Integrationists (conservative & reformist) and pluralists (moderate and reformists).
- Drug wars and the politics of Policy Displacement.
 - → system as a mechanism of managing policy externalities and displacement globally?
 - How do we reach a better equilibria where → help mitigate rather than displace?
- How to get institutions working more seamlessly with common objectives.
 - E.g. Development vs. Drug Control.

Marginal Supply Interventions

- Assumption:
 - $D = f(\text{inelasticity: addictive; pleasurable; luxury goods})$.
 - $S = f(\text{renewable; global commodity chain; price sensitive})$
 - Market dynamics:
 - E1: $D = k$; $\downarrow \text{Supply} \rightarrow \uparrow \text{Price} \rightarrow \uparrow \text{Supply} \rightarrow \downarrow \text{Price} \rightarrow \text{E2}$
 - E2 = E1: i.e. zero effect; high costs.
 - Interdiction and eradication:
 - Aggregate Price $\uparrow \rightarrow \text{Agg D} \downarrow$
 - Displacement: “Balloon effect”.
 - Zero marginal efficacy. (Reuter and Pollack, 2014)
- i.e. return on marginal investment nil:
 - Policy implications?



Thank you

John.collins@globalinitiative.net