

## 1.1. The policy landscape

The multilateral drug control system is a very valuable piece of political capital, agreed upon through an incremental process spanning a century. Its legal framework is provided by the three international drug conventions<sup>a</sup>. Adherence to the conventions is almost universal, and most States Members of the United Nations have ratified them. The scope of control over drugs has broadened and deepened over the years, from the regulation of licit production and trade to the goal of international cooperation against the multi-faceted problem of illicit drugs.

As we approach the second century of international drug control, it is useful to look back in order to see more clearly forward. The central principle of the drug control system was, and still is, to limit the use of those psychoactive substances that are under international control to medical and scientific purposes. Nicotine, however, was never put under the control regime, even though it is a strongly psychoactive and addictive substance, and claims so many lives. Since the market for this 'licit' drug is relatively un-regulated, it offers an instructive comparison with markets for the more carefully controlled 'illicit' drugs (such as cannabis, cocaine, heroin and the ATS). A good indicator for comparison is the annual prevalence of drug (licit and illicit) use.

One fifth of the world population, 1.3 billion people, uses tobacco. Only 3% of the world population, which is less than 0.2 billion people, uses illicit drugs. Tobacco consumption is thus seven-fold more than illicit drug use. Comparisons of mortality are even more telling. The World Health Organization estimates that some 200,000 people died from drug abuse in the year 2000, equivalent to 0.4% of all deaths worldwide. Tobacco, however, claimed 25 times as many lives (4.9 million), equivalent to 8.8% of all deaths. If the measure of disability-adjusted life years (DALYs) is used, then drug abuse would have caused the loss of 11.2 million years of healthy life, but tobacco would have caused the loss of five times as many years of healthy life (59.1 million). These are dramatic illustrations of the efficacy of the multilateral drug control system. The number of illicit drug users would doubtless have been larger if illicit drugs were sold as freely as the licit ones.

Yet there can also be no doubt that the second half of the 20th century has witnessed an epidemic of illicit drug use. Though neither the numbers, nor the consequent label of an 'epidemic' can be very precise, it is quite clear that illicit drug use has increased very rapidly since the middle of the 20th century. The evolution of psychoactive substance use over time can be traced and

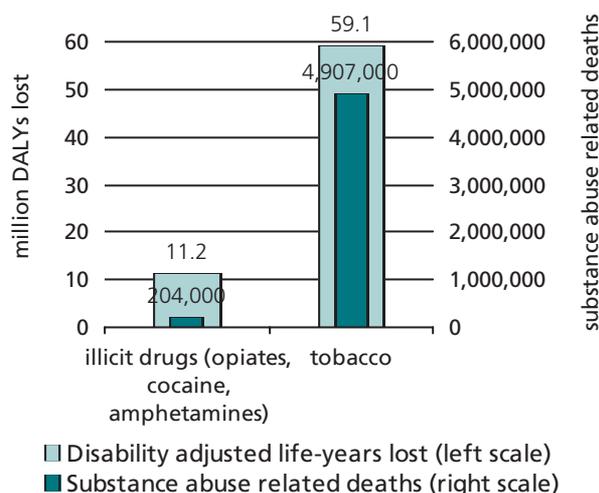
**Table 1: Extent of tobacco and illicit drug consumption, 2001-2003 (or latest year available)**

	Tobacco	Illicit drugs
GLOBAL (million people)	1,270	185
In % of global population	20%	3%
In % of global population age 15 and above	29%	4.2%

Sources: for illicit drugs: UNODC, Annual Reports Questionnaire data, various Govt. reports, reports of regional bodies, UNODC estimates; estimates for tobacco were calculated from individual country data published by the World Health Organisation.

a) The Single Convention on Narcotic Drugs of 1961 (United Nations, *Treaty Series*, vol. 520, No.7515), the Convention on Psychotropic Substances of 1971 (*Ibid.*, vol. 1019, No.14956) and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 (*Ibid.*, vol.1582, No.27627).

**Fig. 1: Substance abuse related deaths and disability adjusted life-years (DALYs) lost due to substance abuse at the global level**



Source: WHO, World Health Report, 2002

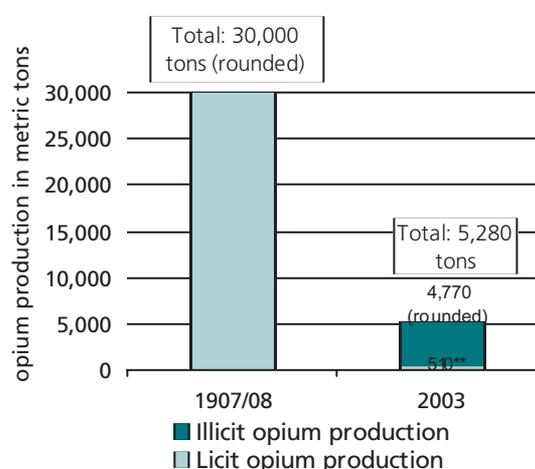
described by historical and anthropological enquiry. This yields fertile results, but is unlikely to be able to answer questions - so salient in the contemporary world - about whether the drug problem is getting better, or worse, and about whether drug production and consumption are decreasing, or increasing. Long-term enquiry is further impeded by the fact, noted above, that drugs became separated into legal and illegal ones no more than a century ago.

Measuring the size of the illicit drug problem today, in terms of how many drugs are produced, trafficked and consumed, is not easy but can be done. Given the illicit nature of the activity, it may not be a perfectly accurate estimate, but the current state of knowledge is certainly sufficient to provide a reasonable orders of magnitude, as the following chapters of this report demonstrate. Deriving a long-term trend from such an estimate, however, requires a comparable estimate for a certain period, or moment in time, in the past. Even in the best of circumstances, this is difficult. The systematic recording of economic, social and demographic statistics has followed industrialization, and seldom preceded it. It is thus nowhere more than about three centuries old. The creation of the United Nations and the unfolding of its development agenda in the second half of the 20th century obviously created huge improvements, particularly in establishing globally aggregated economic and demo-

graphic statistics. Establishing trends for illicit drug production and consumption is quite another matter, and has to rely on qualitative assessment derived from historical and anthropological study. Quantitative trend analysis in this area is thus limited by the availability of historical data, and that usually goes back no more than three or four decades.

One of the reasons why an international drug control system emerged in the 20th century was the opium problem in China. Long a problem in the country, at least from the 17th century onwards, opium use assumed epidemic proportions in the latter half of the 19th century. Because international drug control began with a conference, at Shanghai in 1909, to consider China's opium epidemic, a good deal more is known about it than about previous epidemics or problems of psychoactive substance abuse. Even though the numbers are uncertain, it is the first case in which some quantitative assessments of drug production and consumption are possible. For all the caveats, the numbers seem to indicate that a hundred years ago, China had nearly double the number of opium users (25 million<sup>b</sup>) as there are in the world today (15 million, see below). There was also, depending on the measure used, three

**Fig. 2: Opium production in 1907/1908\* and 2003 (excl. poppy straw)**



\* Licit opium production in 1907/08: China: 22,200 tons, India 5,100 tons, Indochina 1200 tons, Persia 600 tons, Turkey 560 tons;  
 \*\* Official forecast of licit production for 2003 by INCB; in 2002 licit production amounted to 820 tons.

Sources: International Opium Commission, Shanghai 1909, INCB, 2003 *Narcotic Drugs*, New York 2004, UNODC/ICMP narcotic survey reports 2003/2004.

b) International Opium Commission, Shanghai, China, 1-26 February, 1909; Vol. 1, *Report of the Proceedings*, p.68.

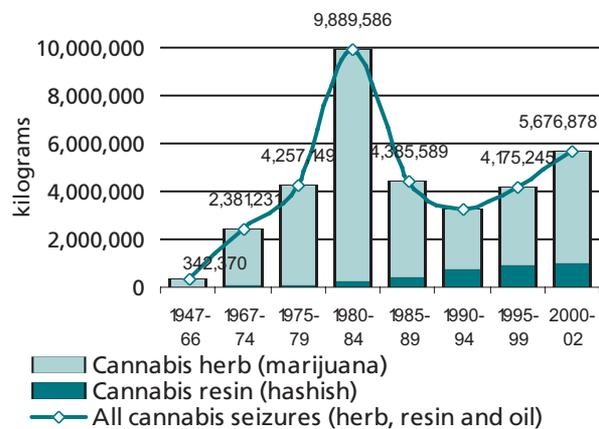
to six times as much opium produced in the world a century ago<sup>c</sup>.

While the opium epidemic of China can be used as a marker, it cannot constitute a baseline against which a subsequent world trend can be measured. All that can be said of the first half of the 20th century, therefore, is that after the Shanghai Conference, there were greater efforts to limit the use of some psychoactive drugs (botanical and synthetic) to medical purposes. In the second half of the century, clearer quantitative assessments become possible. In the 1950s, China solved its opium problem. In the same decade, Japan saw a huge increase in the abuse of methamphetamine, and brought it under control. An upsurge in drug abuse in many parts of the world, however, began to be perceived in the 1960s. Whether this was actually an upsurge or merely new awareness of an older phenomenon is difficult to establish. The upsurge was recorded in North America, then in Europe, and began to spread to developing countries along the main drug trafficking routes. In the United States of America (USA), the peak in drug use was reached in the late 1970s for cannabis and in the mid-1980s for cocaine (according to national household survey data). Drug use then fell until the early 1990s, rose again slightly in subsequent years, but appears to have been basically stable since the late 1990s. In the majority of other countries, by contrast, drug consumption continued rising. This has been the case in many parts of Asia, Africa, South America and Eastern Europe. In most of Western Europe drug use increased as well. Heroin use stabilised in the 1990s and this trend seems to have continued into the first years of the new millennium.

Though there is no long-term time-series data on drug abuse at the global level, a number of indirect indicators such as treatment for drug abuse, drug-related mortality, drug consumption/possession related arrests and drug seizures suggest that more drugs are now being consumed than a few decades ago. The most readily available indicator at the global level is seizure data. Drug seizure data has been collected at the international level since the times of the League of Nations and correlates positively -when considering longer-term trends - with drug production and drug consumption. This data shows increases over the last few decades, reflecting

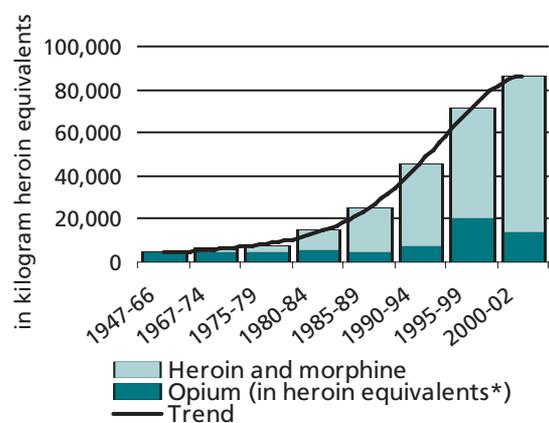
not only improved enforcement efforts or better reporting, but also rising drug problems in many countries of the world. In 2000-2002, average annual seizures of cannabis were 17 times higher than average annual seizures over the 1947-66 period<sup>d</sup>; seizures of opiates (opium, morphine, heroin) were 19 times higher; and cocaine seizures were as much as 8,700 times higher. There are no comparable figures for amphetamine-type stimulants (ATS), which were still legal in most coun-

**Fig. 3: Average annual cannabis seizures (herb, resin and oil)**



Source: UNODC, Annual Reports Questionnaire Data / DELTA.

**Fig. 4: Average annual seizures of opiates in heroin equivalents\***



\*using a transformation ratio of 10 kg opium equivalent to 1 kg of heroin and 1 kg of morphine equivalent to 1 kg of heroin

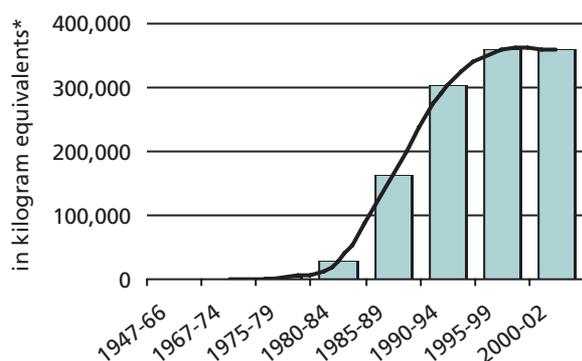
Source: UNODC, Annual Reports Questionnaire Data / DELTA.

c) The figure above does not account for most of the medical morphine produced in the world today, since that is extracted directly from the opium poppy plant by an industrial process (the "poppy straw method"). About 305 tons of licit medical morphine was produced in 2001/2002 (INCB, Narcotic Drugs 2002, New York, 2003). If this is converted back to opium, using an average conversion ratio of 1:10, we get 3050 tons of opium equivalent. Adding this to the opium estimate for 2002, we have a total of 8,360 tons, which is still nearly three times smaller than the 30,000 tons estimated for 1907/1908.

d) The sharp decline in cannabis seizures from the peak in the early 1980s was the result of eradication in South America and slowing demand in the USA.

tries in the 1950s and 1960s. This changed with the 1971 Convention on Psychotropic Substances. If current seizures are compared with average annual seizures over the 1967-74 period, ATS seizures (excluding ecstasy) grew 128 times.

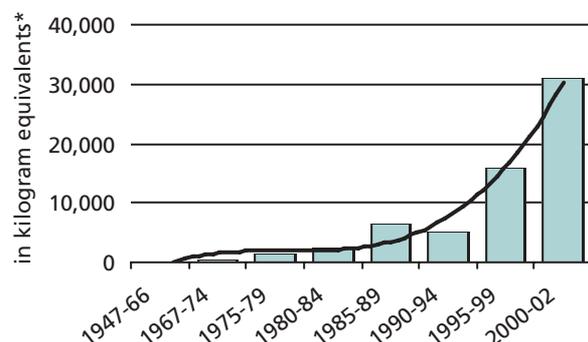
**Fig. 5: Average annual cocaine seizures**



\* using a transformation ratio of 1 litre equivalent to 1 kg.

Source: UNODC, Annual Reports Questionnaire Data / DELTA.

**Fig. 6: Average annual ATS seizures (excl. ecstasy)**



\* using a transformation ratio of 1 dose being equivalent to 30 mg of methamphetamine or amphetamine.

Source: UNODC, Annual Reports Questionnaire Data / DELTA.

The total number of drug users in the world today is clearly more than it was two or three decades ago (current estimates are detailed below). More countries are affected by drug abuse, particularly those in which drugs are produced, or through which the drugs transit. This trend has been exacerbated by the fact that the tradi-

tional plant-based drugs have been increasingly supplemented by synthetic drugs, thus providing a broader choice for consumers. Synthetic drugs have also reversed the traditional trafficking pattern of plant-based drugs, which went from developing countries to developed ones. The trend towards "globalization" facilitates cross-country trafficking, and "modernization" has diluted many traditional systems of regulating drug use. There are huge and evolving literatures on the subjects of modernization and globalization, and they are not detailed here. What is important to note, in the present context, is that the rapidity of social and economic change is double-edged, because it creates opportunities for rapid increases in drug abuse and the criminal activity that supplies illicit drug markets. This is not a new phenomenon. There is a dark side of technological progress, which has often created conditions for drug abuse to spread. The most well known examples are the gin epidemics of the 18th century after the discovery of the distillation process; the on-going tobacco epidemic after the mechanization of cigarette production and the invention of the safety match in the 19th century; and the morphine/heroin epidemics of the late 19th century after advances in chemistry made it possible to extract or refine the pure drugs from opium, and the invention of the hypodermic syringe made it possible to inject the pure drug directly into the bloodstream.

One further example, because of its great contemporary relevance, may better illustrate the problem. Urbanization is often used as an indicator for modernization and development. It is also closely associated with drug abuse. This is not to say that drug abuse is an exclusively urban phenomenon, because it is not. The rural incidence, however, seems either to be associated with developed regions of the world, or with traditional patterns of consumption (such as coca-chewing or opium-smoking) in less developed regions. It would thus seem reasonable to argue that rapid rates of urbanization create conditions in which drug abuse may spread more rapidly. In the second half of the 20th century, the drug abuse epidemic being discussed here has unfolded in parallel with a dramatic growth of urbanization. According to the latest United Nations estimates<sup>e</sup>, about 3 billion people, or 48% of humanity, now live in urban settlements. This proportion was only 29% in 1950. In 2007, the urban population is projected to surpass the 50% mark. For the first time in human history, there will be more urban than rural dwellers. Between 2000 and 2030, the world's urban population will grow at

e) United Nations, *World Urbanization Prospects: The 2003 Revision, Data Tables and Highlights* (ESA/P/WP.190, New York, 2004).

double the average annual rate of the total world population. At this rate of growth, the world's urban population will double in 38 years, or in about half the average lifetime of a person. Arresting the growth of drug abuse, therefore, will be that much harder to achieve.

In these kinds of enabling conditions, some of which were noted above, it is remarkable that the diffusion of the drug epidemic to the general population has been contained. Less than 5% of the youth and adult population - the annual prevalence rate of drug use today - is certainly evidence of containment, particularly when compared with the annual prevalence rate of some 30% for tobacco. There are, however, three important caveats. First, there is no clear baseline, as explained above, with which to compare this 5% diffusion. Secondly, though the large majority of the population (95%) remains untouched by illicit drug use, some very susceptible segments of that population, particularly youth, have been seriously affected by it. Thirdly, while it can be argued that a diffusion of the epidemic in the general population has been contained, it cannot be argued that the epidemic has been stopped, or eradicated. The overarching objective of the drug control conventions - restricting the use of psychoactive substances under international control to medical and scientific use - has not yet been achieved.

The overwhelming majority of countries and their governments, however, remain convinced that this is still a reachable goal. So, also, does public opinion in the vast majority of countries. Current levels of illicit drug use, together with the health consequences and criminal activities associated with it, have consistently been deemed unacceptable by both policy makers and public opinion. This is why the multilateral drug control system still enjoys almost universal adherence. The very fact of such an intensive and extensive level of consensus provides a crucial sense of perspective for evaluating the paradoxical actions of a small number of very vocal actors to break ranks and challenge the spirit of multilateralism.

The majority of governments, precisely because they still regard the drug conventions as relevant, have made continuous efforts to achieve better results in bringing the drug problem under control. It was in recognition of this equality - in suffering the consequences of drug abuse and in accepting responsibility for combating it - that the international community came together, ten years after the signing of the 1988 Convention, to re-examine the global drug problem. The twentieth General Assembly Special Session on Drugs (UNGASS)

devoted to 'Countering the World Drug Problem Together' that took place in New York from 8-10 June 1998 was called, in the Secretary General's words, to deal with the 'tragic reality' of the proliferation of drugs over the previous thirty years, 'an example of the previously unimaginable becoming reality very quickly'.

The Political Declaration adopted at UNGASS committed signatories to intensifying their efforts to resolve the drug problem with full respect for human rights and sovereignty and in a spirit of trust and cooperation. States agreed to establish the year 2003 as a target date for the introduction of new or enhanced demand reduction strategies and programmes in collaboration with public health, social welfare and law enforcement authorities and to achieve significant, measurable results by the year 2008. Within the same time frame, they agreed to develop strategies to eliminate or significantly reduce the illicit cultivation of the coca bush, the cannabis plant and the opium poppy.

Other key documents adopted at the Special Session include the Declaration on the Guiding Principles of Drug Demand Reduction and Measures to Enhance International Cooperation to Counter the World Drug Problem, the latter being subdivided into five areas for particular attention: the illicit manufacture of amphetamine-type stimulants (ATS) and their precursors; the control of precursors; judicial cooperation; money laundering, and international cooperation to eradicate illicit cultivation and to promote alternative development.

The innovative shifts in policy emphasis that resulted from UNGASS can be summarized as follows:

- A parity of approach between demand and supply policies;
- The setting of fixed goals and target dates for each sector of drug control;
- The focus on improving and standardizing methodologies for the collection and analysis of drug-related data;
- The cross-disciplinary and 'holistic' approach to the drug problem; and
- A greater burden sharing of drug control efforts by means of multilateral partnerships a) with the private sector and b) with other agencies in the UN system.

In many respects, policy developments at regional and national levels have taken their cue from the UNGASS call to action, particularly with regard to developing instruments for estimating the incidence, prevalence and consequences of illicit drug use and for interpreting

production, trafficking and seizure patterns; determined efforts are underway to make more accurate estimates of the costs to society of drug abuse. Thanks to UNGASS, the capacity to evaluate drug policies and programmes is gradually being incorporated into all national drug strategies.

A mid-term review of progress towards meeting the goals set at UNGASS was conducted last year. Over 70 government ministers and representatives from 124 countries participated in the Ministerial Segment of the 46th session of the Commission on Narcotic Drugs held in Vienna on 16 and 17 April 2003. The results, not presented here but detailed in reports to the Commission<sup>f</sup>, showed encouraging progress, but noted that the UNGASS goals were still distant<sup>g</sup>. The Ministerial segment concluded with a Joint Ministerial Statement and further measures to implement the action plans emanating from UNGASS<sup>h</sup>. Ministers reaffirmed their commitment to the outcome of UNGASS and to the principle that action against the world drug problem was a common and shared responsibility requiring an integrated and balanced approach. It was recognized that progress in meeting the goals set had been considerable but uneven, although the increased efforts and achievements of many States had shown positive results. Government representatives reaffirmed that international cooperation and the mainstreaming of drug control efforts were indispensable in attaining the universal aspirations of international peace and security, economic and social progress, a better quality of life and improved health in a world free of illicit drugs.

## 1.2 THE DYNAMICS OF WORLD DRUG MARKETS

### 1.2.1 What is the current level of drug use in the world?

The total number of drug users in the world is now estimated at some 185 million people, equivalent to 3% of the global population, or 4.7% of the population aged 15 to 64. The new estimates confirm that cannabis is the most widely used substance (close to 150 million people), followed by the ATS (about 30 million people for the amphetamines, primarily methamphetamine and amphetamine, and 8 million for ecstasy). Slightly more than 13 million people use cocaine, and 15 million use opiates (heroin, morphine, opium, synthetic opiates), including some 9 million who take heroin.

These estimates are based on data for the period 2001-2003, or the latest year available. Overall, the new estimates are slightly higher than those reported in the previous World Drug Report (2000), which reflected the drug use situation in the late 1990s. Changes in the two sets of estimates must be interpreted with caution, however, because they not only reflect actual changes in the number of drug users but, to an unknown and probably large extent, changes in data collection and reporting methods as well. With these caveats in mind, a simple comparison of the two sets of estimates shows a strong increase for ecstasy and amphetamines, and a

**Table 2: Extent of drug use (annual prevalence\*) estimates 2001-2003**

	All illicit drugs	Cannabis	Amphetamine-type stimulants		Cocaine	Opiates	of which heroin
			Amphetamines	Ecstasy			
(million people)	<b>185</b>	<b>146.2</b>	<b>29.6</b>	<b>8.3</b>	<b>13.3</b>	<b>15.2</b>	<b>9.2</b>
in % of global population	3.0%	2.3%	0.5%	0.1%	0.2%	0.2%	0.2%
in % of global population age 15-64	4.7%	3.7%	0.7%	0.2%	0.3%	0.4%	0.2%
* Annual prevalence is a measure of the number/percentage of people who have consumed an illicit drug at least once in the 12 month-period preceding the assessment.							

f) Second biennial report on the implementation of the outcome of the twentieth special session of the General Assembly, devoted to countering the world drug problem together. Report of the Executive Director. E/CN.7/2003/2, Vienna, 17 February 2003.

g) Encouraging progress towards still distant goals. Progress report by the Executive Director to the Mid-term Review of UNGASS. UNODC/ED/2, Vienna, 8 April 2003.

h) Joint Ministerial Statement and further measures to implement the action plans emanating from the twentieth special session of the General Assembly. E/2003/28/Rev.1. E/CN.7/2003/19/Rev.1.