

**TABLE 1: Economic Misunderstandings of Drug Prohibition and Enforcement**

OPERATING PRESUMPTIONS	REALITY
<p>A. Drug enforcement will raise the price of drugs, making them less attainable and/or desirable.</p>	<ol style="list-style-type: none"> <li>1. Higher prices lead to greater potential return, drawing in more participants to sell drugs and try to receive those profits, thus increasing supply.</li> <li>2. Higher prices push addicted users who are under/unemployed into crime or more crime to get more money to buy more expensive drugs.</li> <li>3. Higher prices mean greater cash revenues, making drug markets more attractive targets for robbery.</li> <li>4. Higher revenues create more money laundering.</li> <li>5. Higher revenues increase ability to bribe police, prosecutors and judges.</li> </ol>
<p>B. Enforcement of drug prohibition will reduce violence.</p>	<ol style="list-style-type: none"> <li>1. Illegal drug industry has no recourse to courts for non-violent dispute resolution.</li> <li>2. Suspected informants are now targets of retaliatory violence.</li> <li>3. Removal of dealers by arrest creates market opportunities in which competitors, lacking traditional marketing tools, rely upon violence.</li> <li>4. The highly profitable illegal drug trade is an all-cash business requiring proprietors to hire the most violent and ruthless people to provide security.</li> <li>5. Drug purchasers are exposed to violence when buying drugs.</li> <li>6. Low-level drug offenders who make up the majority of incarcerated drug offenders face violence and rape in prison.</li> </ol>

<p>C. More law enforcement resources allocated to drug enforcement means more effectiveness and less crime.</p>	<ol style="list-style-type: none"> <li>1. With finite resources, more drug enforcement means less investigation and enforcement of homicide, rape, robbery, burglary, assault and theft.</li> <li>2. Addict-generated crime and drug industry crime increase with drug enforcement.</li> <li>3. To avoid law enforcement, open air drug dealers stay in vulnerable areas to hide money and drugs and to conduct business.</li> <li>4. Potential for police corruption increases.</li> </ol>
<p>D. Drug enforcement is the most effective way to reduce drug use.</p>	<ol style="list-style-type: none"> <li>1. Drug courts treat less than 5% of drug-using defendants.</li> <li>2. Treatment is four times more cost-effective than incarceration at reducing drug use.</li> <li>3. Treatment programs are cheaper than imprisonment per person.</li> <li>4. Increased imprisonment has not deterred drug traffic or use.</li> <li>5. Records of criminal conviction suppress employability, buying power, marriageability, and weaken communities.</li> </ol>
<p>E. Drug enforcement improves public health.</p>	<ol style="list-style-type: none"> <li>1. Prohibition creates a stigma deterring drug addicts from voluntarily seeking treatment.</li> <li>2. Drug enforcement "stop and frisk" street tactics discourage injecting users from carrying their own needles, increasing the prevalence of sharing infected needles.</li> <li>3. Enforcement of anti-paraphernalia laws suppresses needle exchanges and pharmacy sales of clean needles.</li> <li>4. Hepatitis, HIV and AIDS spread from drug users to children, sex partners, and health workers.</li> </ol>

F. More drug enforcement will support economic development of businesses and communities.

1. Drug prohibition enforcement increases violence, public disorder, property crime and the spread of disease. As a result:
  - a. Costs of victimization increase.
  - b. Fear of crime reduces customer traffic on commercial streets.
  - c. Security costs increase.
  - d. Insurance underwriting losses and premiums increase.
  - e. Greater expense and need for background checks.
  - f. Increased shoplifting or inventory shrinkage.
  - g. Taxes are higher to pay for prisons, courts and police.
  - h. Depressed tax base due to reduced value of real estate and business activity.
  - i. Employees reluctant to work in certain neighborhoods.
  - j. Traffic congestion and commute times increase as workers choose to live further from center-city jobs because convenient neighborhoods are afflicted by the drug trade.
  - k. Neighborhoods afflicted by the illegal drug trade and its prohibition-associated violence are avoided by investors, business owners, and services.