

Cato scholars reveal the true price of our endless battle

The Exorbitant Costs of the War on Drugs

On June 17, 1971, President Richard Nixon announced a “new, all-out offensive,” citing a barrage of statistics to justify his escalation of the war on drugs. The numbers were startling. In one frequently circulated figure, Nixon informed Congress that heroin addicts stole \$2 billion worth of property each year. Less publicized, however, was the fact that the total value of all property theft in 1971 was only \$1.3 billion.

So began the modern chapter in our country’s longest war. While seemingly minor, the president’s error was the perfect prologue to the 40-year fight against narcotics. “Nixon was blaming a quarter of a million addicts for 153 percent of the property crime committed in the U.S.,” author Dan Baum writes in *Smoke and Mirrors*, and “it was widely reported as holy writ.” The national conversation has since become increasingly diluted with misinformation. The Cato Institute, however, has been there to counter this trend.

In June, at a forum marking the 40th anniversary of Nixon’s declaration, two leading experts debated the true impact of the war. Robert DuPont, MD, president of the Institute for Behavior and Health, emphasized that current policy stems from “a completely bipartisan effort.” As the country’s second drug czar from 1973 to 1977, DuPont argued that drug use is a form of “chemical slavery” that confines the addict. “There’s nothing less free than a person addicted to drugs,” he concluded. Jeffrey Miron, senior fellow at Cato, took a different approach.

An economist at Harvard University, Miron framed the debate in terms of his area of expertise. “The prohibitionist mentality assumes that the only goal is reducing drug use,” he said. But a narrow focus on this potential benefit overlooks one critical component of enforcement: the cost. In a Cato white paper last year, Miron found that legalizing drugs would reduce government expenditures by \$41.3 billion annually. These dollar amounts, however, only scratch the surface of the drug war’s true toll.

“What prohibition does is it creates a black market,” Miron explained at the



Former Baltimore mayor **KURT SCHMOKE** (left) attended a Cato Debate on the 40th anniversary of President Nixon’s “war on drugs.” At the forum, **JEFFREY A. MIRON**, senior fellow at the Cato Institute, faced off against former White House drug czar Robert L. DuPont.

debate, “and in that market, a bunch of really unfortunate things happen.”

One such cost is an increase in crime. Without courts to turn to, drug pushers have to rely on violence to resolve disputes. As Milton Friedman wrote in Cato’s 2000 book, *After Prohibition*, “only the well-financed and well-armed drug dealers can survive.” In effect, they substitute guns for lawyers. Because the emphasis is placed on narcotics—an inanimate object—the “war on drugs” dehumanizes the fight. But this label is a misnomer that effectively conceals the true victims. “This war is being waged on people,” Friedman continued.

The human cost can also be calculated in the erosion of civil liberties. In a 2006 Cato analysis, media fellow Radley Balko found that police were conducting as many as 40,000 no-knock raids each year. These raids involved unannounced forced entry by paramilitary units—and they were usually used to carry out narcotics warrants. “America’s war on drugs has spurred a significant rise in the number of such raids, to the point where in some jurisdictions drug warrants are only served by SWAT teams,” Balko wrote.

The fight has taken its toll on law enforcement as well. Drug dealers have bribed police officers and judges. “Today, corrupt officers are actually using their police powers of search and arrest to assist gangsters with their activities,” writes Tim Lynch, director of the

Cato Institute’s Project on Criminal Justice.

The list of costs goes on. Some argue that legalization would be a surrender to pushers and cartels. It wouldn’t. “It would simply be an acknowledgement that the cost of this war. . . is too high,” Cato executive vice president David Boaz wrote in the *New York Times* in 1988—a piece that had a lasting impact. In short order, Baltimore mayor Kurt Schmoke called for a national debate on legalization; Rep. Pete Stark requested that his colleagues in Congress consider it as a solution; and *Nightline*, *This Week with David Brinkley*, and the *CBS Evening News* all had discussions on the issue.

Weeks before the Cato debate this summer, the Global Commission on Drug Policy released its much-anticipated report. The 19-member panel—which included former secretary general Kofi Annan, former secretary of state George Shultz, and former Fed chairman Paul Volcker—was unequivocal. “The global war on drugs has failed,” they concluded, “with devastating consequences.” As public opinion turns against the war, official support seems to be following suit.

And while drug-reform advocates haven’t yet witnessed the anticipated sea change, the tide is certainly turning. “The war on drugs is thousands of miles long,” then-governor of New Mexico Gary Johnson explained at a Cato conference in 1999, “but it’s only about a quarter-inch deep.” ■