

Understanding *the* drugs market



Johnny Connolly, National Drug Interventions, What works? November 2011

Improving people's health through research and information

Overview

- What is *the* drugs market?
- Different theoretical & disciplinary approaches
- The 'dark figure' of drug-related crime
- The drugs-crime linkage
- The uneven impact of drug markets for communities
- The changing nature of illicit drug markets
- Discussion: Why it is important to understand drug markets, drug-related crime and law enforcement responses





Economic approaches

- Commodity prices at different market levels, supply and demand relations
- The supply side
 - Production/ distribution/ seizures/ wholesale prices/ purity/ ease of entry/ costs and profits (UNODC)
- The demand side
 - No. of users/ frequency of use/ intensity of use/ retail prices/ purity and adulterants (Cannabis focus due to and access to price data)
- Market regulation
 - Buyers and sellers/ competition/ risk/ market boundaries/regulation
- Limitations
 - Economic rules cannot be applied easily to illicit drug markets





Ethnographic & qualitative approaches

- Lived experience, social processes, cultural practices (Participant interviews; dealers/police/users)
 - Markets as fluid and changing – no one drug market!
- Market structures
 - Hierarchical, network-based, ethnicity, family
 - Upper, middle and lower level (Research focus)
 - Open (street), Closed (Pub/club), Social
- Market tasks/roles/dynamics
 - Grower/producer/importer/wholesaler/couriers/runner/user
 - Violence/technology/street deals
- Community interaction - 'host' communities/treatment
- Dynamics and law enforcement – informers/seizures





Prevalence and survey data

- Population-based analysis
- Surveys of self-reported drug use, purchase and consumption behaviours
 - NACD capture/recapture surveys
 - Drug arrest surveys US ADAM/ Australia DUMA (Garda studies)/
- Online surveys
- Wastewater analysis at sewage plants
- Limitations: Not regular/ Expensive/ Focus on offending populations/ ethical issues with wastewater analysis



Two garda studies compared

	Keogh 1997	Furey and Browne 2004
Crime as main income source	59%	13%
Unemployment rate	84%	55%
Drug first used - cannabis	51%	55%
First introduced to drugs by a friend	81%	86%
Drugs sourced from local dealer	46%	76%
Number who had been to prison	81%	66%
Estimated daily expenditure	€51	€75





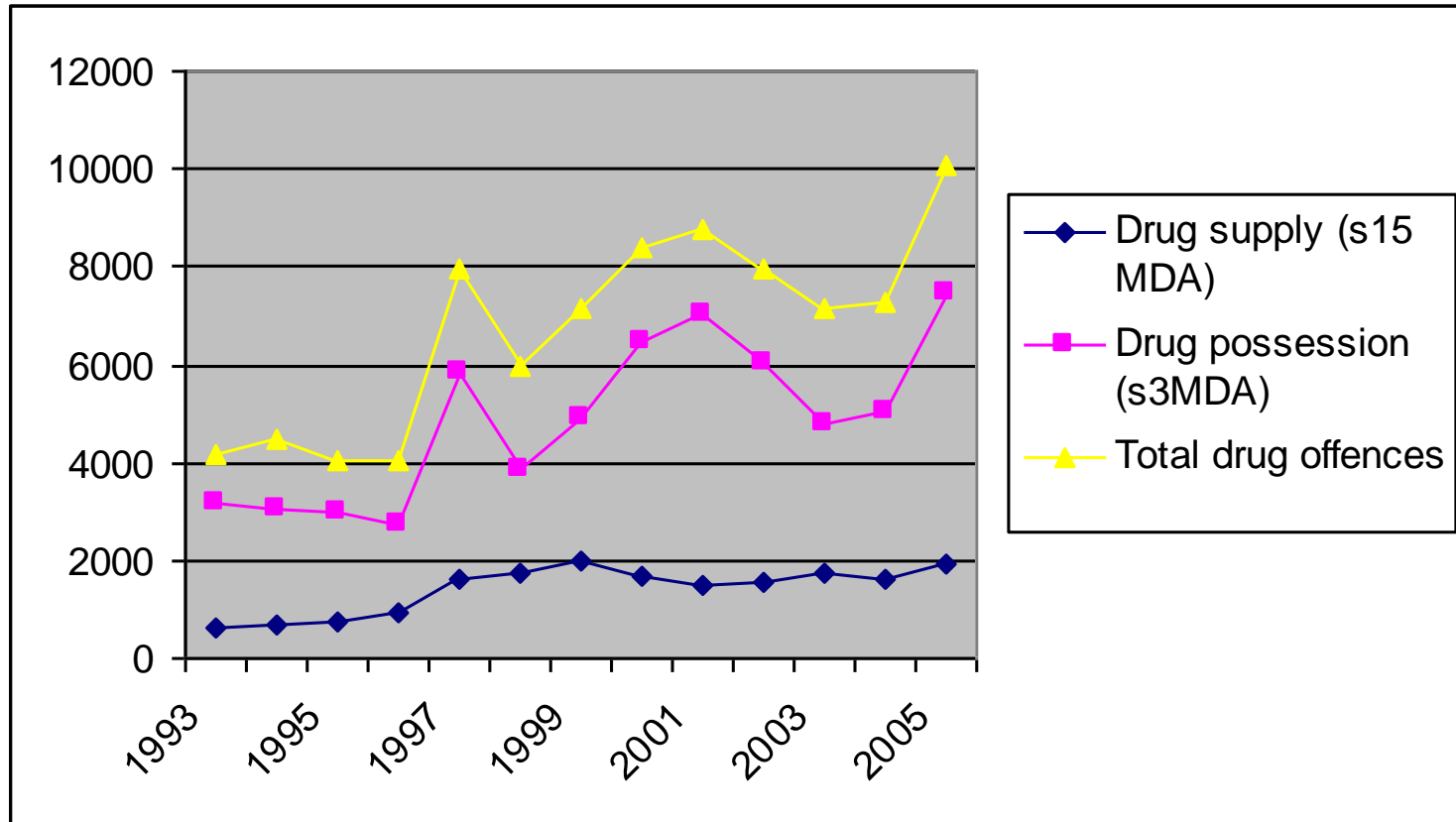
Criminological and supply reduction approaches

- The illegal behaviours of users, dealers, wholesalers, producers
- Studies to describe market characteristics
 - Violence/ nuisance/conflict
 - Geographical patterns of retail markets
- Police data
 - Arrests, prosecutions, seizures
- Limitations
 - Most police data not in public domain/ reflects police resources, activities and priorities

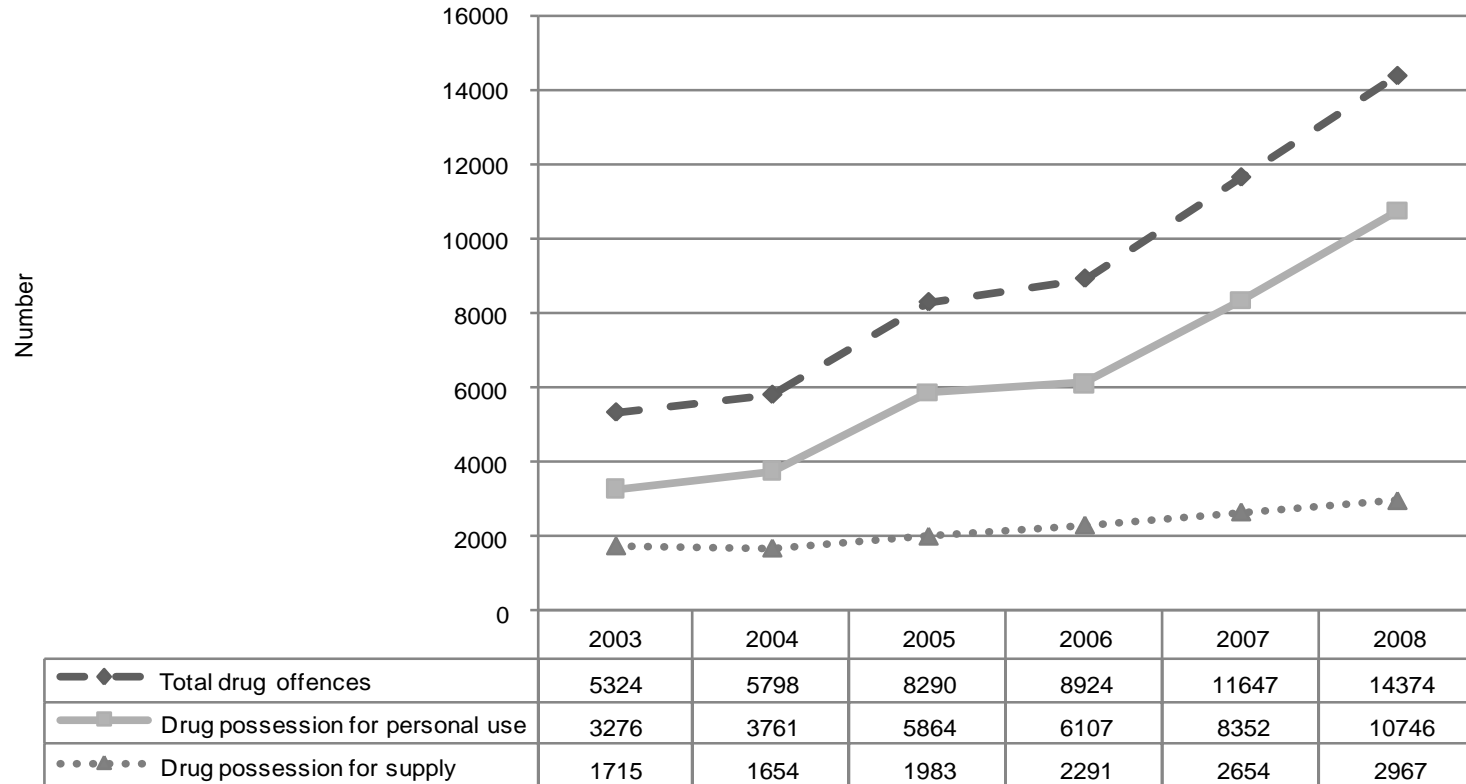


The official picture – what law enforcement does

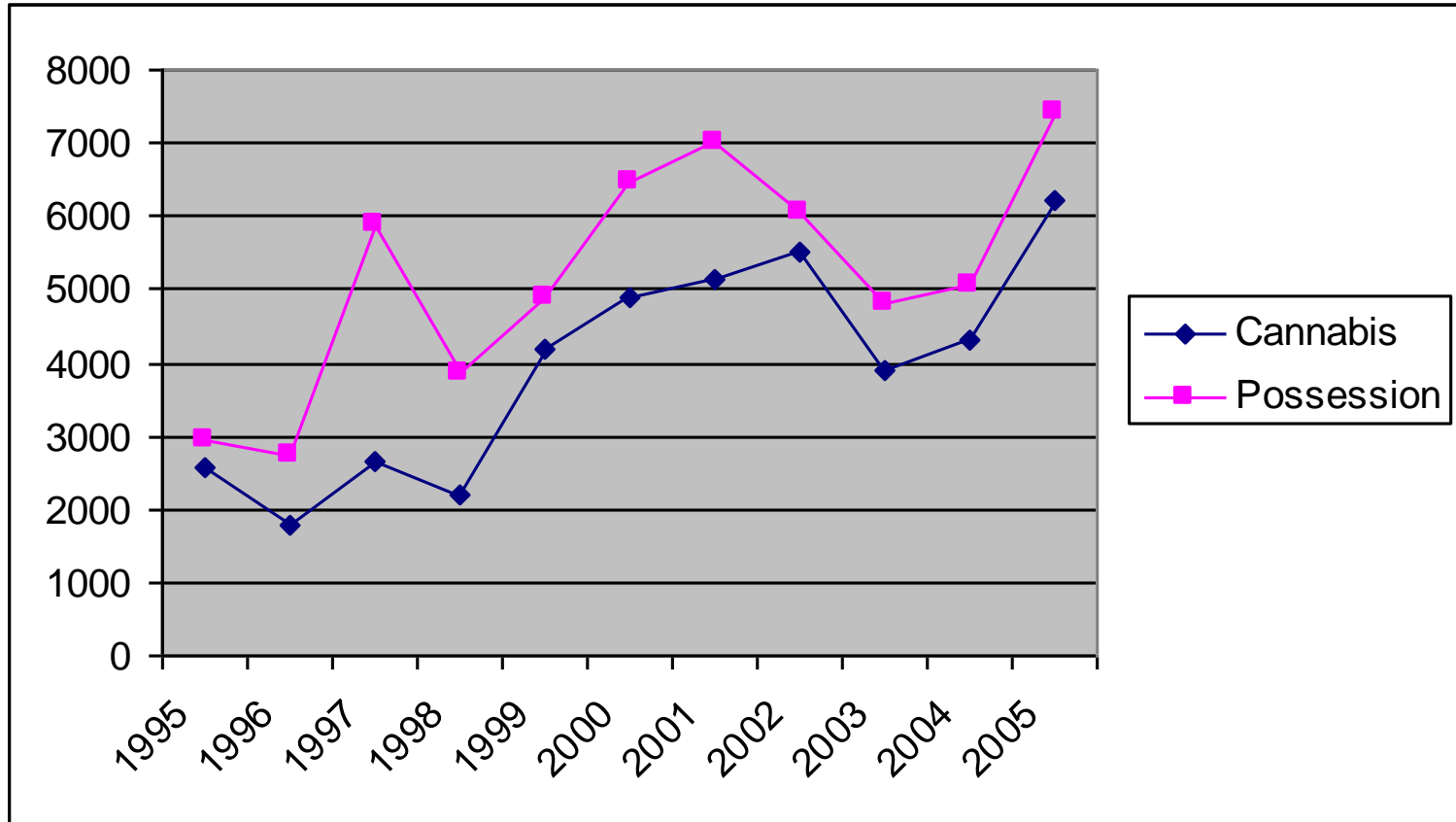
Trends in prosecutions for supply, possession and total drug offence prosecutions 1993–2005



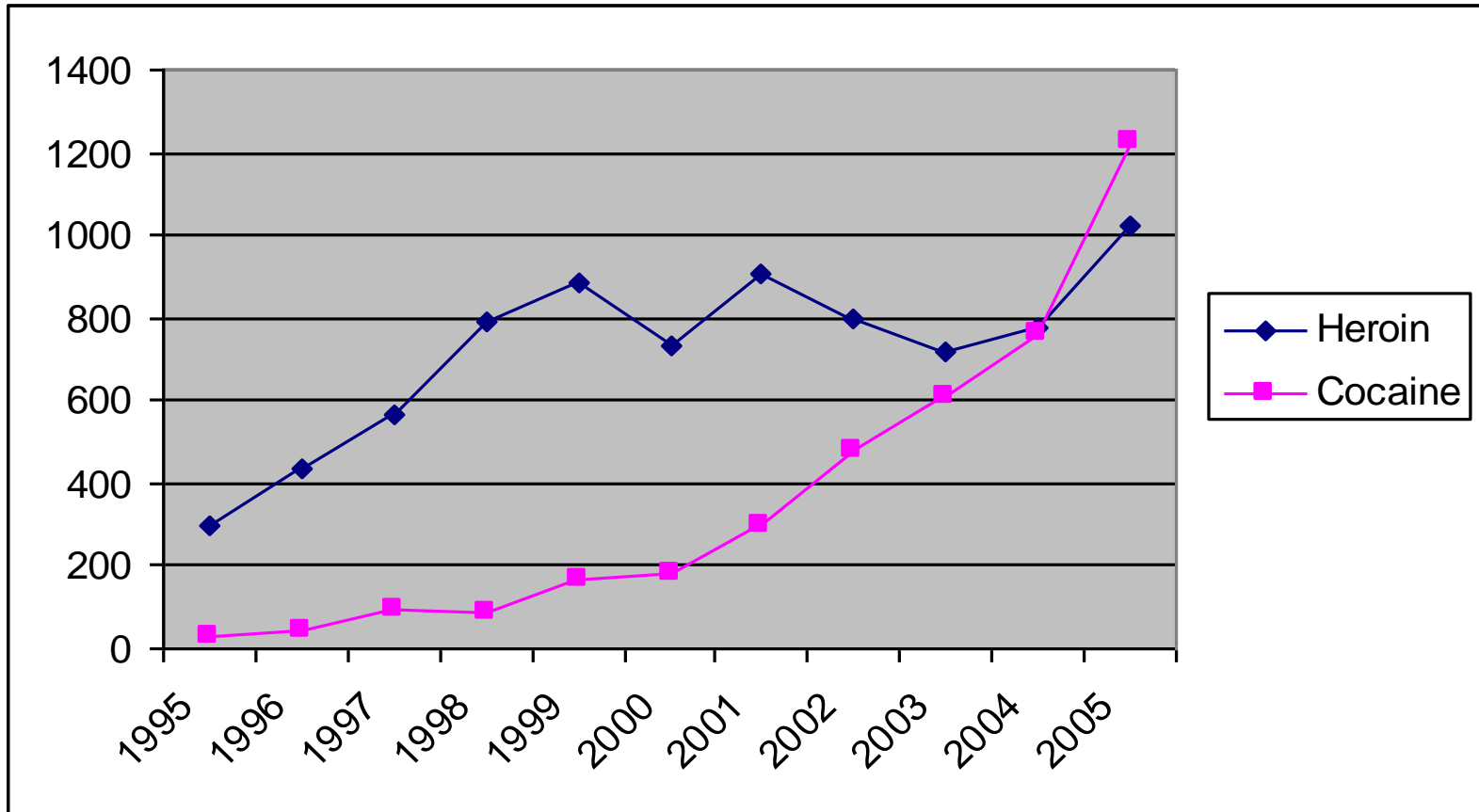
Drug offences 2003-2008



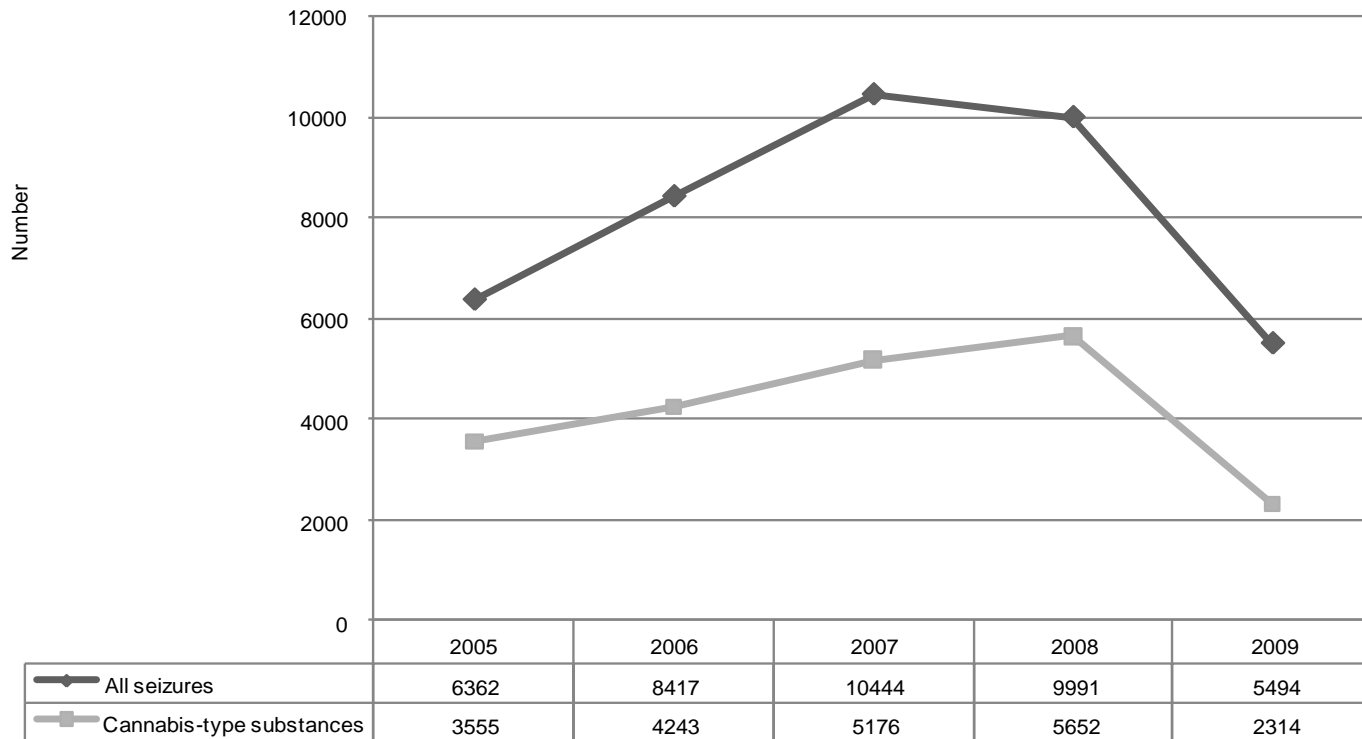
Cannabis and possession offences compared 1995 - 2005



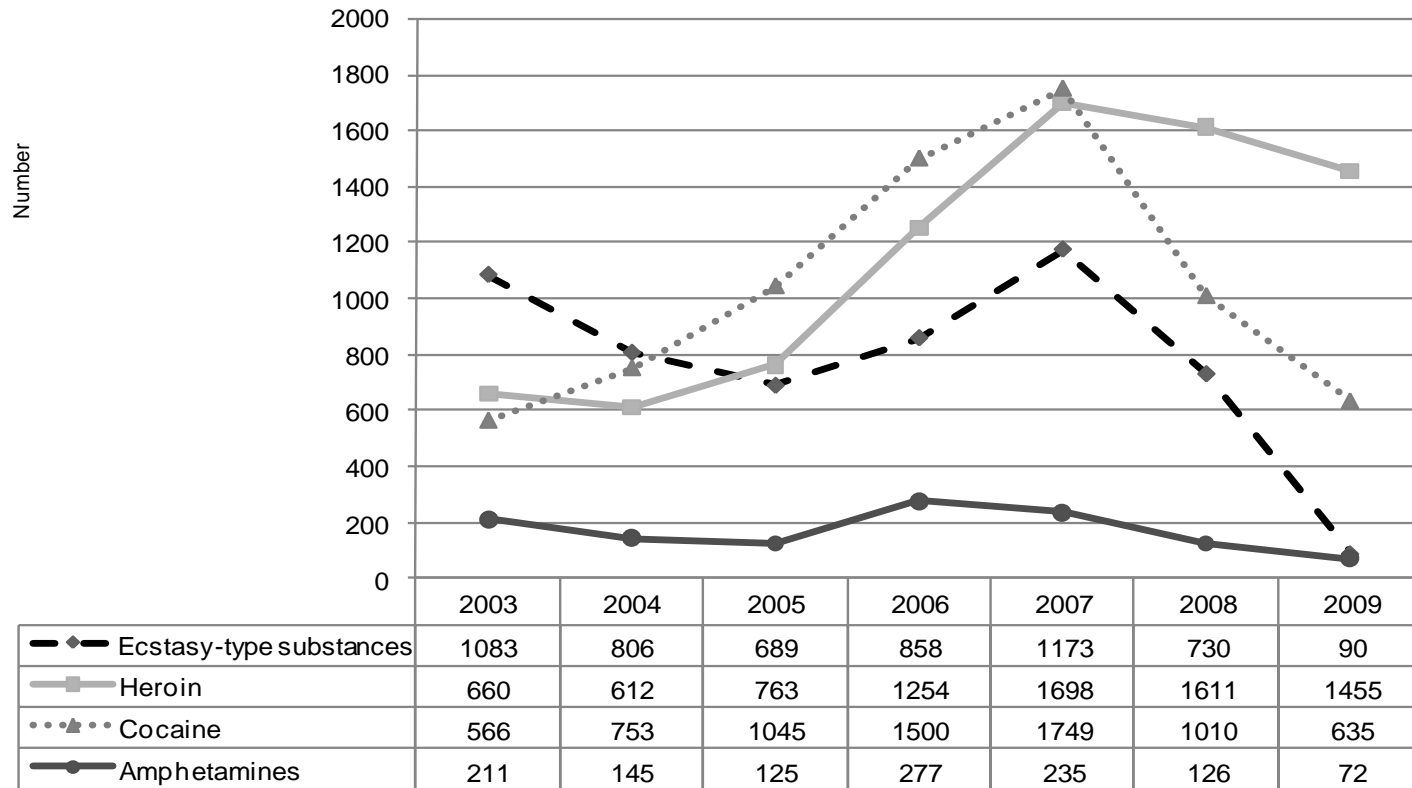
Heroin and cocaine prosecutions compared 1995 - 2005



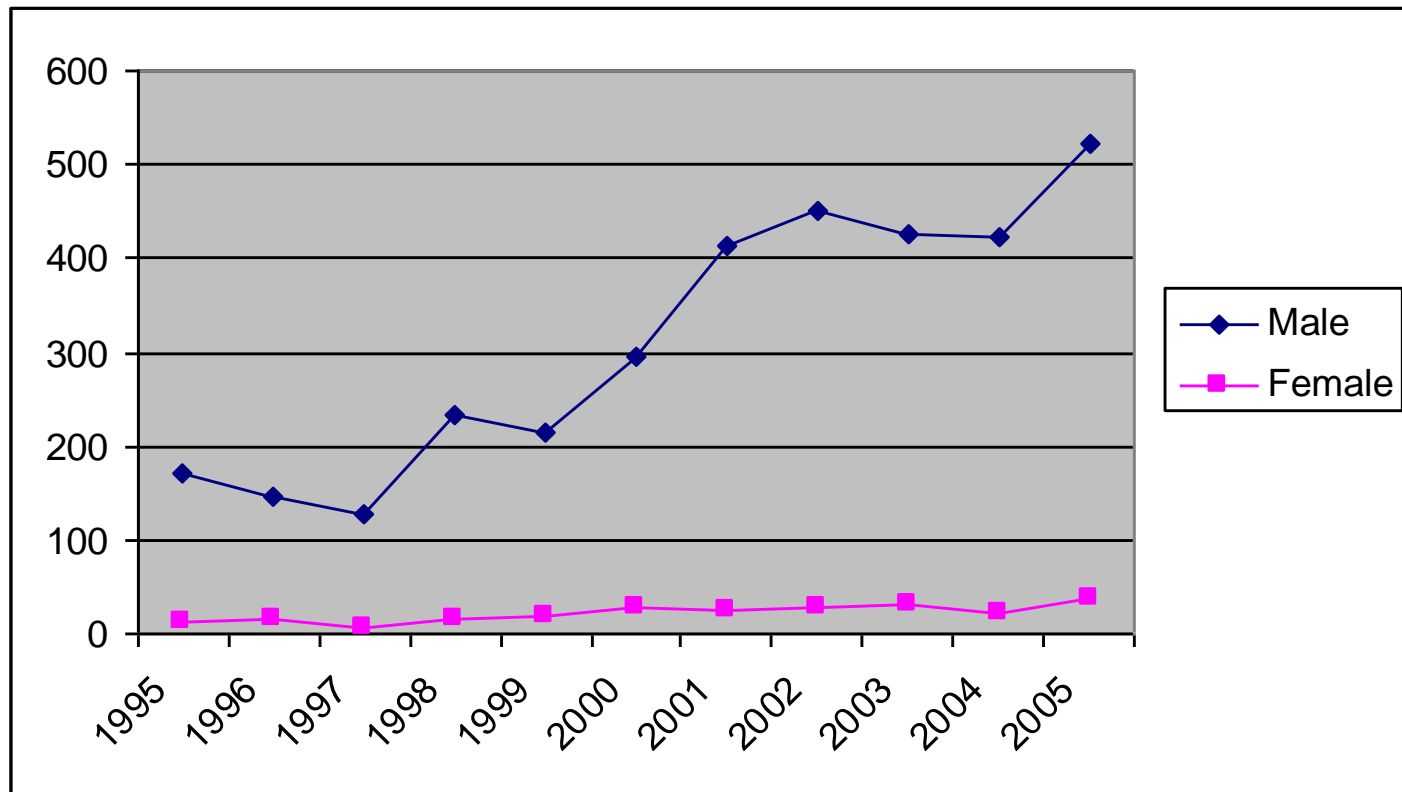
Drug seizures as an indicator



Other drug seizures



Under 17 year old's prosecuted for drug offences, by gender 1995-2005



But what are we missing?

- The law in statute & practice (Discretionary enforcement)
- What drug law enforcement actually involves (Intelligence-based dimension)
- The 'Dark figure' of ordinary crime
 - 1 out of 4 crimes reported (UK)
 - 40% reported are recorded (UK)
 - 1 out of 11 if shoplifting included
- 'Dark figure' of drug-related crime
 - Consensual offence/Tolerance
 - Fear and intimidation
- Attributive fraction of drug-related crime (theft, burglary, prostitution)





Understanding the link between drugs and crime

- The psychopharmacological model
- The economic compulsive model
- The systemic model
- The common cause model





Summarising the link between drugs and crime

- Most drug users do not commit crimes other than those of possession
- There is a link between some forms of illicit drug use and crime (Mostly heroin and cocaine).
- Most problematic users receive prison sentences for drug-related offences rather than drug offences
- Most problematic users began criminal career before drug use
- Drug use speeds up the rate of offending
- There is no clear causal link between drug use and crime
- Links between alcohol and violent crime exist in evidence



The uneven impact of drug markets





Consequences of drug markets for local communities

- Intimidation and violence
- No – go areas, particularly after dark
- Community stigma
- Development of gangs
- Perpetuation of cycle of violence
- Fear of reprisal
- Breakdown in community cooperation
- Failure of regeneration



Responding to drug markets – community level



Community responses to street level drug markets



State response – Criminal Assets Bureau & New Drug Laws



1992 – Drug barons reign

1996 – Veronica Guerin murdered

1997 – Drug barons run





Changing nature of drug markets

Hidden, Credit-based, Mobile, Violent,
Younger



What works for supply control?

- Challenge: Third biggest market globally after oil and arms
 - Global value \$94 billion, Wine & Beer \$24 billion, Tobacco \$21.6
 - Street prices far higher massive profits from dealing
 - Retail value four times higher than the wholesale value
- Little evidence supply control long-lasting impact on dealing levels – **some evidence of containment/ displacement**
 - Estimated that 10–20% available drugs seized
 - Amount undetected means long-term impact minimal
 - UK study 80% to be seized to have any real effect
 - Drug distribution adapt quickly, arrested dealers replaced
 - Demand inelastic for problematic users, relative to others
 - Increased prices may simply lead to more acquisitive crime





Discussion: why understand drug markets, drug-related crime and supply-reduction?

- To develop evidence-based legal interventions
 - Organised crime groups/Criminal law definitions vs Criminological definitions
- To assess impact of law enforcement
 - EU action plan to develop indicators
- Assess impact of legal reforms
 - the Portuguese experiment
- To understand dynamic between legal public health interventions and illicit markets





Discussion: why understand drug markets?

- To understand the unintended or adverse consequences of law enforcement
 - Mexican war on drugs
 - Impact of law enforcement on harm reduction
 - The origin and impact of the heroin 'drought'?
 - The consequences of 'head' shop' legislation
- To clarify the 'attributable fraction' of drug-related crime
- To appreciate the interaction between drug markets and their 'host' communities



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Go raibh maith agat

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