

A drug on the market

Today's report, revealing the extraordinary scale of the UK's drug trade, admits only one conclusion: the policy of prohibition has failed



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A Home Office report [published today](#) estimates the size of the UK illicit drugs trade at over £7bn. Using phrases like "market dynamics" and "enterprise structures", the report reads rather like a large business's annual report to shareholders. Except that this trade is entirely illegal and therefore totally beyond the reach of HM Treasury and the Department for Business, Enterprise and Regulatory Reform. It is the ultimate in deregulated markets, with absolutely no red tape for traffickers, suppliers and dealers.

To quote from the [report \(pdf\)](#): "There were very large mark-ups along the supply chain, from production to street level, for cocaine (circa 15,800%) and heroin (circa 16,800%)". Yes, you read it correctly, that's 16,000% mark-ups, unheard of in any other commodity market. The reason, pure and simple, is global prohibition. Is this a surprise to anyone in government? No.

The PM's Strategy Unit produced a [report \(pdf\)](#) in 2003 demonstrating in detail how this happens: it explained that "over the past 10-15 years, despite interventions at every point in the supply chain, cocaine and heroin consumption has been rising, prices falling and drugs have continued to reach users. Government interventions against the drug business are a cost of business, rather than a substantive threat to the industry's viability." (p94)

What the Downing Street report shows is that prohibition cannot prevent drug production, cannot prevent drug-trafficking, cannot prevent drug use, but that it does create huge volumes of acquisitive crime. But worse than all this, prohibition actually creates the vast unregulated market and all the misery and degradation that goes along with it from Afghanistan and Colombia to New York, Moscow and London.

These illicit profits are one of the single greatest corrupting economic forces in operation globally today. It is a policy of mass destruction, with dodgy dossiers to [support](#) its continuation and a group of senior politicians the world over which proclaims its success, despite its all-too-obvious horrors.

Now, however, there is an increasingly influential [group](#) of individuals and institutions demonstrating their opposition to the status quo. Given this growing opposition and sustained critique, one wonders why the Home Office continues to draw attention to prohibition's shocking failings. But, to the extent that they do, it gives us all the opportunity to see the reality of prohibition's impacts for what they are - and to let government know that the "war on drugs" is not being fought in our name.