

# SCENARIOS FOR THE DRUG PROBLEM IN THE AMERICAS

## 2013 – 2025

by the Scenario Team appointed  
by the Organization of American States  
under the mandate given to the OAS  
by the Heads of Government of Member  
States Meeting at the 2012 Summit  
of the Americas in Cartagena de Indias



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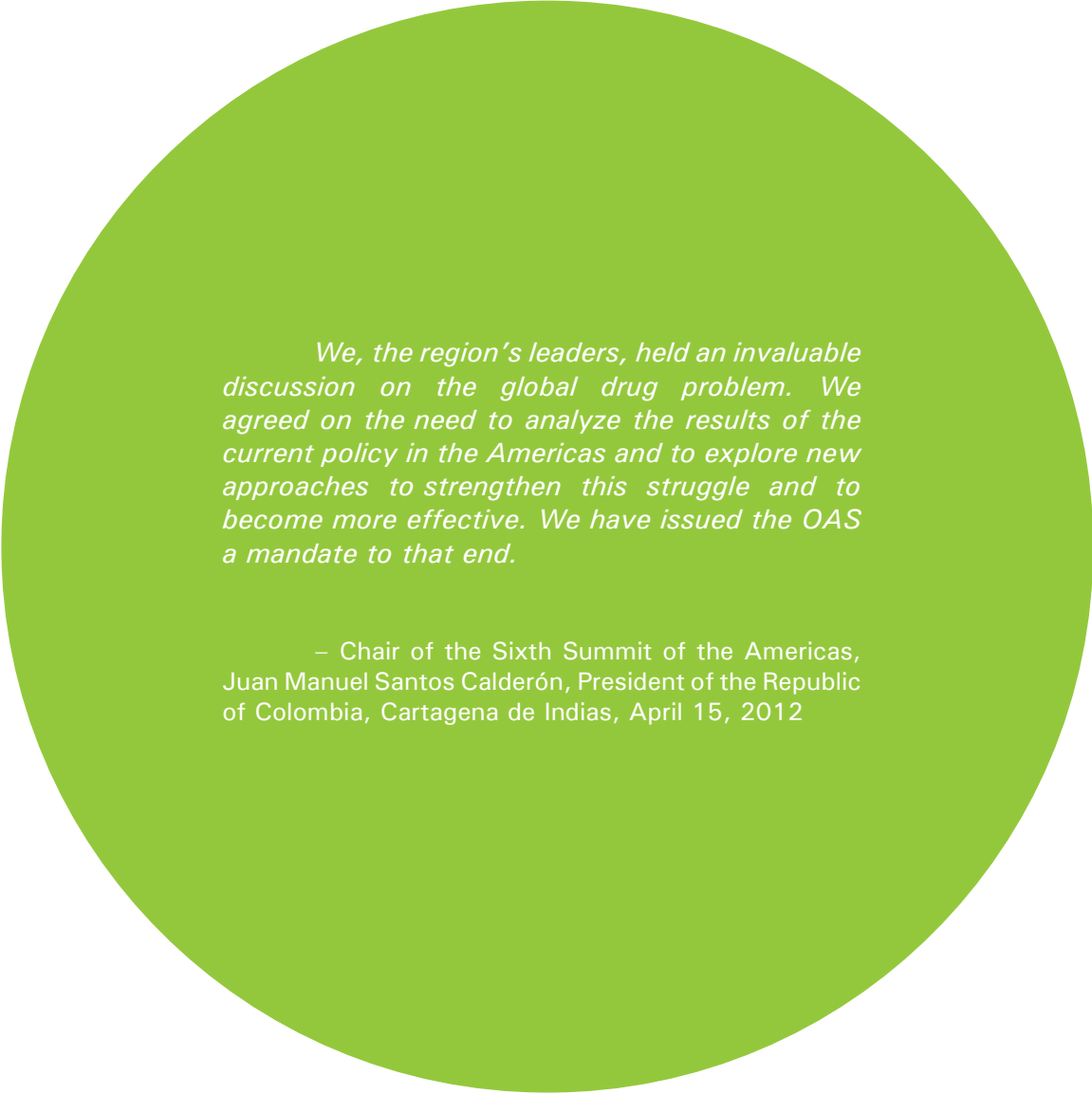


Organization of  
American States

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**Secretary General**  
**José Miguel Insulza**

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*We, the region's leaders, held an invaluable discussion on the global drug problem. We agreed on the need to analyze the results of the current policy in the Americas and to explore new approaches to strengthen this struggle and to become more effective. We have issued the OAS a mandate to that end.*

– Chair of the Sixth Summit of the Americas,  
Juan Manuel Santos Calderón, President of the Republic  
of Colombia, Cartagena de Indias, April 15, 2012



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# Declaration by Secretary General of the OAS José Miguel Insulza 20 January 2013, Panama City

This meeting originated in the last Summit of the Americas, where the Leaders and Heads of State and Government reached significant consensus on some basic concepts: that the drug problem is one of the most important challenges facing the hemisphere, with its impact on public health and the cost incurred by States, and with the tremendous amount of violence that it brings. Second, that the current approach, beyond some important results, has not been successful and is not working well enough. And third, we must find and mix new and better alternatives, without ceasing all that we are doing, that can enrich our current focus in its different aspects.

For this, the Summit of Heads of State and Government in Cartagena gave us a mandate to produce two documents: an analytical report to look at current trends, best practices, and policy challenges; and a set of scenarios about what might happen in the future and the results that could be expected in each scenario. The purpose of the Analytical Report and the Scenarios is to assist the hemisphere's leaders to find a better way to address these challenges. It is neither our duty nor our job to marry ourselves to a single policy option or to choose a single scenario. That is up to the Heads of State and Government.

For the task of creating scenarios, we sought the best people. Naturally, we couldn't include them all, but we think that with the dozens of people who are gathered here, we have assembled a group of significant, relevant, and knowledgeable individuals who are committed to engaging one hundred per cent in this work.

What we need then from you, the Scenarios Team, is to build a set of scenarios of what is possible – a credible, clear, and honest report should be developed, with scenarios that are relevant and plausible, yet challenging, in relation to decisions that could be taken by our Heads of State and Government. The Scenarios and Analytical Report should open up a path to a new hemispheric dialogue on how to act.



# What Scenarios Are About

These scenarios are stories about what could happen in the future – not what *will* happen (forecasts) or what *should* happen (policy recommendations) but what *could* happen over the coming years in and around the hemispheric drug ‘system’, based on current trends and including relevant political, economic, social, cultural, and international dynamics.

For the construction of these “Scenarios for the Drug Problem in the Americas, 2013 – 2025,” a team of outstanding individuals from security, business, health, education, indigenous cultures, international organizations, the justice system, civil society, and politics, including former and current government officials from across the Americas, gathered together for two meetings of intense conversation. They created four scenarios based on their own diverse experiences and understandings; on an Analytical Report prepared by a team of leading experts; and on a set of interviews of 75 leaders from across the Hemisphere, including current and former Heads of Government.

These very different stories of the possible evolution of the current situation are intended to be *relevant, challenging, credible,* and *clear* in order to be useful in strategic conversations of leaders about the best ways to address the problems of drugs in the Americas. The purpose of the stories is to provide a common framework and language to support dialogue, debate, and decision-making among Heads of Government and other actors, within and across countries. They are intended to support an open and constructive search for answers to core questions of drug policy and strategy: What opportunities and challenges are we and could we be facing? What are our options? What shall we do to better respond to the drug problem in the Americas?

Scenarios play a very particular role in strategic planning. Because they are stories – that is, fictions – and because they come in sets of two or more different, plausible stories, they offer the political advantage of supporting informed debate without committing anyone to any particular policy position. Scenarios enable us to deal with the reality that although we cannot predict or control the future, we can work with and influence it.

More specifically, scenarios are used to support the formation of policy and strategy through the use of scenario-based dialogues. The purpose of such dialogues is not to redo the construction of the scenarios, but rather to use the scenarios as they are written to discover what can and must be done. The most fruitful dialogues of this kind involve a representative group of interested and influential actors from all across the whole system in question. (This system can be a government, city, sector, community, nation, or

*“Scenarios deal with two worlds: the world of facts and the world of perceptions. Their purpose is to gather and transform information of potential strategic significance into fresh perceptions, which then lead to strategic insights that were previously beyond the mind’s reach.”*

*—Pierre Wack, co-founder of the scenario team at Royal Dutch Shell*

region, for example.) Diversity is important – not just friends and colleagues but also strangers and opponents.

There are four key steps for this kind of scenario-based dialogue. First, the scenarios are presented through text, slide presentation, storytelling, or video. Second, for each scenario the group addresses the question, “If this scenario occurred, what would it mean for us?” and works out the opportunities and challenges the scenario poses. Third, the group deals with the question, “If this scenario occurred, what could we do? What options do we have?” Finally, the group steps back to the present and considers the question, “Given these possible futures, what shall we do next?”

# Common Terms

## Policy Terms

- **Decriminalization**

*Eliminating criminal penalties* for the unauthorized consumption and possession (typically of amounts small enough to be for personal use only) of a controlled substance. In a decriminalized system, the act no longer results in criminal sanctions like incarceration, but administrative sanctions may still apply in some jurisdictions – for example, fines or community service, or merely a summons or citation. In some places use and possession for personal use cease to be a punishable offence or infraction altogether, so no sanction, criminal or administrative, is applied at all.

- **De-facto legalization**

*Not applying statutes* that penalize the production, distribution, or consumption of a substance to the fullest extent. For the concept represented by this term, it might be more accurate to speak of *de facto decriminalization*, which occurs when the criminal justice system fails to operate or take action without formally having lost the power to do so. It is usually a result of the evolution of customs in a society when a practice begins to be socially accepted despite still being formally prohibited, or of the criminal justice system being overburdened and therefore failing to intervene in minor offenses, focusing attention on more serious criminal behavior. In jurisdictions with discretionary legal powers based on the expediency principle (applying a public interest test when deciding about priorities for criminal prosecution), the practice of non-enforcement of certain offences can be formalized in directives to the police, prosecution, or judiciary.

- **Legalization**

The process of eliminating legal prohibitions on the production, distribution, and use of a controlled substance for other than medical or scientific purposes, generally through replacement with a regulated market. The term has often been associated with ‘liberalization’ or regimes in which the prohibition for certain drugs is ended without necessarily imposing strict state controls. It also sometimes refers to regimes of regulation to control commercialized production and distribution. The term ‘legalization’ is therefore usefully qualified for the sake of clarity – for example, ‘legalization and regulation’ or ‘free-market legalization’.

- **Regulation**

Refers to a wide range of regulatory frameworks to make controlled drugs legally available for other than medical and scientific purposes, but under certain state control that differs according to the health risks of various substances. Administrative control instruments can include prescription and pharmacy dispensing, conditioned licensing for production and distribution, taxation policy to maintain certain price levels, age restrictions, quality standards, and so on.

The nature and intensity of regulation may vary significantly, from light regulation (for example, caffeine-based drinks) to moderate regulation (for example, regulatory frameworks for alcohol and tobacco), to strict regulation (for example, prescription opiates).

## Other Terms

- **Dependent drug use**

Use that has become habitual and compulsive despite negative health and social effects.

- **Drug offender**

Someone who violates drug laws – for example, illicit production, possession, or trafficking.

- **Drug Treatment Court**

A specially designed court calendar or docket, the purposes of which are to achieve a reduction in recidivism and problematic drug use for offenders and to increase the likelihood of successful rehabilitation through early, continual, and intense judicially supervised treatment, mandatory periodic drug testing, community supervision, appropriate sanctions, and, when available, rehabilitation services other than drug treatment.

- **Drug-dependent offender**

Someone who is dependent on drugs and who commits a crime under the effect of drugs or linked to that dependency (for example, driving under the influence, assault, theft).

- **Harm reduction**

‘Harm reduction’ refers to policies, programs, and practices that aim to mitigate the negative health, social, and economic consequences of using legal and illegal psychoactive drugs, without necessarily reducing drug use. Harm reduction is based on the prin-

principle that drug users, rather than society, are the primary agents of change for reducing the harms of their drug use. The concept was originally developed mainly to address the direct harms related to problematic drug use, especially the prevention of overdose and HIV infection (and other blood-borne diseases) among injecting drug users by needle exchange and substitution treatment, but also with heroin prescription and supervised drug consumption rooms. More recently, the term ‘harm reduction’ is also used to refer to changes in policy priorities towards reducing the harms related to the illicit market and drug law enforcement, such as drug-related violence, corruption, or environmental damage, without necessarily reducing the extent of the market.

- *Illicit drugs*

This is a popular rather than a legal term and is not used in the UN conventions. The distinction between legal and illegal drugs is in practice not so easily made as there are many grey areas in between. In general, the substances themselves are not *per se* illegal but they can be illicitly produced or circulating on the illicit market. A more precise term is *controlled substances*, which can have both licit and illicit uses and markets. Controlled drugs are those that are essentially limited to medical and scientific purposes. Regulated substances, like alcohol and tobacco, would therefore not be controlled substances.

- *Interdiction*

The interception of smuggled drugs by air, land, or sea by security forces and law enforcement, typically in international waters or zones.

- *International Drug Control Framework*

A set of UN *conventions* and *bodies* that govern the control of psychoactive substances worldwide. *The conventions*, which have been subscribed to by all OAS member states, include the UN Single Convention on Narcotic Drugs (1961, as amended by the 1972 Protocol), the Convention on Psychotropic Substances (1971), and the Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988). *The bodies* include the Commission on Narcotic Drugs, which is the UN drug policy-making body, the International Narcotics Control Board (INCB), which monitors the implementation of the 1961 and 1971 conventions as well as the precursor control regime established under the 1988 convention, the World Health Organization (WHO), mandated by the treaties to make recommendations about the scheduling of substances, and the UN Office on Drugs and Crime (UNODC) as an implementing agency for UN programs.

- *New psychoactive substances / 'designer drugs'*

Substances that are designed to circumvent existing drug control laws, sometimes by modifying chemical structures. "Substances of abuse, either in a pure form or a preparation, that are not controlled by the 1961 Convention on Narcotic Drugs or the 1971 Convention on Psychotropic Substances, but which may pose a public health threat" (UNODC).

- *Prevention*

Applies to programs carried out to discourage or delay the initiation of the use of drugs, or, if started, to avoid the progression to drug use disorders or dependence. The term 'prevention' is also often used in related policy areas – for example, crime prevention, efforts to prevent drug-related harms such as HIV prevention among injecting drug users, or 'preventive alternative development' (rural development in areas at risk of starting illicit cultivation).

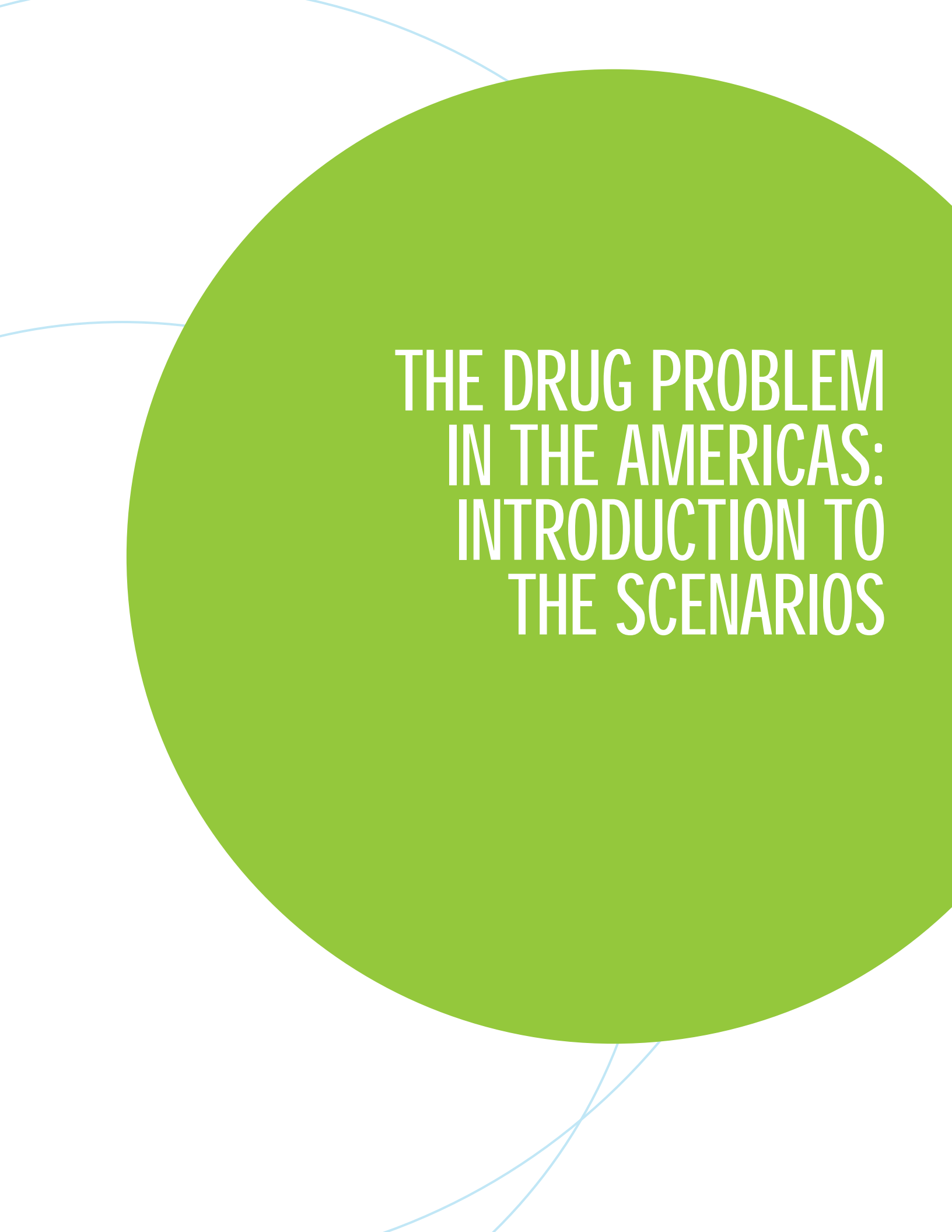
- *Problematic drug use*

Drug use at an early age, or use that begins to have negative health or other impacts for individuals, families, friends, or society.

- *Prohibition*

The forbidding by criminal law of the unauthorized cultivation, production, distribution, and possession of certain psychoactive substances for other than medical or scientific purposes.





**THE DRUG PROBLEM  
IN THE AMERICAS:  
INTRODUCTION TO  
THE SCENARIOS**



# The Drug Problem in the Americas: Introduction to the Scenarios

Of the many possible paths into the future of the drug problem in the Americas, the Scenario Team has constructed three as most useful to explore – and a fourth, cautionary *disruptive* scenario to add to the platform for discussion.

In all scenarios, we begin with the understanding that while the future is uncertain, we can be sure that in 2025, there will still be a substantial demand for psychoactive substances, including alcohol, pharmaceuticals and illicitly produced drugs; that a small percentage of those drug users will become drug-dependent, and some will die, while others will develop serious medical conditions or infections such as HIV and Hepatitis C; that there will be illegal activities wherever there is money to be made from such activities; and that there will be organized criminal groups operating throughout the region, profiting from a range of these illegal activities.

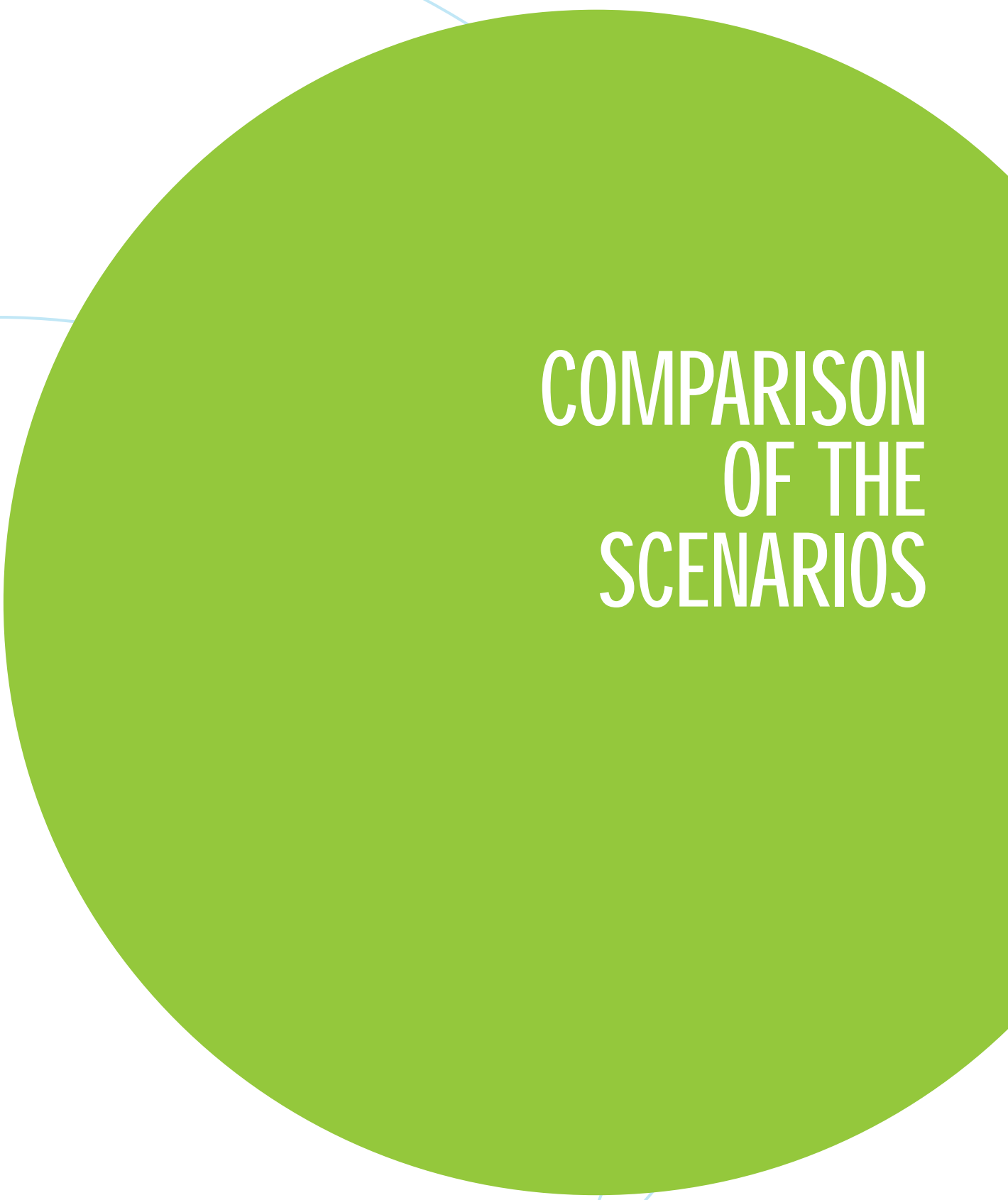
But there are many uncertainties as well. Will violence in most countries in the hemisphere increase or decrease? Will problematic consumption of drugs increase and place a greater strain on public health infrastructure in some countries? Or will we be able to more effectively implement, sustain, and disseminate evidence-based prevention, harm reduction, and treatment programs that, combined with changing social trends and more inclusive societies, will significantly reduce problematic consumption and its harms in most countries? Will money laundering remain largely undetected and unpunished in most countries throughout the hemisphere? Will public opinion support drug policy change? And if so, what will change look like in different regions? What will be the programmatic and budgetary trade-offs between supply control measures, regulatory frameworks, and demand reduction interventions from country to country? And will supply control be pursued more comprehensively under the policies we have, or will we change policies and strategies? How will new regulatory frameworks for currently illegal drugs being discussed or implemented in certain countries work, and will they become a part of the overall drug control system? Will new designer drugs or technology replace plant-based drugs or perhaps introduce unexpected challenges – or maybe even unexpected benefits, such as expanding drug treatment options? How will those suffering from a substance use disorder receive the care that they need?

Of the many possible approaches to these challenges, what will the most prevalent responses be? Will most countries build on the years of effort and substantial progress in a number of important

areas and attempt to work *together* to strengthen institutional capacity, fight corruption more effectively, and shift enforcement priorities to enhance citizen security? Or, in another possible – but not mutually exclusive – future, will some countries conclude that our current policies need to be changed and begin to experiment with different regimes that permit the regulation of currently illegal drugs, while others focus on strengthening prevention programs – exploring different *pathways*? As a third approach, will many countries in the hemisphere draw on their improved social capital to build community-based approaches, in which the underlying emphasis shifts from treating drug use and related violence as primarily a legal or security matter to responding to the drug problem by strengthening community *resilience*? Or, as a less likely possibility but one important to understand and explore, could there be *disruption* in the hemisphere, in which those countries suffering high levels of violence, related to efforts to repress illicit drug production, trafficking, and transit, decide to go their own way in meeting the drug *challenge* – trying to balance the urgency of reducing violence against the risks for the integrity of their own institutions and for improved international cooperation?

The following scenarios – ***Together***, ***Pathways***, ***Resilience***, and ***Disruption*** – explore these responses to the drug problem in the Americas as four possible futures.<sup>1</sup>

1 Unless otherwise stated, all quotations in the following scenarios come from the Scenario Team or from interviews with 75 leaders from across the Hemisphere, including current and former Heads of Government, conducted on a not-for-attribution basis.



# COMPARISON OF THE SCENARIOS



# Comparison of the Scenarios

	Together	Pathways	Resilience	Disruption
<b>How 'the drug problem' is understood</b>	The drug problem is part of a larger insecurity problem, with weak state institutions unable to control organized crime and the violence and corruption it generates	The problem is that the current regime for controlling drugs through criminal sanctions (especially arrests and incarceration of users and low-level dealers) is causing too much harm	The drug problem is a manifestation and magnifier of underlying social and economic dysfunctions that lead to violence and addiction	The problem is that countries where drugs (especially cocaine) are produced and through which they transit are suffering unbearable and unfair costs
<b>The response that is attempted</b>	Strengthening the capacity of judicial and public safety institutions to ensure security through greater professionalization, better partnering with citizens, new success indicators, and improved international cooperation	Trying out and learning from alternative legal and regulatory regimes, starting with cannabis	Strengthening communities and improving public safety, health, education, and employment through bottom-up programs created by local governments, businesses, and non-governmental organizations	Abandoning the fight in some countries against (or reaching an accommodation with) drug production within and transit through their territories
<b>Opportunities presented by this response</b>	Better citizen security; increased credibility of state institutions supported by increased public confidence and taxation; renewed hemispheric partnership	Development of better drug policies through experimentation; reallocation of resources from controlling drugs and drug users to preventing and treating problematic use; shrinkage of some criminal markets and profits through regulation	More inclusive, less violent, and healthier communities, which take an active role in fighting crime and drugs	Reduced violence; increasing attention to domestic rather than international priorities; freeing up of resources currently being spent on security and law enforcement
<b>Challenges in implementing this response</b>	Rebuilding state institutions in the face of opposition from entrenched interests; weak, patchy, and lagging international cooperation; balloon effect of criminal activities shifting to places with weaker institutions	Managing the risks of experimentation, especially with transitioning from criminal to regulated markets (including possible increases in problematic use); dealing with contraband and new inter-governmental tensions that result from differences in regimes between jurisdictions	Insufficient resources and capacities of many local governmental and non-governmental organizations to address these problems; lag time before this response reduces drug-related crime	Reduced enforcement, which allows the expansion of drug markets and profits; possible capture of states by criminal organizations; conflicts over violations of international treaties









TOGETHER



# Together

In the world of **Together**, senior leaders in the Americas recognize the high toll that violent crime has imposed on the most vulnerable countries in the hemisphere, particularly those in Central America and some of the Caribbean. There is too much violence and too many innocent victims. A strong consensus emerges: we simply cannot continue with the situation as it is now.

Using the presentation of the OAS drug study as a catalyst, leaders in the Americas recognize that in order to meet their shared responsibility they need to cooperate more effectively to face the drug-related crime problems *together* and to deliver improved security to their citizens by strengthening the rule of law and professionalizing and modernizing democratic institutions; prioritizing enforcement approaches that deter and discourage violence; implementing best practices; and creating new relationships between citizens and government institutions, especially in the areas of law enforcement, criminal justice, and citizen security. In **Together**, the emphasis shifts from controlling drugs to preventing crime, violence, and corruption.

*“The solution to this problem cannot be unilateral and it cannot come from a single region alone. Cooperation is necessary. This is not the discussion of fifteen years ago.”*

## Strengthening Institutions and Policies: The San Martín Model

For two and a half decades (1970-1995), the San Martín Region of Peru was affected by criminal drug trafficking activities and associated violence. Today, as a result of the population’s hard work and willingness to change, it has overcome this experience. In 1992, illicit coca crops occupied 28,600 hectares, with a gross value of 75% of the regional agricultural economy. In 2011, that area has been reduced to 468 hectares with a gross value of only 0.71% – less than 1% of the regional agricultural economy. This model of strengthening institutions and policies required the interaction of seven main factors.

### **Governance**

The State and international donors, seeing the need to establish trust between the population and the authorities, improved the capacity for dialogue and for reaching agreements by creating common agendas among the population and regional and local authorities, establishing public administration based on the principle of service to citizens, strengthening local technical capacities for the better management of resources, and promoting the population’s ability to organize and express opinions, as well as propose, evaluate, and supervise public administration.

### **Investment in Infrastructure**

The State made a large investment in road and energy infrastructure that changed the economic dynamics of the region. Agricultural and livestock production is now interconnected with the national and international markets, making it more competitive and leading the way for additional agro-industrial development. The population also enjoys increased access to basic services, and the quality of these services has improved.

***Agricultural Development***

In recent years an extraordinary growth in agriculture has allowed the region to have one of the highest annual growth rates in Peru. This growth is based almost exclusively on the activities of small farmers and entrepreneurs. The area for harvesting crops has increased from 98,000 hectares in 1996 to 279,000 hectares in 2010.

***Social Organization***

The transformation process of San Martín is closely related to the population's ability to organize in order to enhance its development. The organizations of small producers, for example, has been able to: provide technical assistance and credit to their members, diversify and industrialize production, have access to national and foreign bank financing, shorten the marketing chain, obtain international recognition for the quality of their products, negotiate directly with foreign markets, qualify for fair trade and the organic markets (certifications), and position themselves in the most demanding markets.

***International Cooperation***

International cooperation with sustained collaboration focused on cumulative learning continues to play a fundamental role in the process of change in San Martín. International technical and financial input supports governance, road and basic social infrastructure, agricultural production, association and strengthening of producer organizations, community development, access to financial services, formalization of rural land ownership, and environmental sustainability. The support of international cooperation was particularly important at times when Peru was coming out of the worst period of economic crisis and internal violence in its history, and the State did not have the resources to meet the needs of the population or to promote development.

***Law Enforcement***

To prevent the resurgence of drug trafficking, the Peruvian State implements a sustained project for the programmed eradication of illegal coca crops in San Martín, including abandoned seedbeds and plantations, in order to prevent their rehabilitation, complemented by the destruction of rustic laboratories dedicated to the processing of coca leaves.

***Environmental Sustainability***

As a result of migration and the expansion of coca crops and trafficking, the San Martín region had experienced deforestation of more than 33% of its forests. This affected the Amazon basin, which is the primary source of water and biodiversity of the planet and has the highest level of carbon sequestration in the world. In order to control and repair the serious damage, policies and actions are being adopted so as to: implement plans for the organized use of the territory, promote permanent crops to avoid migratory agriculture, clarify the titles to land owned by individuals and native communities, and mitigate the environmental impact by recovering degraded areas and preserving biodiversity in natural areas and national parks.

Leaders recognize that closer cooperation – both internally among each country's national agencies and institutions and internationally throughout the hemisphere – can come only by building trust and confidence amongst them and their citizens. Only then can governments respond effectively to the growing threat of transnational criminal organizations. Governments commit to intensified

internal coordination so that domestic security, law enforcement, and judicial institutions work together within their own borders better than ever before and also to greater sharing of sensitive law enforcement information with international partners. Like-minded countries are determined to launch – *together* – a sustained campaign against transnational criminal organizations and their violence, traffic in drugs, weapons, and corrupting influence, despite the fact that there is no consensus about changing or relaxing the enforcement of existing drug laws or creating alternative regulatory regimes to control drugs.

Except for a few locally contained experiments with cannabis, changing the regime for controlling the production, distribution, and possession of drugs is not supported by most governments or their publics across the hemisphere. Hemispheric leaders do recognize, however, that the interdependencies and complexities of this issue are so great that they cannot effectively implement drug policy objectives, or respond to the root causes of regional violence and insecurity, without first reforming critical security sector institutions.

Leaders recognize that countries must work more effectively both internally and *together*, making the tough choices necessary to strengthen their respective security institutions. After years of producing many multinational agreements, they believe that it is not primarily the current drug laws and policies that are to blame for the current crisis – it is the inadequate or incomplete implementation of those laws and policies by institutions that are corrupt or too weak, or who don't have the trust and confidence in each other to be effective against the potent threats of organized crime, violence, drug trafficking, extortion, and financial crimes.

*“The key variable is the strength or weakness of state institutions: the capacity of societies to implement the rule of law.”*

## Drug Control Evaluation and Certification

OAS member countries are evaluated every two to three years by CICAD-OAS under the “Multilateral Evaluation Mechanism” (MEM), focusing in 2013 on the extent to which they are making progress in the implementation of recommended actions derived from the Hemispheric Drug Strategy. The MEM, the product of a 1998 Summit mandate, promotes region-wide programs to assist all member states in strengthening their drug control policies and increasing multilateral cooperation in the hemisphere.

In addition, the US State Department operates its own annual review and certification process as mandated under US law. The US certification process has undergone revisions since its creation in 1986, but it remains in force, with annual determinations by the President as to whether countries considered to be major drug transit or drug producing countries have “failed demonstrably” to adhere to international drug control agreements and drug control objectives set forth in US law. Such countries become ineligible for many types of US foreign assistance unless the President also determines that providing aid is vital to US interests.

*“We managed to show that if there is enough confidence, international mechanisms in place, good legislation, law enforcement people who are well trained and equipped, and, here it comes, the political commitment, then you can have the greatest success. When there was political commitment in my country, we saw the result.”*

Rather than proposing new drug control regimes, which they consider to be neither politically nor socially viable, leaders determine to reform their state institutions and to cooperate more effectively in a number of areas, learning from analysis and evaluation of best practices across the hemisphere and benefitting from the growing economies that have developed better tax collection and improved social spending. Key aspects of these reforms include more effective cooperation and information sharing, both within countries, in terms of the development of effective inter-departmental committees, and internationally, through regional and hemispheric intelligence centers.

While most recognize that there will always be illegal markets that enrich criminal organizations and a degree of institutional corruption in some places, there needs to be a new focus on the single most important goal: to reduce the violence associated with illicit drug trafficking by reducing the power of criminal organizations while increasing the strength and effectiveness of democratic institutions and the capabilities of security, judicial, and law enforcement personnel. This can best be done – especially when it comes to the trafficking and transit of cocaine – in the context of improved cooperation amongst countries.

An important element of improved implementation of drug control and security policies is the increased sharing of security information across national boundaries. In 2013, intelligence cooperation is largely limited to bilateral sharing agreements between the US and certain key partners in the region. But as a result of Mexico’s 2012 proposal for an organized crime commission at the OAS and a regional intelligence center, by 2017, Mexican, Central American, Andean, and other countries in the region are regularly exchanging both operational intelligence information and prosecutorial case data, after having established more reliable vetted units and internal procedures that allow for the exchange of information without fear of compromise. Over time, these measures help increase trust among the intelligence agencies of many countries.

Sharing drug-related criminal intelligence across the hemisphere helps make police organizations more effective in combating violence and breaking up drug trafficking organizations and street gangs. Gradually, in some countries, local support for organized criminal groups and irregular armed forces begins to lessen, not only because of economic improvements in those countries, but also because the growing physical presence, adherence to human rights, and transparency of security, judicial, and other state institutions, even in outlying growing and production areas, undercut their influence.

From 2015 to 2020, a number of programs are launched to train police and security forces in protecting human rights and the dignity and safety of citizens. Some of these programs are based on the successful models of community police forces in, for example,

High Point in North Carolina, Rio de Janeiro in Brazil, and Nicaragua. In some countries, more stringent programs against police corruption are put into place with an improved hemispheric standard for oversight. The success of some of these anti-corruption programs is made possible, in part, through increased funding for police forces, both to cover their operating expenses and to offer adequate salaries and conditions of service.

## Community-Based Deterrence

Organized crime generates multiple threats to states and society. Yet, it has proven difficult for states to suppress these groups through zero-tolerance approaches to drugs and crime, leading instead in a number of cases to human rights violations, corruption, and police abuses. Some authorities have turned to more focused, community-based deterrence strategies and selective targeting approaches, which seek to minimize the most pernicious behavior of criminal groups (especially engaging in violence) while tolerating less harmful behaviors. Such an approach also enables overwhelmed law enforcement institutions to overcome problems of under-resourcing.

### ***Boston, Massachusetts***

The focused, community-based deterrence approach is mainly derived from Boston's fight against violent gangs in the 1990s, known as 'Operation Ceasefire'. After a particularly lethal incident in 1992, a coalition of faith groups started to organize forums that gathered offenders involved in gangs, police officers, church ministers, and social service personnel. Gang offenders were given the choice of either accepting education and training, or being targeted by the police for their violent activities. This was accompanied by a well-publicized targeting of the most violent criminal groups, leading the Boston gangs to stop using high levels of violence so as to avoid being targeted by law enforcement interventions. Over time, violence in the areas where the gangs operated was dramatically reduced. An evaluation of the project in 2001 found a 63% decrease in the monthly rate of murders among young people.

### ***High Point, North Carolina***

Another illustration of the principle is provided by the city of High Point in North Carolina. Over a long period of time, the police gathered information on young dealers in the local drug market responsible for most of the associated harms and nuisance, contacted their parents and other people likely to influence them, and then approached the dealers with the data they had collected. The police made the dealers aware that they would be imprisoned if they continued their activities. The initiative resulted in fewer arrests after two years, and a 25% decrease in violent and property crime.

The High Point Drug Market Initiative (DMI) depends on building community resources and strong public bonds as a key factor in helping individuals to disassociate from criminal misconduct. The assistance offered from families and the community includes job training, employment, parenting, day care, substance abuse treatment, housing, transportation, and family assistance.

DMI has expanded to more than a dozen cities in the US. "DMI involves few arrests, few traditional practices, and results in a complete transformation of the areas targeted. The results are immediate and can be sustained for years. The neighborhoods themselves take responsibility for safety in their communities."

***Santa Tecla, El Salvador***

Santa Tecla, in El Salvador, adopted a similar approach to reduce the high levels of violence that had become associated with drug markets, organized crime, and gang activities. The municipality undertook long-term plans that prioritized social development, education, infrastructure development, community-building capacity, and coordination among local government agencies. A model of community policing focused on violence prevention was implemented, with the participation of local, state, and national actors as well as local citizens, to provide a socially oriented response to violent drug crimes. The approach has been very popular among citizens and has achieved positive results. Since the initiation of the program, Santa Tecla has seen a significant reduction in its homicide rates.

Based on: (June 2011), *Tackling Urban Violence in Latin America: Reversing Exclusion through Smart Policing and Social Investment* (Washington, D.C.: Washington Office on Latin America, June, 2011); International Drug Policy Consortium (March 2012); *IDPC Drug Policy Guide, 2nd Edition* (London: International Drug Policy Consortium); and [http://www.highpointnc.gov/police/dmi\\_the\\_high\\_point\\_model.cfm](http://www.highpointnc.gov/police/dmi_the_high_point_model.cfm).

Some countries create versions of Mexico and Colombia's successful efforts to improve profiles for police recruitment – for example, hiring more university graduates and training them to deal with crimes related to money-laundering (accounting, finance, and economics), kidnapping (crisis management, tracing leads, and crisis management), and chemical precursors for cocaine and designer drugs (chemistry of the manufacturing process).

A new model for security institutions begins to emerge in these countries based on higher shared standards and more professional service. In some public institutions, there is increased pressure for more – and more effective – measures for transparent and accountable public management. These efforts are accompanied by a renewed emphasis on upholding the rule of law and building public confidence in governmental institutions. The professionalization of salaried police forces not only helps to reduce the temptation for corruption, it also helps to deepen the commitment to the public service mission of these agencies. Empowered internal affairs sections, increasingly embedded in every institution, ensure that corrupt officials are detected and removed before they can damage burgeoning institutional reform efforts.

To monitor, evaluate, and improve the effectiveness of these programs requires not only far better information gathering but the development of an improved set of metrics. For example, instead of measuring how many hectares of coca are eradicated, or how many tons of cocaine are seized, or how many people have been arrested, governments and international organizations begin to analyze to what extent the most violent criminal organizations are disrupted, or how many corrupt officials are removed from office, or how many citizen complaints about human rights violations have resulted in criminal convictions of police or military, or the number of murders that are successfully investigated and prosecuted, or whether loopholes in the financial system that facilitated money laundering and tax evasion have been closed, or how many weapons are seized and traced to their source, or how far homicide rates are reduced.

*“The United States has a great intelligence capacity. The ‘capos’ who are in prison have released a lot of strategic information. With that intelligence and information, the US could help our countries to choose where to attack.”*



An added advantage of building trust and working together is that much more data can be collected and turned into useful information

## Tax Evasion, Money Laundering, and Financial Regulation

### *The Significance of Tax Evasion*

Much of the estimated US\$ 42 billion that flows out of Mexico each year ends up in US banks, some of which make the establishment of anonymous accounts far easier than international off-shore financial centers.<sup>1</sup> These loopholes in the financial system deprive Mexico of some US\$ 7-12 billion in tax revenue per year<sup>2</sup> – a much larger amount than the US\$ 1.5 billion of US aid to fight the drug-related violence in Mexico (the Merida Initiative).

### *Money Laundering and Financial Regulation*

In July 1989, the leaders of the economic powers assembled at the G7 Paris summit decided to establish a Financial Action Task Force (FATF) to implement an effective anti-money laundering (AML) strategy. However, since the inception of the AML regime there is a growing awareness that it is not working as intended.<sup>3</sup> A case in point is the recent HSBC scandal: from 2006 to 2010, the Sinaloa cartel in Mexico and the Norte del Valle Cartel in Colombia moved more than \$881 million in proceeds through HSBC's US unit and Mexican branches.<sup>4</sup>

Most observers suspect that this is only the tip of the iceberg. In total, the bank's US and Mexican branches failed to effectively monitor the origin of more than \$670 billion in wire transfers and more than \$9.4 billion in purchases of US dollars from HSBC Mexico. Traffickers would sometimes deposit hundreds of thousands of dollars in cash in a single day into a single account using boxes designed to fit the precise dimension of the tellers' windows in HSBC's Mexico branches.<sup>5</sup> Rather than seeking a criminal indictment against the bank, US authorities secured a \$1.92 billion payment from HSBC to settle charges. The fine is less than 10 percent of HSBC's \$20.6 billion worldwide profit before taxes for 2012.

In March 2010, Wachovia (part of the financial giant Wells Fargo) paid federal authorities \$110m in forfeiture for allowing transactions connected to drug trafficking, and incurred a \$50m fine for failing to monitor cash used to ship 22 tons of cocaine. Criminal proceedings were brought against Wachovia, though not against any individual, but the case never came to court. The bank was sanctioned for failing to apply the proper AML oversight to the transfer of \$378.4 billion – a sum equivalent to one-third of Mexico's gross national product – from casas de cambio in Mexico. "Wachovia's blatant disregard for our banking laws gave international cocaine cartels a virtual carte blanche to finance their operations," according to the federal prosecutor in the case.<sup>6</sup> The total fine for Wachovia was even less than HSBC's: 2% of the bank's \$12.3bn profit for 2009.

1 "How Delaware Thrives as a Corporate Tax Haven," *The New York Times*, June 30, 2012; <http://www.nytimes.com/2012/07/01/business/how-delaware-thrives-as-a-corporate-tax-haven.html>

2 Tax rates in Mexico vary between 17.5 and 30% (highest rate for income and company tax), see: PKF Mexico Tax Guide 2012 at <http://www.wipfli.com/Resources/Images/13754.pdf>

3 Tom Blickman, "Countering Illicit and Unregulated Money Flows: Money Laundering, Tax Evasion and Financial Regulation," TNI Crime & Globalisation Debate Paper (January 2010). (<http://www.undrugcontrol.info/images/stories/documents/crime3.pdf>)

4 "HSBC Mexican Branches Said to Be Traffickers' Favorites," Bloomberg, December 12, 2012. (<http://www.bloomberg.com/news/2012-12-12/hsbc-mexican-branches-said-to-be-traffickers-favorites.html>)

5 <http://www.justice.gov/opa/documents/hsbc/dpa-attachment-a.pdf>

6 "How a Big US Bank Laundered Billions from Mexico's Murderous Drug Gangs," *The Observer* (April 3, 2011). <http://www.guardian.co.uk/world/2011/apr/03/us-bank-mexico-drug-gangs>

While particular attention has been focused on off-shore financial centers in developing countries, the principal sources of tax evasion, tax secrecy, money laundering, and regulatory arbitrage are located in developed countries' on-shore banking systems, according to the so-called Stiglitz Commission, formed in 2008 to advise the United Nations on the consequences of the financial meltdown and its impact on development.<sup>7</sup>

<sup>7</sup> Report of the Commission of Experts of the President of the United Nations General Assembly on Reforms of the International Monetary and Financial System. [http://www.un.org/ga/econcrisissummit/docs/FinalReport\\_CoE.pdf](http://www.un.org/ga/econcrisissummit/docs/FinalReport_CoE.pdf)

to ensure that public services and policy makers are well informed. Best practice spreads more quickly where there are consistent, objective measurements about what works and the establishment of a feedback loop that allows for continuous incremental improvement in performance. Another benefit is that the coordination in measuring, evaluating, and acting increases knowledge sharing across sectors and system-wide organizational efficiency.

By 2020, initial progress has been made against money laundering and tax evasion. Unlike the situation a decade earlier, when money-laundering banks were merely fined, bank executives now are held criminally liable. It is now commonly understood that the global financial system, with its inadequate oversight and regulations, has limited the attempts to introduce the basic controls on the global financial system that are necessary to effectively counter money-laundering and tax evasion. In *Together*, tax havens are no longer allowed to operate with impunity, and new computerized systems designed to analyze large amounts of anonymous financial data begin to help governments track suspected money flows. Countries in the hemisphere by 2020 have a stronger taxations basis that is used to strengthen their institutions, reform criminal justice systems, and improve prevention, treatment, and harm reduction services.

While total cocaine flows through Central America into the US are declining slightly, in part due to a small shift to transit through the Caribbean, the corresponding rates of violence are declining more, as governments secure better control over their own territories, with much of the violence occurring between competing gangs in urban areas. Security forces have shifted their enforcement priorities, focusing special attention on identifying and disrupting the most violent crime and drug trafficking organizations – activities that increasingly take priority over eradicating crops and seizing drug shipments.

In *Together*, in spite of progress toward institutional strengthening, large-scale hemispheric projects to fight organized crime produce results earlier than attempts to root out corruption at the local level. Criminals continue to bribe or harass judges, to buy off government officials to get contracts for large infrastructure projects, to infiltrate people into the judiciary so that trials are delayed, and to finance and directly participate in electoral campaigns. But these problems gradually begin to lessen, in part because there is a growing presence of transparent and strong state institutions throughout countries, even in remote areas, which results in stronger territorial control of regions formerly controlled by criminal actors.

From 2015 to 2025, several developments lead to gradual improvements in the crackdown on organized crime: more and better information, not only about the criminal gangs themselves but also in relation to money laundering, which allow for the arrest of key traffickers; improved relationships between most police units and their citizenry, reflecting successful anti-corruption programs, better training, measurable reductions in violence, and a greater institutional presence in outlying territories; and selective improvements in the criminal justice system. In short, citizens have begun to trust and expect their institutions to provide them with transparency, security, and justice, and they are starting to have those expectations met. To the extent that these initiatives are successful, major cartel leaders and violent criminals are arrested, prosecuted, and incarcerated for their crimes much more frequently – thus the incentives for criminal activity are weaker, and the costs for breaking the law are higher.

As these new policies begin to take effect, it becomes clear that while all countries are working *together* within the same international policy framework and under the same hemispheric umbrella for implementation, some are more exposed to threatening elements than others. Building strong institutions takes a lot of effort and political determination, which are not equally distributed among or within countries. Institutions are stronger in some countries than others, resulting in a movement of illicit activities from countries where the new implementation approaches are beginning to show results into weaker countries or regions. And on some issues, not all countries can reach agreement, and so they must ‘agree to disagree’ while still encouraging open and frank dialogue. Sub-regional groups of countries with similar problems come together to deal with specific issues, introducing region-specific solutions that sometimes complicate the administration of larger plans. Hemispheric cooperation is becoming both more complex and more effective.

## The International Drug Control Conventions

The 1961 United Nations Single Convention on Narcotic Drugs merged all pre-war international treaties into one single instrument, with a focus on controlling the most notable plant-based drugs, such as opium, cannabis, and cocaine, including the obligation to abolish all the traditional uses of the plants – the widespread and deeply embedded cultural, religious, and ‘quasi-medical’ practices in developing countries.

Ten years later, increased substance use gave rise to the United Nations Convention on Psychotropic Substances (1971), which expanded international policies to include synthetic substances such as amphetamines, benzodiazepines, barbiturates, and psychedelics. The concept of ‘psychotropic’ substances was invented as a way to exclude the wide range of psychoactive pharmaceuticals included in the 1971 Convention from the stricter controls of the Single Convention. In the commentary to its model drug laws, the United Nations International Drug Control Program (UNDCP), precursor to the UN Office on Drugs and Crime (UNODC), recommended not to use the artificial distinction in national legislation, acknowledging that: “the international classification into narcotic drugs and psychotropic substances according to whether the substance is governed by the 1961 or by the 1971 Convention has no conceptual basis. The legal definition of many psychotropic substances is entirely applicable to narcotic drugs, and in many cases, the reverse is true.”

Some 235 plant-based and synthetic psychoactive drugs (with narcotic, stimulant, or hallucinogenic effects) are covered by these international treaties. A large majority of governments are signatories to these international drug control treaties, which render the use, sale, traffic, and production of drugs like heroin, cocaine, and cannabis, but also methadone, morphine, or diazepam, illegal for anything but medical and scientific purposes. However, when signing, ratifying, or acceding to an agreement, a State retains the right to sign with a reservation that seeks to exclude or to modify the legal effect of certain provisions of the treaty in their application to that State.

In the late 1980s, the UN broadened its approach to include many facets of drug trafficking. The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988) regulated precursor chemicals and reinforced interventions against money laundering and other offenses related to drugs. The 1988 Convention reinforced the obligation to criminalize drug offenses (excluding consumption itself but including possession for personal use) and calls on Parties, in the case of trafficking offenses, to impose sanctions that “take into account the grave nature of these offences, such as imprisonment or other forms of deprivation of liberty” and to discourage “early release or parole.”

The International Narcotics Control Board (INCB), the quasi-judicial body of 13 individual members elected by ECOSOC, is mandated to monitor compliance to the 1961 and 1971 conventions and to the precursor control system under the 1988 convention. The Board’s most important task is to administer the estimates and requirements system to ensure the availability of controlled drugs for medical and scientific purposes. In case of perceived serious breaches of the 1961 and 1971 treaties, the INCB can open consultations, and in the extreme case, if the aims of the Convention “are being seriously endangered,” can recommend an embargo against the import and export of drugs for medical purposes from and to the country concerned. This enforcement power has never been used.<sup>1</sup> Differences regularly appear about the interpretation of the limit of latitude the treaty regime leaves to countries with regard to harm reduction practices, such as drug consumption rooms and various models of more lenient cannabis policies.<sup>2</sup>

1 <https://www.incb.org/incb/en/treaty-compliance/index.html>

2 Dave Bewley-Taylor and Martin Jelsma, “The Limits of Latitude - The UN drug control conventions, Series on Legislative Reform of Drug Policies” Nr. 18, TNI/IDPC March 2012. <http://undrugcontrol.info/images/stories/documents/dlr18.pdf>

Changes to the international conventions are possible by means of modification or amendment. Modification includes re-scheduling substances and could take place by the Commission on Narcotic Drugs (CND) in consultation with the World Health Organization, and for precursors in consultation with the INCB. Amendment involves a formal alteration of the provisions of the treaties. Any party may put forth an amendment to any one of the treaties. If no party objects to the amendment within 18 or 24 months after circulation, depending on the treaty subject to the proposed amendment, then the amendment is accepted and enters into force.<sup>3</sup> Countries can also change their treaty obligations individually or group-wise by denouncing it and re-adhere with a reservation, as Bolivia did recently. All these procedures are not easy and usually contested, but as was said in the first UN World Drug Report: “Laws – and even the international Conventions – are not written in stone; they can be changed when the democratic will of nations so wishes it.”<sup>4</sup>

The OAS-endorsed Hemispheric Drug Strategy of 2010 and its Plan of Action of 2011-2015 also lay out a set of programmatic policy options that respect human rights, promote reductions in drug consumption, and recognize drug dependency as a public health problem that requires an integrated response.

3 A thorough analysis of altering the international drug control conventions is done by D. Bewley-Taylor, “Challenging the UN Drug Control Conventions: Problems and Possibilities,” *International Journal of Drug Policy*, Vol. 14 (2003), pp. 171- 79. See R. Room, et al., “Rewriting the UN Drug Conventions,” and Room, et al., “Cannabis Policy: Moving Beyond the Stalemate,” (Oxford University Press, 2010).

4 *United Nations International Drug Control Programme, World Drug Report* (Oxford University Press, 1997), p. 199.

By 2025, drug-related violence in general has decreased – although it is not clear that the illicit drug trade has dramatically declined. What has changed is that security forces have focused resources on strengthening their institutions, addressing corruption, and tackling high-level organized crime targets rather than focusing on lower-level drug distributors. Security forces have not given up the fight, but they have increased the emphasis on reducing violence and corruption and on strengthening international cooperation, moves that are expected to be more effective against organized crime in the long term. As drug traffickers realize that each violent act brings more law enforcement attention on them and their operatives, they become incentivized to be less violent. This new focus on the most violent actors, combined with the growing effectiveness of hemisphere security forces results in some progress against not just drug traffickers, but also against human trafficking, extortion, and kidnapping.

Another reason for the decrease in violence is that following the international broadening of policy from just focusing on drug transit to also focusing intensely on reforming institutions, sharing information, and disrupting all forms of organized crime, countries in the hemisphere have become much more effective in clamping down on illegal firearms trafficking. This effort is aided by the hemispheric illegal firearms treaty (CIFTA) – and in 2015, the only two countries that had not yet ratified it, Canada and the United States, accede to it. The addition of these two countries enhances the expansion of the e-tracking software systems that allows security agencies to enter a weapon’s serial numbers into a database and

*“In my positive scenario, we would focus on the crimes that actually cause problems. The people I work with every day wouldn’t be hassled and preyed upon by the police all the time. Our police go after the low-hanging fruit. The problems that get solved are the kids on the corner. The murders and higher level crimes don’t get solved.”*

to identify where it came from and who transited it into the region. Governments in the hemisphere are increasingly aware that arms trafficking, as a cause of violence, is as important as drug trafficking, and the fight against both must be pursued with equal intensity.

In the past, even if prosecutors built a case against a money-laundering suspect, few judges had the expertise to bring the case to a successful trial, and so such cases often languished. But in this decade, not only are courses established for training judges and attorneys, but many countries make initial progress in judicial reforms. Meanwhile, laws against the loopholes that benefit corporations and facilitate tax evasion – and that are used in money-laundering as well – become stricter. As exchanges and training, as well as funding, are expanded, security and judicial institutions improve and mature. But progress is slow and uneven, in part because all these reforms and initiatives require increased funding, and often budgets are tight. Leaders increasingly recognize that it is not enough to give courses or change the laws for new legal procedures. All institutional strengthening requires dedicated investment and training over time.

As the economies of Latin America continue to grow, regional cooperation on security and drug policy implementation has beneficial side effects in other areas, too, especially in democratic institution building. Meanwhile, south-south cooperation on security training has also improved. If every country had followed its own pathway in relation to the drug policy implementation, short-term solutions might have resulted in the sacrifice of long-term benefits. It is not that regional differences have been ignored but that cooperation has been developed on every level, as exemplified by the numerous sub-regional projects that have been initiated throughout the hemisphere.

By 2025, in the world of ***Together***, many countries have begun to win back sovereignty over their territory and to put into place stronger institutional structures that are less vulnerable to penetration by organized crime. The most violent and dangerous drug cartels have been dismantled, although a more complete disruption of the hemispheric drug trade remains a work in progress. Even though there is a long journey ahead, stronger institutions, internal inter-departmental coordination, and effective implementation of the international and hemispheric agreements are beginning to lead to a less corrupt and less violent era.



**PATHWAYS**





# Pathways

In the world of *Pathways*, a growing number of leaders throughout the hemisphere think that in their countries current drug control approaches are not producing the intended results. Other countries, for various reasons, are less inclined to pursue legal and regulatory reforms. As a result, it is extremely difficult to reach a consensus on which direction to pursue when looking for new regulatory pathways. Rather than continuing to work through the same approaches to drug control that they have always used, many countries begin experiments that, in effect, lead them to diverge from current policies in order to gradually construct a new consensus.

Part of the impetus for change comes from political pressures not only from within the hemisphere but also from civil society, governments, political leaders, academia, and other actors from around the globe. Countries in the hemisphere look toward positively evaluated harm reduction, decriminalization, and more lenient cannabis policies that have been undertaken in Canada, New Zealand, Australia, the US, a number of European countries, and elsewhere.

A growing number of international leaders call for an open and honest debate. Some leaders speak about the need for fresh perspectives to address current drug policy challenges, beginning with cannabis, while others, who may be less affected by problematic drug use, or unintended consequences of drug enforcement, or for other reasons, are opposed to pursuing any legal or regulatory reforms. Where cocaine use or trafficking is the major problem, leaders are interested in what alternative models could be useful for their jurisdictions, while increasing pressure on high-consuming countries to reduce demand for cocaine or to find better ways to manage.

The result is different *pathways* in which some countries pursue a path of gradual, evidence-based experimentation and reform, while others maintain current legal, regulatory, and policy frameworks and focus their energies on demand reduction programs through prevention and alternatives to incarceration. Still others push for major changes in high-consuming countries.

In countries seeking legal reforms, political leaders believe that enforcing drug prohibition for their citizens produces more damage than the drugs themselves. These leaders believe that not only do the current policies fail to sufficiently reduce supply and demand in their countries, but they also allow organized crime to earn huge profits at a cost to the security of citizens and the integrity of democracies. In addition, the rapid rise of new psychoactive substances appearing on the market and the worrisome expansion of the illicit diversion of pharmaceutical drugs and the related impacts on public health are increasing the pressure to re-examine current drug policies. A majority of public opinion in many developed, high-

*“The Commission believes that the contemporary American drug problem has emerged in part from our institutional response to drug use. ... Unless present policy is redirected, we will perpetuate the same problems, tolerate the same social costs, and find ourselves as we do now, no further along the road to a more rational legal and social approach than we were in 1914.”—The US National Commission on Marihuana and Drug Abuse, which recommended marihuana decriminalization in 1972*

*“A good outlook would be an acceptance that prohibition has failed, that experimentation with new policy frameworks should be encouraged. This could involve legalization, harm reduction, investing more in treatment regimes. The precise formula should vary according to the democratic decisions of each country.”*

consuming countries shifts to viewing occasional cannabis use as no more harmful – and maybe less – than the occasional use of alcohol or tobacco.

This point of view gradually becomes the norm even as patterns of use diverge among countries, and an increase in the number of people entering treatment for problematic use of cannabis is seen in some jurisdictions – although this does not appear to be the result of an increase in problematic users but an increase in the number of problematic users who feel free to seek help in the new context of reduced stigmatization and criminalization and an increase in the availability of treatment options.

Meanwhile, public opinion throughout the hemisphere shifts gradually, even if unevenly, away from the previous strong opposition to drug legalization of any kind. In some countries, the concept of recreational use of drugs remains generally unaccepted at the social level, due to persistent public perceptions of a drugs/crime nexus and the concern over the consequences of heavy and sustained regular cannabis use. In a number of countries, however, non-problematic use of cannabis is beginning to be seen as a special case meriting tailored policy responses that recognize the qualitative difference from problems related to more dangerous drugs, such as smokeable cocaine, methamphetamine, or heroin.

In any case, increased interest in solutions that might reduce levels of organized crime leads to a new openness for dialogue on possible alternatives. The movement toward cannabis regulation in North America and Uruguay creates a vigorous policy debate over whether such policies could result in lower levels of organized crime and violence in source and transit countries if other drugs such as cocaine and opium were considered as well.

For analysts of the current regime, the main issue is not simply a matter of better policy implementation but the laws and policies themselves, some of which are seen on balance to be producing more costs than benefits. These analysts claim that the unintended consequences and costs of such policies include an increased burden on all sectors of the criminal justice and health systems, opportunity costs of enforcement spending, increased risks to individuals and communities associated with drug trade and use, the creation of profit opportunities for organized crime leading to money laundering, corruption, and undermining of democratic institutions, and many other costs. Others see the rigorous enforcement and militarization of drug control, the expansion of state security apparatuses, and other aspects of what used to be called the “war on drugs” as not being in the best interests of the hemisphere.

A number of leaders conclude that there are no perfect or perfectly consistent solutions – only alternatives to current approaches that would be less harmful. Others continue to believe that the current control regimes are producing satisfactory results, or provide suf-

ficient opportunities for progress; or they claim that any substantial departure from the existing control model may also have unintended negative consequences and are not inclined to experiment.

Some government leaders resolve to take a pragmatic approach based on trying to answer the most important question: how can we mitigate the damage caused not just from producing, transporting, and using drugs, but also the damage that comes from trying to prohibit drug production, transportation, and use? Problematic drug use is analogous to a chronic condition, like diabetes, which the world has to learn to manage more effectively, while the current policy regime, as managed in too many countries, treats it like a cancer that needs to be surgically removed – even if that means damaging healthy tissue in the process.

## Harm Reduction

In the 1980s, ‘harm reduction’ emerged as an approach to drug policy distinct from those that sought to reduce the demand for, or supply of, drugs. Harm reduction has since been defined as “policies, programmes and practices that aim primarily to reduce the adverse health, social and economic consequences of the use of legal and illegal psychoactive drugs without necessarily reducing drug consumption.”<sup>1</sup> The concept of harm reduction is not limited to drug policy – it has been successfully applied across a wide range of fields, not least for alcohol, tobacco, and sexual health.

In relation to drugs, harm reduction was at one point synonymous with public health initiatives, such as HIV prevention efforts among people who use drugs – primarily through interventions such as needle and syringe programs and opioid substitution therapy. Over time, however, the concept of ‘harm reduction’ widened to include societal and individual harms attributed to international drug control efforts (such as mass incarceration and human rights violations). Harm reduction has been embraced by the UN General Assembly<sup>2</sup> and other UN human rights and health fora,<sup>3</sup> by the International Federation of Red Cross and Red Crescent Societies,<sup>4</sup> by PEPFAR,<sup>5</sup> the Global Fund<sup>6</sup> and other leading donors, and –in some way or another- by almost a hundred countries around the world, including about a dozen OAS Member States and the entire European Union.<sup>7</sup> Nonetheless, the term ‘harm reduction’ remains controversial for the UN Commission on Narcotic Drugs, where its use in resolutions still draws resistance from certain Member States. PAHO’s Regional Strategy embraces the concept but also avoids the term itself, speaking instead about “support services to reduce the adverse consequences of substance use.”<sup>8</sup>

WHO, UNODC, and UNAIDS have identified a basic ‘comprehensive package’ of evidence-based interventions for injecting drug users.<sup>9</sup> Civil society groups have argued for the extension of this list of essential harm reduction services to include, inter

1 <http://www.ihra.net/what-is-harm-reduction>

2 [http://www.unaids.org/en/media/unaids/contentassets/documents/document/2011/06/20110610\\_un\\_a-res-65-277\\_en.pdf](http://www.unaids.org/en/media/unaids/contentassets/documents/document/2011/06/20110610_un_a-res-65-277_en.pdf)

3 <http://www.ihra.net/files/2010/06/01/BuildingConsensus.pdf>

4 [http://www.ifrc.org/PageFiles/96733/Red\\_Cross\\_spreading\\_the\\_light\\_of\\_science.pdf](http://www.ifrc.org/PageFiles/96733/Red_Cross_spreading_the_light_of_science.pdf)

5 <http://www.pepfar.gov/documents/organization/144970.pdf>

6 J. Bridge, B.M. Hunter, R. Atun, and J.V. Lazarus, “Global Fund Investments in Harm Reduction from 2002 to 2009,” *Int J Drug Policy*, 23(4) (2012), pp. 279-85.

7 <http://www.ihra.net/global-state-of-harm-reduction-2012>

8 <http://new.paho.org/hq/dmdocuments/2010/CD50.R2-e.pdf>

9 [http://www.unodc.org/documents/hiv-aids/idu\\_target\\_setting\\_guide.pdf](http://www.unodc.org/documents/hiv-aids/idu_target_setting_guide.pdf)

alia, overdose interventions, advocacy for policy reform, stigma reduction, violence reduction, legal services, drug consumption rooms, and alternative development.<sup>10</sup> The implementation of effective harm reduction measures for smokeable cocaine (crack, basuco, paco) in the Americas is still in an early stage, with several pioneering projects ongoing in Canada, the US, Brazil, Uruguay, Argentina, and Colombia.

Harm reduction is best implemented as a complementary pillar of a balanced drug policy response, alongside demand reduction and supply reduction. Advocates argue that it is a targeted, incremental, evidence-based, and cost effective approach.<sup>11</sup> By acknowledging that many people throughout the world are unable or unwilling to stop their engagement in drug markets, harm reduction seeks to protect their health, human rights, dignity, and wellbeing as far as possible.

10 [http://www.aidsalliance.org/includes/Publication/GPG\\_drug%20use\\_07.06.12.pdf](http://www.aidsalliance.org/includes/Publication/GPG_drug%20use_07.06.12.pdf)

11 <http://www.ihra.net/what-is-harm-reduction>

However, the creation of new drug policies is a complex undertaking. Every country experiences the drug problem – but not in the same way. Public opinion varies widely – in some places there is a movement for legal reform and in others, a preference for intensification of evidence-based public health interventions and treatment programs as alternatives to incarceration. Some countries support even stricter approaches, with longer prison sentences, while others, where political leaders feel the time is not yet ripe for proposing bold changes, try a middle way, setting up drug court models that can mandate treatment instead of incarceration.

## Proportionality of Sentences

The internationally recognized principle of proportionality requires a State's response to anything that may harm peace, order, or good governance to be proportionate. In a criminal justice sense, the principle permits punishment as an acceptable response to crime, provided that it is not disproportionate to the seriousness of the crime.

The past few decades show an unprecedented growth of the use of penal law to confront the expanding illicit drugs markets, and the whole American hemisphere has seen penalties for drug offenses skyrocket. In the context of an escalating drug war and reinforced by the requirement to implement provisions of the 1988 Trafficking Convention, all countries in the region strengthened their drug control legislation.

Two indicators clearly demonstrate this trend: the expansion of the number of drug-related acts criminalized in articles in domestic penal codes, and the increase of length of prisons terms established as minimum and maximum sentences for those conducts. The first one increased tenfold, making it easier for governments to incarcerate a wider range of actors on the drugs markets, mostly users and small-scale traders, often with penalties that far outweigh the severity of the crime.

In the area of penalties, the first drug control laws included minor sentences of up to two years in prison, or even no prison term at all, but the severity of sanctions has multiplied in recent decades. A study of seven Latin American countries found that in 1950, the aggregate of the penalties in the seven countries together was 34 years for the maxi-

mum and 4.5 years for the minimum, with an average penalty of 19.25 years. Those figures are now 141 years for the maximum and 59.7 years for the minimum, with an average aggregated penalty of 100.4 years. That means that in 60 years, the aggregate maximum penalty increased by 415 percent, the minimum by 1,327 percent and the average by 521 percent.<sup>1</sup>

<sup>1</sup> “Addicted to Punishment: The Disproportionality of Drug Laws in Latin America,” Executive Summary, Colectivo de Estudios Drogas y Derecho (CEDD), 2013. [http://www.wola.org/sites/default/files/Addicted%20to%20Punishment\\_Exec%20Summ.pdf](http://www.wola.org/sites/default/files/Addicted%20to%20Punishment_Exec%20Summ.pdf) Full edition (in Spanish) available at [http://www.de-justicia.org/index.php?modo = interna&tema = estado\\_de\\_derecho&publicacion = 1391](http://www.de-justicia.org/index.php?modo = interna&tema = estado_de_derecho&publicacion = 1391)

Most agree that the international drug control framework may operate well enough for some countries but generates serious problems for others. For example, harms and costs related to drug consumption in the region (loss of productivity, dependency, treatment costs, stress on families) and those related to drug control enforcement are unevenly distributed and do not affect every country in the hemisphere in the same way or to the same extent. Political leaders in some Central and South American countries where there is drug crop cultivation believe that problems of drug-related violence, high homicide rates, insecurity, overcrowded prisons, and human rights violations are made worse or are even largely caused by efforts to prevent the illicit production and trafficking of drugs.

*“The problem is not the drugs, the problem is the laws that prohibit substances and prevent people from dealing with their issues. Criminalization causes more problems than the substances themselves.”*

National and regional security continues to be undermined by the power of transnational organized criminal groups that profit from the drug trade. The issue of the negative impact of the global treaty obligations is raised more frequently in national policy discussions. In other countries in North America and the Southern Cone, concerns over drug consumption dominate, and a demand-reduction approach is preferred, in some cases attempting to balance prevention, treatment, and harm reduction with law enforcement.

The turning point for a new debate had already begun in 2012, with the Summit of the Americas in Cartagena and the mandate given to the OAS. Soon after, public awareness of the issue is heightened when Colorado and Washington in the US take steps as states to implement a legal regulated market for adult use of cannabis for non-medical purposes, including cultivation, licensing of retail outlets, quality controls, and taxation. Experts estimate that development of legal, regulated markets in these two states could significantly lessen the cannabis earnings of the Mexican drug cartels in a few years, assuming production from these states feeds demand from neighboring US states.

But there is a mixed response from other US states, with some complaining about the risk of increased drug use by youth and of the difficulty of preventing contraband and spillover across their borders when cannabis is legally available nearby. In Denver and Seattle, some politicians and citizens worry that their cities may rapidly become drug tourist destinations or that problematic drug

*“Experimental and pilot projects have been essential. We need a non-overwhelming scale of innovation, and then to scale things up. In Europe it was okay to try stuff out and even to fail, but in Canada there were 101 reasons not to do experiments.”*

use will increase substantially. In a number of states, however, public support grows to introduce similar legislation and ballot initiatives, and some politicians begin to question whether upholding the federal ban is a losing game.

Meanwhile, the US federal government is slow to confront these legal changes at the state level given the complex nature of how the statutes were crafted, concerns over the Constitutional division of Federal and state powers, and the political sensitivities of electorates in both states.

In the short term, at least, the Colorado and Washington experiments appear to have produced few negative consequences, encouraging additional initiatives at the state and provincial level in the US and Canada to legalize or decriminalize cannabis. The measured response of the US federal government in response to these state initiatives and the continuing shifts in public perception provide incentives for further expansion of cannabis legalization at the state level. A gradual trend in US public opinion towards support for legal regulation of the cannabis market continues, making a reversal of those policies at state level or federal interventions against them less likely as an electoral platform for politicians.

Public opinion in some countries in Latin America and the Caribbean continues to shift in favor of decriminalization of personal possession and experimenting with limited legal availability of cannabis. In most of the hemisphere, cannabis is considered to be a relatively marginal issue, with authorities much more concerned with the serious problems related to problematic alcohol use as well as crack cocaine, heroin, and pharmaceutical drugs. Informally, many countries already have more pragmatic enforcement practices in place for cannabis offences.

By 2014, many more countries have moved toward decriminalization of personal use and possession of additional drugs rather than a specific regime for the regulation of cannabis. This reflects the view of the majority of drug control authorities that putting into place a complex system of legalized production and regulation of cannabis – in addition to running counter to the international drug conventions – would be quite a challenge to execute given limited policy tools available to most governments in the hemisphere. In several countries, a variety of legislative proposals emerges to establish legal, regulated markets, but the debate unfolds cautiously, as many leaders prefer to wait until more information becomes available about the experiences in the United States and in Uruguay. Meanwhile, tensions between on-the-ground practices and the strictures of the global treaty requirements continue to increase.

During this same time period, a Latin American country narrowly passes new legislation – becoming the first country in the world to create a legal regulated market for the production, distribution, and adult use of cannabis for non-medical purposes. Public opinion

in that country remains skeptical of this new policy, however, and some presidential candidates for the presidential race oppose the move in this direction.

In 2015, several Caribbean countries with a long tradition of social acceptance of cannabis use begin to amend their drug laws, seizing the political moment to carry through legislative reforms to decriminalize the use and possession of this drug and to discuss how best to regulate production and distribution. In the same year, parliamentary proposals already on the table in several Latin American countries gain more support. Some presidents publically express support for cannabis regulation, while others call for regulation of cocaine and opium poppies grown illegally in the region, and the public debate intensifies.

Some countries are wary of adopting legalization out of concern that it could convey to youth a positive message about cannabis use. Others emphasize that all OAS members have signed the UN treaties that limit the production, trade, and use of many psychoactive drugs to medicinal and research purposes. Indeed, the steps countries are taking towards legal regulation of the cannabis market are strongly condemned as treaty violations – and ignoring these treaty obligations, it is argued, undermines the integrity of the whole drug control system and undercuts the legitimacy of other international treaties, which are important in an increasingly interconnected world. However, the countries that are being condemned argue that they are not ignoring their obligations but instead are trying to reconcile the sometimes conflictive legal requirements of the drug control treaties with those stemming from human rights instruments about the right to health, development, and the protection of cultural and indigenous rights.

## Coca and Indigenous Culture

We live in the Sierra Nevada of Santa Marta. We have an area of 603,000 hectares and in three reservations are the Kogi, the Arawak, the Wiwas, and the Kankuamo, all part of a common cultural core, the Tayrona. There we have been able to live with our traditions in spite of many difficulties. How do we understand life? What is our role on earth? We understand the rules of nature. Our way of thinking has to be coherent with those rules of nature. The world depends on us. Our codes of happiness are going to be related to our responsibility. The use of coca leaves is a way to maintain a higher level of consciousness and connection with the natural order.

The spiritual leaders are pleased that society at large is beginning to recognize that wellness depends on interrelatedness responsible with that order. What the society has had is a cultural problem. It is a lack of identity. Why do people refuse to accept social norms? Could it be that no one has asked them what they really want? Everything is left in the hands of experts. On many issues experts arise, but experts are not a community, they are not a collectivity, so when they die, they leave a lot of files, theories, or concepts that are there but are not reproduced in society.

For something to work and be reproduced in society, it is necessary that children replay their parents' conduct, that parents' culture is reproduced by their children and by the next generations. The experts aren't really a culture. The only way to explore the

truth is to have a collective practice. The lack of a collective practice leads to a lack of good ideas and agreements. The other problem is that your world is affected by the media, but sometimes that doesn't carry the cultural load, and they are the ones that are guiding the decisions.

It's a good thing for this workshop to have invited someone from the indigenous community. I think there's a source of ideas from us, even though we're a small community. So how could we contribute to this discussion? We say we are the older brothers because we believe we are carriers of an important message in a confused world. We have a conscience that the world depends on how we act. We have to dialogue with maturity and serenity. At some point there has to be a kind of change, a renewed logic about life, and a new sense of responsibility towards Earth. Hopefully, this will be a moment of change, to see clearly the things that can reorient our thinking.

– Danilo Villafañe, Arhuaco leader – spoken at the Scenario Workshop, Panama, 2013

Tensions increase as these political conflicts are not easily resolved. Countries in Asia and Africa as well as some within the hemisphere argue that switching to legal but regulated markets for cannabis or other currently illegal substances opens a Pandora's box that may also undermine the control regime for cocaine and other, more risky drugs, triggering unforeseen and potentially dramatic consequences.

Even though experiments with legal, regulated regimes are underway in a variety of jurisdictions, many leaders remain cautious about embracing an approach that they see as untested and controversial in their own countries. For example, would legal regulation increase availability in comparison to the easy availability on the illicit market now, and if so, would it increase use? And if it increased use, would more problems result from this increase in availability, or not? Would drug supply become commercialized, much like alcohol and tobacco, with accompanying aggressive and successful corporate marketing campaigns? What would be the public health impacts? Even though organized crime is likely to stay in the business of drugs, at least to some degree, to what extent could it replace lost drug revenues by increasing other illegal businesses – how much income and power would it lose? Would there be unintended consequences of a regulated market? Would the cure be worse than the disease?

In 2016 the WHO undertakes a critical review of cannabis and coca leaf and recommends removing cannabis from schedules IV and I and coca leaf from schedule I of the Single Convention. However, the WHO advice triggers an intense political controversy, and a majority of countries represented at the Commission on Narcotic Drugs (CND) votes to reject these recommendations, maintaining the current status of both substances. In the same year, the UN General Assembly devotes a special session (UNGASS) to global drug policy where a number of countries express opposition to the inclusion of cannabis and coca leaf in the classification system. They request the initiation of a procedure to revise and amend the

*"It's crucial to create more flexibility for the countries to create their own solutions, based on their local context.*

*Today the international community controls how drugs are criminalized. They should allow for countries to develop diverse strategies to protect their people. We need a broader menu of options that doesn't depend on penal law."*



treaty system in order to allow more flexibility for national experimentation with regulatory models of control.

Countries in the hemisphere do not wait for the UN conventions to be renegotiated before experimenting with alternatives to the accepted legal frameworks. After the US general elections of 2016, several more US states legalize and regulate cannabis, though the federal prohibition remains intact. Elsewhere in the hemisphere the governments of several Latin American countries seek to follow the examples elsewhere of legalization of cannabis, but encounter continued public skepticism. And there is a growing movement to recognize the rights of indigenous and native people to grow and chew coca leaf. At least two presidents in the hemisphere call for an open debate about the merits of applying the legal regulation model to other substances beyond cannabis.

In response to these de facto deviations from policy, public opinion continues to be mixed. Changing patterns in problematic drug use in the region, including the growing challenge of crack cocaine and heroin, are also influencing the debate. There is, however, a growing movement, most notably in Brazil, to treat cannabis differently from cocaine and interest in experiments with cannabis – such as using it as a substitute treatment for problematic smokable cocaine – intensifies.

In 2016, the UNGASS discusses all these issues, but ends in disagreement. The differences of opinion about the way forward cannot be negotiated down to a new consensus. Diplomatic efforts are required to avoid an explicit demonstration of disagreement, so the session ends with the adoption of a bland declaration to mask the breakdown of the global drug control consensus. The visibility of sharp divisions and the absence of consensus makes the 2016 UNGASS a turning point in drug control history.

In 2017, recognizing that formal amendments to the treaties are difficult to achieve in the short term, several countries in the Americas and Europe begin to develop de facto regional cannabis policies, showing more and more deviation from the old treaty paradigm. A group of like-minded countries that had already started back in 2014 to informally brainstorm and strategize about the outlines of a potential new treaty structure, launches a proposal for treaty revision and a roadmap for how to get there. In 2017, they invite other countries to join with them in calling on the UN to revisit the three UN conventions that make up the current international drug control framework.

This “Modernizing Drug Control” proposal carries weight, not only because it comes with support from most of Latin America and Europe, but also because it contains a carefully thought out plan for monitoring effects of different regulation models and experiences in practice for the production, sale, and use of cannabis and natural coca products.

Emerging research from the early adopters of regulation regimes for cannabis has informed this process. Initial research results after several years of experience with a number of different approaches to regulation indicate that some of these ‘experiments’ are having either positive or negligible impact across a number of measures such as health, ‘drug tourism’, and rates of use, for example. Other models are seen to be somewhat problematic and are the focus of review processes to identify appropriate adjustments to address emerging issues. Some of the new regulatory regimes are poorly conceived or implemented, and are blamed for increased problematic use or increased burdens on regulatory or health institutions, or for conflicts with neighboring jurisdictions that have different regimes. Most regulatory ‘experiments’, however, are acknowledged to have lessened the harm to users, producers, sellers, and communities that used to be a direct result of the illegal status of cannabis.

## Silk Road: Drugs and the Internet

In February 2011, a website called ‘Silk Road’ was launched for people around the world to buy and sell various controlled drugs anonymously. It is not the only site for this purpose, but is the most infamous. Described by US Senator Chuck Schumer as “a certifiable one-stop shop for illegal drugs that represents the most brazen attempt to peddle drugs online that we have ever seen,”<sup>1</sup> it has thus far eluded law enforcement attempts to shut it down. As such, it is one of the technological developments that pose major challenges to the effectiveness of traditional law enforcement efforts to curb drug supply.

Independent research from 2011-2012 has shown that approximately USD 1.2 million was spent on Silk Road each month,<sup>2</sup> and the site has since grown further in scale. The site operates similarly to other well-known community-based sales forums such as eBay: the reputations of sellers and buyers are verified through transaction feedback, and payments are typically held in an escrow until the transaction is completed. Silk Road has been described as “a site for connoisseurs: an easy way to track down better quality – not cheap – drugs” and a way for consumers to “bypass gangs.”<sup>3</sup>

Silk Road has evaded law enforcement interventions as it operates with Tor software – “a network of virtual tunnels” that ensures the anonymity of Internet users.<sup>4</sup> Transactions are also conducted using the online “Bitcoin” currency. Both are legitimate online mechanisms: Tor has been a crucial activism tool against government censure in places such as China, Iran, and Syria, while Bitcoin is the world’s fastest growing currency and is worth an estimated USD 800 million.

1 <http://www.nbcnewyork.com/news/local/123187958.html>

2 <http://www.andrew.cmu.edu/user/nicolasc/publications/TR-CMU-CyLab-12-018.pdf>

3 <http://www.guardian.co.uk/world/2013/mar/22/silk-road-online-drug-marketplace>

4 <https://www.torproject.org/about/overview.html.en>

Further informal consultations and dialogues result in the decision by the UN Secretary General to convene a plenipotentiary conference of the parties of the three UN drug control conventions in 2021, five years after the watershed 2016 UNGASS, to negotiate the contours of a new Single Convention that will replace the three treaties currently in place. Several Asian, African, and Middle Eastern countries strongly oppose this move as evidence of a de-

cline in the authority of the international conventions and lobby to maintain most of the original language governing the control of psychoactive substances. But they also acknowledge that the previous consensus no longer exists, and that the treaty system will ultimately need to become more flexible.

At this point, the situation in the hemisphere is a patchwork of heterogeneous regimes surrounding cannabis. International trade of coca in its natural form has been enabled among a number of countries, for example, to supply the significant legal consumption in the North of Argentina from Bolivia. No hemispheric State is yet prepared to move forward on legalization of either cocaine or heroin production or sale, given the substantial public opposition, although possession for personal consumption of small amounts of all drugs have also been decriminalized in a number of countries.

## Regulatory Innovation: New Zealand and NPS

*“Innovative approaches should be applied by law enforcement officers. New Zealand, for example, has enacted creative legislation that places the onus of proving the substance is safe on the seller.”—Yuri Fedotov, Executive Director of the UNODC, 2013*

New Zealand’s proposed legislation for the regulation of new psychoactive substances (NPS) provides for the licensing of certain NPS (currently not scheduled under the UN drug conventions) to be legally produced and sold within a strict regulation framework.<sup>1</sup>

This new legislation follows previous attempts to address the emerging challenge of NPS in New Zealand, especially the rising popularity of so-called ‘party pills’ containing the stimulant drug Benzylpiperazine or ‘BZP’. Initial attempts to introduce a regulated market model for BZP through an amendment to the NZ Misuse of Drugs Act floundered (although they did represent the first attempt to regulate a synthetic stimulant for non-medical use anywhere in the world), and BZP was prohibited in 2008.

As has been the common experience in other countries where NPS have established markets, bans have tended only to lead to the emergence of still newer substances onto the market.<sup>2</sup> The new Psychoactive Substances Bill provides a regulatory framework for the production and sale of NPS, but puts the onus for reviewing and establishing product risks onto the producers, in the same way pharmaceutical companies must apply for a licence to market a drug only after extensive testing. Penalties under the new regime include up to two years in prison for import, manufacture, supply, or possession with intent to supply unapproved substances. Elements of the regulatory sales model include a minimum purchase age of 18; no advertising except at point of sale; restrictions on which outlets can sell products; and labelling and packaging requirements.

The New Zealand government has said that “the current situation is untenable” and that this new “regime will provide stronger controls over psychoactive substances. At the moment, these products are unregulated, with no control over ingredients, place of sale, or who they can be sold to.”<sup>3</sup>

1 Full text of the draft bill is available at: <http://www.legislation.govt.nz/bill/government/2013/0100/latest/whole.html>

2 UNODC, 2013, “The Challenge of New Psychoactive Substances” [http://www.unodc.org/documents/scientific/NPS\\_2013\\_SMART.pdf](http://www.unodc.org/documents/scientific/NPS_2013_SMART.pdf)

3 <http://www.scoop.co.nz/stories/PA1210/S00181/dunne-legal-highs-regime-costs-and-penalties-announced.htm>

By 2025, the fixed lens on prohibiting drugs has become a kaleidoscope of approaches to cannabis, coca leaf, and some new psychoactive substances. While opposition remains firm throughout much of the continent against creating a legal regulatory framework for cocaine, a serious debate about regulatory options for stimulants is taking place. Some experimentation with stimulant maintenance treatment is occurring where crack is a serious problem, and harm reduction efforts that focus on engaging and supporting crack and pasta-based cocaine users are well developed in Brazil and some other jurisdictions.

*“Our policies make heroin dangerous to a user because one never knows what one is injecting or smoking or what the appropriate dose is. When young people ingest Ecstasy they have no idea what exactly is in the drug. Our policies maximize the risk to the user of a deadly overdose or of a deadly contaminant being in the drug.”*

Organized crime and violence, although declining, still remains, largely related to cocaine trafficking in the South – although some organized crime groups are attempting to diversify into the illicit manufacture and distribution of pharmaceuticals and new psychoactive substances in the North. But the effects of new cannabis policies include not only increased government tax revenue but a significant disruption of the profits of organized crime in this area.

By creating space to enable different countries to pursue different *pathways*; by developing and applying better evidence-based practices; by reducing significantly the burden on police, prisons, and courts; and by reducing the level of both drug-market and drug control-related violence, the benefits from the legal regulation of some drugs are understood and acknowledged.



**RESILIENCE**



# Resilience

**Resilience** is the story of a profound change in perspective about where the solution to the hemispheric drug problem can be found. Rather than focusing primarily on suppressing drug production and trafficking, or changing the legal or regulatory regime, national and local leaders recognize that the best approach is to focus on people rather than drugs and to rebuild and strengthen communities from the grassroots level up. Like a healthy body, a healthy community fights off an ‘epidemic’, whether it is an epidemic of violence or of drug dependence, through its own capacity to respond effectively – its own resilience.

## Drug Addiction as a Disease

Research over the last few decades in the neurosciences has yielded evidence of a close relationship between the structures of the brain and drug-using behaviors, including in predisposition to problematic drug use; short- and long-term effects that may be caused by substance use; and the important role of environmental factors.

Evidence from neuroscience also supports the definition of substance use disorders as chronic problems that respond to treatment, with a series of markers that are potentially useful in developing strategies to address substance use. Severe substance use disorders, involving the most harmful substances, such as alcohol, heroin, and smokeable cocaine, are medical conditions that can seriously affect the quality of life and even lead to conditions that threaten the life and functioning of those who have them. There are specific treatments for these disorders, which help a significant percentage of patients; however, as with other chronic conditions, relapses are frequent. It has been reported that the percentage of drug-dependent patients who are able to maintain abstinence and the percentage of patients with Type II diabetes mellitus who are able to achieve appropriate control over their metabolic disorder is similar: 40 to 60 per cent.

This statistic demonstrates the need for a parallel pragmatic harm reduction response to substance use disorders for the significant portion of people incapable of complying with abstinence-based treatment objectives. To apply the acquired understanding about problematic patterns of drug use effectively within the context of prevention, treatment, and harm reduction interventions requires making clear distinctions between different patterns of use and between the harmfulness and risks associated with the different substances available on the illicit and licit markets.

This change begins when a new effort is felt to be necessary in order to address the rising levels of violence, gang activity, prison overcrowding, and social exclusion related to drugs in many parts of the hemisphere. No single cause has led to these problems – rather, an array of troubling risk factors has contributed to the desperation and frustration at the community level, especially drug trafficking and problematic drug use, dysfunctional families, unemployment, and a decline in the strength of character, community values, and the neighborhood support network necessary for youth to transition successfully to adulthood. In addition, low public trust and confidence in the justice system and other governmental insti-

tutions in many countries has led to the development of local and national coalitions calling for more comprehensive and effective social, health, and justice initiatives within communities. A number of local governments, non-governmental organizations, and businesses respond by attempting to collaborate and engage citizens more broadly.

*“When television flashed those images of Davis Inlet youth in the Canadian North—some as young as 11 and 12, huffing gas out of paper bags with their vacant-looking eyes—across our urban TV screens in the 1990s, Canadians immediately understood the problem, and no one figured it to be the gasoline.”*

These community-based initiatives include, for example, the training of people from the communities themselves in prevention and treatment of problematic drug users; harm reduction programs; education programs that target youth; and sponsored activities, such as sports, that encourage socially excluded individuals to join a sports team rather than a gang. Closer communities also result in the sharing of information so that community members are more often aware of who needs help.

Like many profound changes, this one starts gradually and gathers strength over time. Some countries and communities advance more quickly than others. For example, a pioneering mayor, who understands the power behind this change in focus, invests heavily in these programs, and after five years, it looks as if these initiatives are yielding very positive results in homicide reduction, trafficking reduction, and health improvement. This example is replicated by others, and after ten years, the case-by-case achievements become a regional trend. This is such a slow process that in addition to the expected backlash from the institutions and politicians who feel that their interests are being threatened, there is also resistance from those who feel results are not being realized quickly enough.

While these grassroots changes are happening throughout the hemisphere, the global context also begins to shift. A UN General Assembly Special Session on drugs is called, and there, a private meeting is held among leaders, who discuss this shift in focus from drug control to community resilience.

## Dealing with the Heroin Crisis: A Case Study from Spain

During the 80’s and the beginning of the 90’s, Spain suffered a heroin epidemic that caused a serious public health and citizen security problem. Drugs became the leading cause of death among the youth in the big cities, and new AIDS cases linked to drug injection reached 3,500 cases a year in 1993-95, putting Spain at the head of Europe. In addition, a notable increase in crime associated with consumption generated an intense social alarm.

As early as 1985, Spain initiated a National Plan on Drugs in response to this crisis. This Plan, based on a public health approach and a political and social consensus, has evolved over almost thirty years.

The first efforts were directed toward creating a broad and diversified network of centers, capable of guaranteeing free treatment for drug addicts. To date, more than 200,000 people have received care. Harm reduction policies, including the dispensing



of methadone and the exchange of syringes, have also grown. A consequence of this is that methadone addicts grew from 28,806 in 1995 to 88,700 in 2003.

In addition, in the mid-nineties, prevention education was increased through school, family, and community programs.

After ten years of applying these policies, the most serious effects of the heroin epidemic began to diminish. First, overdose deaths declined; then the consumption prevalence dropped; then, slowly, the treatment demand also dropped. One of the most important indicators of success was the drastic reduction of intravenous use: in 1990, injection users represented 50% of heroin addicts treated; in 2000 they represented only 17%. These numbers explain the important drop in HIV-AIDS infections and other infectious diseases (such as tuberculosis and hepatitis) among intravenous drug users. There are still consequences from this crisis, but the efficacy of these policies is unquestionable: a significant reduction in the incidence and prevalence of the use of heroin (0.1% in 2011), a decline in mortality, and improvement in health and quality of life for thousands of people. Associated crime rates have also declined. A cultural change has taken place, too – today, heroin use results in social rejection, and the perceived risk of heroine consumption is high among youth.

In response to aid requests from the countries and regions suffering from violence, developed countries agree to join in the complex humanitarian effort to strengthen communities, with a focus on violence reduction rather than drug control. Part of the impetus for this is the growing economic power of the developing countries, which heightens the attractiveness of good relations.

To help this attempt to combat violence, hemispheric countries increase controls of exports of weapons and ratify the Inter-American Convention Against Illicit Manufacturing of and Trafficking in Firearms. At the same time, these countries negotiate Memorandums of Understanding (MOUs) with each other to allow the sharing of forfeited assets of drug-related illicit proceeds. These new funds, combined with a re-balancing of foreign assistance to emphasize violence prevention and community strengthening, begins to re-establish a hemispheric consensus on drug and crime issues.

An initiative begins, largely through social media, citing the success of visionary achievements from the past, like the Marshall Plan, the dissemination of family planning by the UN Population Fund, and the global success of policies to prevent smoking. If large challenges like these have succeeded in the past, then an initiative to strengthen communities through approaches that focus on their needs and appropriate intervention strategies, and that have harmonized and clear metrics for success, would surely also make a difference.

Donors from throughout the region and beyond step forward to help fund a series of linked initiatives, which is called “Resilience 2025.” Under this joint effort, countries focus on the challenges of violence and drug use prevention, prison reform, community social development, education, employment, and problematic substance use issues within their local communities with new vigor and ef-

*“Focusing on controlling drugs is like looking for your car keys under the streetlight when you lost them a block away in the dark.”*

fectiveness. The significantly expanded drug and alcohol treatment, harm reduction, screening and early intervention programs, and alternatives to incarceration, decriminalization of possession for personal use in most regions, drug treatment courts, probation services, monitoring, and counseling, health services within prisons for drug-dependent users, and restorative justice initiatives involving victims and offenders – all lead to an increased number of people who benefit to such an extent that many of them manage to rebuild their families and work lives. These successes, in turn, impact levels of crime, family cohesion, and community health in a number of areas.

Such efforts are supported by the flowering of initiatives in other related fields as well: regional Responsible Fatherhood and Motherhood campaigns, values programs for schools, prison education programs, sports and cultural programs for underprivileged communities, vocational training programs, basic skills for a successful life programs for young, undereducated parents, and community-based policing programs for the region. With all these other programs needing support as well, the original goal of re-allocating 25% of drug law enforcement funding to evidence-based violence and drug use prevention and harm reduction programs is not met by 2020, even though some budget shifts have occurred to at least initiate pilot programs in every country.

## Evidence-Based Prevention

To date, the most successful drug prevention programs have been comprehensive interventions aimed at helping parents adopt positive parenting practices; managing classroom environments; and developing a broad range of social skills. Programs that take into account the cultural differences, practices, and customs of each country or target group yield the best results.

Tobacco and alcohol provide potentially important lessons for drug prevention programs. In the case of alcohol, higher taxes, distribution density restrictions, reduced hours of sale, advertising bans, and setting minimum ages for consumption, among other measures, have shown to be effective in reducing harmful use. Brief, targeted interventions for populations on the verge of initiating use can also be helpful.

### *Evidence-Based Drug Use Prevention*

- Parenting skills programs (early and middle childhood, and adolescence)
- Early childhood education
- Personal and social skills, and social influences in education (middle childhood and adolescence)
- Class-room management skills (middle childhood)
- Implementation of alcohol and tobacco policies (early adolescence through adulthood)
- Community-based multi-component initiatives (all ages)
- Screening, brief intervention, and referral for treatment – SBIRT (early adolescence through adulthood)
- Workplace prevention (adolescence and adulthood)

**Non-Evidence Based**

- Information dissemination only
- Non-theoretical and non-prevention science-based media campaigns
- Sports or other leisure time activities

Source: International Standards on Drug Use Prevention, United Nations Office on Drugs and Crime

This difficulty in identifying sufficient funding poses challenges to the full implementation of the many programs targeted for support. Efforts to transfer funds from security and law enforcement budgets are partially successful, but cause significant blowback. An average ten percent reduction in the budgets of the police in several Caribbean countries, needed in order to fund increases in community violence prevention and health services, is accompanied by police layoffs and a short-term increase in crime and violence. In some Latin American countries, where violence, gang activity, and drug use are relatively low, a community health-based response to the problem seems less relevant than relying on strict penalties believed to help in deterring all criminal activities, including drug use.

Yet, gradually, “Resilience 2025” changes the responses to drugs and drug-related crime from a tendency to use repressive penalties to a focus on effective education for early prevention and social development, especially through initiatives aimed at young people and decriminalization for personal use in an increasing number of countries. Community leaders from countries with drug treatment courts in place offer training and technical assistance for other communities who want to move away from the penalty model of response to drug offenses. Community courts and other alternatives to incarceration – such as new probation and parole models designed to work with drug-dependent populations as well as low-level dealers – are also included in these training and technical assistance programs. Noting past excesses by police and security forces, law enforcement institutions develop close partnerships with health agencies to ensure that people whom police encounter who are suffering from either a substance use disorder or mental illness are referred to appropriate treatment rather than being incarcerated.

*“The drug issue is not so much a crime problem as it is an economic and social problem.”*

## Alternatives to Incarceration for Drug-Dependent Offenders

### **Drug Treatment Courts**

(Chile, Mexico, Trinidad and Tobago, Jamaica, Costa Rica, US, Canada, Australia, New Zealand, Europe)

Drug treatment courts link drug-dependent offenders to substance-abuse treatment and monitor progress through frequent drug testing and rigorous judicial monitoring. Integral to the model are: regular communication among judges, prosecutors, defense attorneys, treatment providers, and court staff to ensure sharing of accurate up-to-date information and a coordinated response; a system of graduated rewards and sanctions to foster

compliance; and links to other services, such as job training and housing, to help substance abusers attain – and maintain – a drug-free life. Research in the US has shown drug treatment courts reduce recidivism on average from 8 to 12 percentage points.

### **Community Courts**

(US, Canada, Australia, Europe)

Community courts are neighborhood-focused courts that attempt to harness the power of the justice system to address local problems. They consider the neighborhood itself the victim of crime and require offenders to pay back the injured neighborhood (usually by performing community restitution). They also mandate offenders, when appropriate, to get help for their underlying problems, such as drug addiction or mental illness. Through collaboration within the justice system and with outside stakeholders, such as residents, merchants, churches, and schools, community courts test new and aggressive approaches to public safety rather than merely responding to crime after it has occurred. Research in the US has shown they can reduce recidivism, contribute to reductions in crime, and increase public trust in the justice system.

A variation of this model is Hawaii’s Opportunity Probation with Enforcement (HOPE), a supervision program that aims to reduce crime and drug use by conducting frequent and random drug tests of probationers with the threat of short and immediate incarceration for failure. Other efforts that promote social integration and reduce recidivism include treating drug-dependent offenders while in prison, and developing community courts and reentry courts. In all these programs, evidence suggests that involving local and community actors is critical for success.

*“... the concept of security must shift from the idea of a militaristic safeguarding of state borders to the reduction of insecurity in people’s daily lives (or human insecurity). In every society, human security is undermined by a variety of threats, including hunger, disease, crime, unemployment, human rights violations and environmental challenges. The intensity of these threats differs across the world, but human security remains a universal quest for freedom from want and fear.”—2013 Human Development Report*

There is general agreement that a comprehensive health and social inclusion approach is needed – a full range of housing, treatment, and harm reduction approaches, including community-based outpatient treatment, youth treatment, interventions such as syringe exchange (where injecting is a problem), innovations in substitution treatment for coca paste users, supervised consumption services, outreach to marginalized populations, and access to low-threshold employment opportunities.

In many cases, however, the number of judges, police, social and health care workers, and other community leaders are too few to respond to all the social needs. In other instances, attempts to implement evidence-based programs to address the drug issue clash with already-entrenched interests and programs. These conflicts occur not only at the community level, but also at the policy-implementation level where local officials find it difficult to let go of ideas that the expert community has long ago discredited or to challenge vested interests. Failure to integrate these programs into existing social, health, and education services means that when budgets are squeezed, established programs are first in line for funds, leaving new programs to starve and sometimes die.

In some countries, the uneven implementation of “Resilience 2025” creates unintended consequences, including a backlash against the program and its donor nations, who are accused of having contributed inadequate funding. In 2021, hemispheric leaders express a renewed commitment to “Resilience 2025,” and a number of coun-

tries with the strongest economies in the region make additional contributions to those countries that most need it.

Two developments push “Resilience 2025” towards greater success. The first is the growing prosperity of the region, which creates a larger pool of resources for these social and health initiatives. The second development is subtle but powerful: as the focus shifts from drugs to resilient people and communities, a different set of metrics begins to reflect the changed priorities. The hemisphere begins to measure the success of its societies in terms of health and safety rather than aspects of one particular problem within it.

Over time the concept of a balanced approach becomes more than just words – it becomes a local reality in many countries throughout the hemisphere. Although these reforms are not universally implemented through all countries, they do begin to take root in certain areas and slowly begin to expand as the benefits of the approach become more apparent. Building resilient communities through improving education and employment, reforming approaches to incarceration, instilling strong values as part of comprehensive prevention programs, protecting human rights, providing early intervention services for individuals with substance use disorders, adhering to the principle of proportionality in sentencing, providing more intensive drug and alcohol health and harm reduction services for most problematic users, including HIV, and hepatitis prevention and overdose protection among injection drug users – in all these areas, best practices are shared and become enshrined not just in every nation’s drug strategy, but in every nation’s programming and budgeting.

Dedicated community work over the long run and an effective communication policy are helping citizens to develop a more realistic view of the drug problem and to clarify the perception of health-related risks for themselves and their families. Similarly, citizens gradually become aware that they are a fundamental part of the solution and not just victims of the problem.

With this refocused hemispheric partnership, approaches to the drug issue shift from control to prevention, selected harm reduction measures, and treatment, and from being driven by centralized government directives to being led at the regional and local level. Although there is some variation among and within countries, most nations see gang activity and violence as challenges best addressed through community prevention initiatives. They accept the wisdom of dealing with social exclusion and implementing community health-centered approaches for those with an underlying substance use disorder, or for low-level drug dealers and those most vulnerable to join gangs or to progress to more serious criminal activities.

Substantial criminal penalties related to drugs are given only to major drug kingpins and gang leaders, especially those guilty of

*“Back in the old days the judges knew everyone in town and could be like a father-figure, talking to everyone. People today become numbers in our courts. What drug courts have encouraged us to do is return humanity to the justice system.”*

violence against innocent victims. Drug retailers at the community level are often treated under a restorative justice model that exposes them to the community, where they must pay monetary penalties, do community work, and spend an important amount of time in re-education in values or in the programs offered by the Resilient Communities that form part of the “Resilience 2025” initiative. Government and civil society appear to be cooperating more closely to ensure that evidence-based prevention and treatment services and violence prevention interventions are readily available.

By 2020 community leaders can point to some initial successes. Criminal groups are weaker, communities throughout the hemisphere are stronger, and crime rates and gang involvement, although still present, are reduced and have become more manageable challenges. Youth in once troubled regions now have options to complete education programs, opening more opportunities for employment and stable life styles and for increasing the number of youth from poorer communities who move into the middle class. More youth begin to participate in sports and cultural activities, many of them sponsored by the private sector, NGOs, and religious institutions.

In a number of communities, public trust in justice and other government institutions has risen as a result of civic engagement efforts. More fathers keep their commitment to participate fully in raising their children, in part because their ability to meet family needs has been aided by the economic development of the hemisphere, which has produced more employment, even in poorer neighborhoods. Drug and alcohol harm reduction and treatment services are available for most who request them. Gang violence, social exclusion, and drug and alcohol related harms, as measured by hemispheric-wide OAS surveys, have slowly but steadily declined throughout the hemisphere.

The great challenge, however, is to maintain efforts over time. In some countries, failure to support ongoing monitoring and evaluation research leads to the lowering quality of crime and drug prevention and then of gang and drug treatment interventions. These failures lead to increases in the use of tobacco and alcohol and then increases in the use of cannabis, cocaine, and opiates. Concerns are expressed across the hemisphere about this disturbing trend when so many indicators had appeared to be moving in a positive direction.

In spite of these disappointments, the community-based organizational framework that has developed across the hemisphere as a result of “Resilience 2025” provides opportunities to reassess these anomalies and to identify gaps in service delivery across all sectors. The paradigm change of focussing on building resilient societies forces people and governments to look inward for solutions and to acknowledge the need for social reforms.

*“People do get better with a holistic approach. Don’t just keep building prisons. Let’s take a look at non-violent drug offenders and where possible treat them in the community.”*

By 2025, most of the current problems still exist, but many communities have managed to mitigate the most serious consequences. They have helped their citizens recover from problematic drug use, they have managed to educate many young people to make wise choices, they have found more effective ways to prevent violence, and they have strengthened partnerships. The choice to put people and communities at the center of concern is encouraging countries throughout the hemisphere to act against a common challenge through building resilient citizens and communities.

*“Drug use prevention programs tend to impact other behavior, too – they address academic failure and keeping kids in schools and employees in place. There are so many associated outcomes. It’s more than keeping people off drugs.”*







**DISRUPTION**



# Disruption

During the 2013 General Assembly of the OAS, the Report on the Drug Problem in the Americas is presented and acknowledged as an important reference. This report generates a vigorous debate, and member countries agree to strengthen the implementation and coordination of their drug-related policies.

But by the 2016 General Assembly, it is apparent that very little progress has actually been achieved, and the frustration of many member country representatives is palpable. Several Central American representatives declare that for them, the most important and urgent drug problem is the tens of thousands of deaths caused by violence, many of which are associated with the transit of drugs through their territory, and that this situation is intolerable. Some of them add that they feel cheated by the lack of progress since the 2013 meeting, where it was agreed that more developed countries would provide additional assistance to producer or transit countries. Several representatives state that commitments made at that time have not yet materialized and that their countries continue to be affected by the violence associated with the transit of drugs destined for other countries. These discussions usually end with the expression, “We are the ones who are paying the highest price. We are the ones who are losing the most lives. The current situation is unjust.”

Informally, these representatives highlight that it is increasingly contradictory and unfair that in some jurisdictions within destination countries, the production, sale, and consumption of cannabis is being legalized, while their countries must maintain a “war on drugs” – especially cocaine – that presents such high costs in lives and resources. After all, they argue, an international treaty shouldn’t amount to a suicide pact.

Later in 2016, at a summit meeting of Central American countries, one of the governments that had been the most critical in the OAS General Assembly announces that it has decided to refocus its security resources and establish its priorities in the areas of strengthening education, providing treatment for problematic drug users, preventing substance use, controlling money-laundering activities, providing harm reduction services, and adopting stringent measures to contain corruption. After the meeting, various analysts infer that this reorientation of priorities will mean less control of drug transit in several countries of the region, whose police forces and judicial apparatus seem to be exhausted as a result of the rise in criminal violence during recent years. They refer to the policy that they believe prevailed in previous decades in one country under which governments appeared to reach tacit agreements with trafficking organizations so as to not severely impede drug transit in exchange for a relative internal ‘social peace’.

*“In politics, people never try to bind themselves, only to bind the others.” – attributed to historian Jens Arup Seip*

*“Mexicans complain that the notion of ‘shared responsibility’ proclaimed by international bureaucrats means that their people get killed whereas the United States, with its soft gun laws, arms the traffickers, launders their money and consumes their product.”—*

*The Economist,  
27 February 2013*

Some governments in the continent distance themselves from this possible change in policy, indicating that although they fully understand the situation that particularly afflicts many drug transit areas, they would rather see some form of collective solution to the problem and not various divergent unilateral ones, which is what seems to be happening. They are concerned that a differentiated approach will foster greater trafficking, crime, and consumption in these countries and lead to reduced enforcement.

Specialists in security matters argue that it is impossible to reproduce the experience of the country that decades before had appeared to make tacit agreements with narcotraffickers. Today, they argue, trafficking groups are much more powerful, having developed a potential to corrupt that did not exist in the past. They note that the most probable outcome of the policy that appears to be developing would be an increasing flow of drugs through the area, and increasing problems with drug consumption, common crime, and family breakdown.

Furthermore, they point out, criminals will begin to buy respectability by funding schools and health clinics and socializing with public officials, and they will become accepted members of the communities. To maintain this position they will begin to pay for votes for the public officials who support their agenda, creating two centers of power in the state – one that is the government and one run by criminals. The countries tolerating the criminals will evolve into criminal states and have more difficulty in obtaining development money as there will be no guarantee of a trusted financial system. For the same reason, legitimate private investors will hesitate to invest in such countries.

Other governments, however, counter that drug seizures are only one aspect of a law enforcement-centered approach and don’t tell the whole story about crime and violence. They point to one country where the intensive campaign to disrupt drug cartel operations led to an increase in homicide rates, and to a second, where more operations against cocaine trafficking initially led to an increase in violence in ports and border cities in the first country before the cartels were broken up. A number of countries, particularly those involved in both production and transit, declare that it is the sovereign right of states to make their own domestic policy decisions and that this is paramount over what they view as outdated and ineffectual drug conventions and the resulting treaty obligations.

This latter view is reinforced by analysts who argue that the possibility of differentiated policies on drug production and transit as a way of prioritizing action in this field in relation to other areas, such as preventing drug use, violence, or money laundering, is not in conflict with the principles associated with the concept of “Multidimensional Security” adopted by OAS Member States in 2003, which holds that the architecture of security should be flexible and that it is up to each state to define it.

Not long after the Central American summit, other countries with similar domestic problems indicate that they might adopt the same independent attitude in order to reduce violence. Media reports suggest that some governments are implementing a policy similar to recent policies adopted in Central America where countries focus law enforcement efforts on non-drug crime and gang violence within their countries and ignore enforcement against drug cartel operations.

Soon a number of governments begin to be accused of neglecting their responsibilities to control drug trafficking in and through their territory. The governments that are criticized fail to answer these claims directly, but unofficial comments make the point that this new policy prioritizes violence reduction, and that although counter-narcotics efforts are still receiving attention, they are not at the center of government policy.

In the context of similar statements, governments in key Central and South American drug corridors reiterate commitments to uphold ties of cooperation with the international community in terms of containing activities related to the illegal drug economy, but also insist that international bodies, such as OAS/CICAD and UNODC, increase the percentage of their anti-drug funds dedicated to border enforcement, including training and advanced technology. At about the same time, local media report that two Caribbean countries that have long been transit routes for cocaine heading toward Europe and West Africa are considering the possibility of implementing a similar “hands-off drugs to focus on criminals” policy. The news is extensively disseminated internationally while the governments concerned neither confirm nor deny it.

In the global community the possibility that some countries are implementing a policy that allows them to disregard the production and transit of drugs – particularly cocaine – in and through their territories provokes strong reactions. Voices are heard proclaiming that this is an unacceptable situation since it not only abandons treaty obligations, it also severely threatens regional security. Political leaders and journalists around the globe argue that the countries that are implementing this policy will become ‘narco-states’. Their neighbors protest that this situation should not be allowed and that the time to react is now, before it becomes too late. Other global leaders demand immediate action to reverse this policy change and to bring all countries back into alignment with their legal and moral responsibilities to the global community.

After almost two years of implementation, the new hands-off approach towards cocaine production and trafficking has resulted in a reduction in the reported number of drug seizures and trafficker arrests in some of the countries in which this approach is being implemented. In some of these countries, there has also been a reduction in the number of murders, which authorities indirectly attribute to the measures adopted.

*“Central America simply cannot cope with this problem. It is totally beyond its capabilities, since there is already a tremendous security problem, the legacy of the violence of the armed conflict. The conflict changed because the rule of law was not established to resolve it; people continue to solve their conflicts by shooting each other.”*

*“Some countries don’t really want to get rid of the transnational criminal organizations. These bring billions of dollars into their economy. They would just like these organizations to behave.”*

*“A bad future is a future in which the producer countries and the consumer countries continue not to coordinate with each other; a future in which there is no clarity or consensus among the United States, Europe and Latin America, and in which the drug traffickers are thus able to continue to exploit the most profitable business in the world—in short, a future in which we continue not to use the same compass.”*

After two more years, however, local and international media sources report that those Central American countries that substantially reduced their drug enforcement operations are increasingly becoming magnets for the drug cartels. Together with describing the problems of increasing drug consumption and criminality in their territories, analysts and commentators recount the growing power that cartel leaders appear to have. The economies of those countries have received a boost by the expanding number of wealthy cartel leaders who have relocated to the region and built large gated mansions, and who have hired local laborers, bodyguards, lawyers, accountants, and other staff to support their growing personal and business operations. These cartel leaders are gaining influence in the economy, in politics, and in the institutions of these countries. In the future, these analysts argue, it is inevitable that these criminal leaders will develop into respected leaders in their societies, and what was predicted will become a self-fulfilling prophecy – these countries will have been converted into ‘narco-states’.

The public and political parties of the surrounding region react in various ways. In some there is significant opposition to the implementation of the new policy, with the argument that it represents “a return to the worst of the past.” In others, the dominant reaction is indifference, although the initial reduction in homicide is welcome. The countries that are the final destination for the drugs are experiencing, in turn, an increase in the volume of cocaine consumption due to an increase in availability, decreased cost, and increased purity as a result of the reduction of enforcement operations in transit countries.

*“It has just been announced that the HSBC bank, accused of ‘laundering’ money for Mexican drug traffickers, will pay a fine of 1.9 billion dollars in exchange for the U.S. authorities dropping criminal charges. It turns out that banks that perpetuate the problem now have the ability to pay a fine in order to avoid a sanction. This is the final evidence of the double standard that’s now at work: the Americans never stop demanding that the countries of Latin America act more firmly, but are not capable of being equally strict in their own country.”*

During the first quarter of 2018, the International Narcotics Control Board issues a report in which it strongly criticizes what it defines as the “permissiveness” of some countries regarding the production and transit of drugs, indicating that this attitude is a violation of the commitments adopted in the 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988. As the report specifically mentions some countries, corresponding governments react by pointing out that they are abiding by their commitments to these conventions and that their internal security policies are not defined in terms of permissiveness regarding the illegal drug economy, but in terms of priorities in combating some of these drugs in the context of their particular national circumstances and needs.

Other countries argue that they are in fact being more true to the conventions by putting their modest resources where there is most impact in addressing the aspects of the drug problem that most directly affect them. Northern countries focus on border control and interdiction, they point out, but drug seizures, even if they increased significantly from current levels, are in reality merely a cost of doing business for the cartels.

The global community reiterates its complaint against the treaty violations, referring to the INCB report, and continues to pressure the governments. However, no specific measures are adopted, and North American countries show restraint in effecting reprisals as they pursue diplomatic efforts to get countries to reverse the hands-off policy. At the same time the efforts of these countries to disrupt the flow of arms across their borders do not succeed in reducing cartel access to weapons.

In this context, in the beginning of 2019, important members of government opposition in a South American drug producer and transit country suggest that their government should study the possibility of establishing priorities in their domestic policy similar to those being implemented in some Central American countries, as this would respond more directly to the priority needs of their own security. These statements lead to a new controversy, which mainly involves South American countries. In another drug production and transit country, the government reiterates that domestic policy decisions are exclusive to each government and each country, and that it does not rule out the application of measures to modify its own priorities for confronting the illegal drug economy.

The government of a country that borders on this latter drug production and transit country reacts by saying that any decrease in the severity with which its neighbor is fighting against the production and transit of any type of drug would be seen as a hostile act, and it initiates efforts to strengthen border security to mitigate risks from the possible implementation by its neighbor of such a hands-off policy.

By 2025, international tensions and conflicts over drugs and organized crime have increased throughout the hemisphere.

*“Interdiction is a joke. At most it will net you 5% of the drug flows, and this is seen by the traffickers as just a cost of doing business. They will find another route. It’s like just stopping up one mouse hole—there are not enough resources to stop all routes. We have good projects and good intentions, but the lack of coordination amongst us means that we’re failing.”*





# Contributors

The Scenario Team is made up of leading actors who are representative (but not representatives) of the whole ‘drug system’ of the Americas. Individually, they are respected leaders of their own sectors, and as a team, they have a range of backgrounds and perspectives (sectoral, ideological, professional, geographical) that enable them together to grasp the emerging system as a whole. Groups represented in the project include leaders from civil society, government, business, academia, indigenous peoples, police, the military, young people, politicians, activists, and others.

Because these scenarios represent four different pathways forward, almost every scenario team member disagrees with elements in at least one of the scenarios. As a consequence, this list represents not a consensus on implicit policy recommendations but the people themselves – a group of diverse, committed, and caring professionals who worked together in the hope that these scenarios might encourage a dialogue that would help the world move forward in relation to the drug problem in the Americas.

## *The Scenario Team*

**María de las Mercedes Aranguren**  
President of Fundación Convivir at Argentina

**Kofi Barnes**  
Judge, Ontario Court of Justice at Canada

**Rafael Bielsa**  
Secretary of State of the Ministry of Planning for the Prevention of Drug Abuse and Drug Trafficking, SEDRONAR of Argentina

**Adam Blackwell**  
Secretary for Multidimensional Security, Organization of American States

**Margaret Bloodworth**  
Former National Security Advisor of Canada

**Gloria Bodnar**  
Director of the Research and Evaluation Department of the Anti-drug Foundation of El Salvador (FUNDASALVA)

**Mauricio Boraschi**  
Deputy Minister of the Presidency in Security Affairs, National Drug Commissioner, Ministry of the Presidency of Costa Rica

**Álvaro Briones**  
Interim Director of the Public Security Department, Organization of American States

**Marisol Calix**  
Local Coordinator of Armando Paz at Honduras

**Marcela Chacón**  
Deputy Minister of Interior and Police, and focal point for the SICA Regional Security Strategy of Costa Rica

**María Teresa Chadwick**  
Prevention and Management Director, Consultant, and former Secretary of CONACE of Chile

**Gino Costa**  
Former Minister of Interior, former Deputy Ombudsman, and current President of Ciudad Nuestra of Peru

**Sandro Costa Santos**  
Deputy Coordinator of Human Security, Viva Rio, Brazil

**Rogelio Flores**  
Superior Court Judge, Santa Barbara County, United States of America

**Jaime García**

Research Associate of the Institute of International Studies at the Pontifical Catholic University of Peru

**Genaro García Luna**

Former Secretary of Public Security of Mexico

**Juan Ramón Gradiz**

Inspector General of the National Police of Nicaragua

**Aminta Granera Sacasa**

General Director of the National Police of Nicaragua

**Ivelaw Lloyd Griffith**

Professor of Political Science, and Provost and Senior Vice President, York College of The City University of New York, United States of America

**Edgar Gutiérrez**

Former Minister of Foreign Affairs and current Ambassador to Guatemala on special mission to reform drug policy

**Alejandro Hope**

Analyst from the Mexican Institute for Competitiveness

**Martin Jelsma**

Coordinator of Drugs & Democracy Programme - Transnational Institute (TNI) at The Netherlands

**Callixtus Joseph**

Regional Crime and Security Strategy Coordinator, CARICOM Implementation Agency for Crime and Security (IMPACS)

**Julius Lang**

Director of Training and Technical Assistance, Center for Court Innovation of the United States of America

**Donald MacPherson**

Executive Director of the Canadian Drug Policy Coalition

**Emiliano Martín**

Former General Deputy Director of the Spanish National Drug Plan and former Director of the Drug Plan at Madrid. Responsible for protection to minors at Madrid, Spain

**Antanas Mockus**

Former Mayor of Bogota, Colombia

**Jorge Morales**

Local Coordinator of Armando Paz at Nicaragua

**Joaquín Moreno**

Founding member and Director of the Centro de Liderazgo y Gestión of Colombia. Member of the Board of Directors of Ecopetrol, S.A. of Colombia. Former President of the Companies of Royal Dutch Shell for Colombia, Mexico, and Venezuela

**Óscar Naranjo**

Former Director of the Colombian National Police and current Director of the Latin American Citizenship Institute, Monterrey Technology System, Mexico

**Antonio Navarro Wolff**

Former Governor of Nariño, former Senator, former Mayor, and former Minister of Health of Colombia

**Michael Reid**

Americas Editor, *The Economist* of the United Kingdom

**Peter Reuter**

Professor in the School of Public Policy and in the Department of Criminology, and Founding President of the International Society for the Study of Drug Policy of the United States of America

**Víctor Rico**

Director of Institutional Development and Special Affairs at CAF, Latin American Development Bank at Bolivia

**Fredy Rivera**

FLACSO Research professor at Ecuador

**Lisa Sánchez**

Coordinator of the Latin American Program for the Reform of Drug Policy, México Unido contra la Delincuencia / Transform Drug Policy Foundation, Mexico

**Chandrikapersad Santokhi**

Former Minister of Justice and Police, and Principal Representative of Suriname for CICAD

**Rogério Seabra**

Former Overall Commander of the Units of Police Pacification (UPP) at Rio de Janeiro, Brazil

**Diego Silva Forné**

Criminal Law Professor at the Universidad de la República O. del Uruguay. Director of the Magazine on Criminal Law (Montevideo, Uruguay)

**Zili Sloboda**

Director of the Research and Development Center of JBS International Inc. of the United States of America

**Eduardo Stein**

Former Vice-President of the Republic of Guatemala, and current Coordinator of Red Centroamericana de Centros de Pensamiento e Incidencia (laRED)

**Vladimir Stempliuk**

Director for Strategic Projects and International Affairs of the National Secretariat for Policies on Drugs of the Ministry of Justice of Brazil

**Alcira Tejada**

Dean of the Faculty of Nursing of the University de Panamá

**Danilo Villafañe**

Arhuaco leader, Coordinator of Land and Environment of the Gonawindúa Tayrona Organization of Colombia

**Alberto C. Vollmer**

President of Ron Santa Teresa and Founder of Proyecto Alcatraz of Venezuela

**John Walsh**

Senior Associate, WOLA, United States of America

**People Interviewed****Diane Ablonczy**

Minister of State for Foreign Affairs, Canada

**Pedro Abramovay**

Former Secretary of Legislative Affairs of the Ministry of Justice and Director of AVAAZ in Brazil

**José Antonio Abreau**

Founder and Director of the Youth and Child Orchestras System of Venezuela

**Enrique Accorsi**

Member of Parliament of the Congress of Chile

**María de las Mercedes Aranguren**

President of Fundación Convivir at Argentina

**Francisco Babin**

Director of the Institute of Addictions at the city of Madrid

**Kofi Barnes**

Judge, Ontario Court of Justice at Canada

**Richard Baum**

Branch Chief for International Policy, ONDCP – Office of Supply Reduction, Executive Office of the President, United States of America

**Francisco José de Vargas Benítez**

Minister Executive Secretary of the Antidrug National Secretariat (SENAD) of Brazil

**Rafael Bielsa**

Secretary of State of the Ministry of Planning for the Prevention of Drug Abuse and Drug Trafficking, SEDRONAR of Argentina

**Adam Blackwell**

Secretary for Multidimensional Security, Organization of American States

**Javiera Blanco**

Director of Fundación Paz Ciudadana of Chile

**Margaret Bloodworth**

Former National Security Advisor of Canada

**Gloria Bodnar**

Director of the Research and Evaluation Department of the Anti-drug Foundation of El Salvador, FUNDASALVA

**Mauricio Boraschi**

Deputy Minister of the Presidency in Security Affairs, National Drug Commissioner, Ministry of the Presidency of Costa Rica

**Fernando Henrique Cardoso**

Former President of the Republic of Brazil

**Carlos Castresana**

Former Commissioner of the UN International Commission against Impunity in Guatemala (CICIG)

**María Teresa Chadwick**

Prevention and Management Director, Consultant, and former Secretary of CONACE of Chile

**Gino Costa**

Former Minister of Interior, former Deputy Ombudsman, and current President of Ciudad Nuestra of Peru

**Sandro Costa Santos**

Deputy Coordinator of Human Security, Viva Rio, Brazil

**Lucía Dammert**

Professor of FLACSO at Chile

**Marcus Day**

Vice Chair of Harm Reduction International at Saint Lucia

**Joaquin Domingos de Almeida Neto**

Court Judge of the State of Rio de Janeiro at Brazil

**Gustavo de Greiff**

Former General Attorney of the Nation, Republic of Colombia, and Former Ambassador at Mexico

**Paulina Duarte**

Secretary of the National Antidrug Secretariat of the Ministry of Justice of Brazil

**Rogelio Flores**

Superior Court Judge, Santa Barbara County, United States of America

**Francis Forbes**

Interim Executive Director of the Caribbean Community Implementation Agency for Crime and Security, CARICOM at Port of Spain, Trinidad and Tobago

**Enrique García**

Executive President of CAF, Development Bank of Latin America

**César Gaviria**

Former President of the Republic of Colombia

**Ivelaw Lloyd Griffith**

Professor of Political Science, and Provost and Senior Vice President, York College of The City University of New York, United States of America

**Eduardo Guerrero**

Partner of Lantía Consultores of Mexico

**Edgar Gutiérrez**

Former Minister of Foreign Affairs and current Ambassador to Guatemala on special mission to reform drug policy

**Alberto Hart**

Director of Global Commitment of DEVIDA of Peru

**Rodrigo Hinzpeter**

Minister of National Defense of Chile

**Alejandro Hope**

Analyst from the Mexican Institute for Competitiveness

**West Huddleston**

CEO of the National Association of Drug Court Professionals (NACDP) of the United States of America

**José Miguel Insulza**

Secretary General of the Organization of American States

**Martin Jelsma**

Coordinator of Drugs & Democracy Programme - Transnational Institute (TNI) at The Netherlands

**Gil Kerlikowske**

Director of the Office of National Drug Control Policy, the White House, United States of America

**Ricardo Lagos**

Former President of the Republic of Chile

**Aldo Lale**

Representative of the United Nations Office on Drugs and Crime at Uruguay

**Julius Lang**

Director of Training and Technical Assistance, Center for Court Innovation of the United States of America

**Helen Mack**

Former Presidential Commissioner for the Police Reform of Guatemala

**Donald MacPherson**

Executive Director of the Canadian Drug Policy Coalition

**Carmen Masías**

Executive President of DEVIDA of Peru

**Carl Meacham**

Senior Advisor for Latin America and the Caribbean, US Senate, Foreign Relations Committee

**Daniel Mejía**

Professor and Researcher of the Faculty of Economics and of the Study Center on Security and Drugs of the Universidad de los Andes of Colombia

**Antanas Mockus**

Former Mayor of Bogota, Colombia

**Joaquín Moreno**

Founding member and Director of the Centro de Liderazgo y Gestión of Colombia. Member of the Board of Directors of Ecopetrol, S.A. of Colombia. Former President of the Companies of Royal Dutch Shell for Colombia, Mexico, and Venezuela

**Stanley Motta**

CEO of Copa Airlines

**Ethan Nadelman**

Executive Director of the Drug Policy Alliance of the United States of America

**Óscar Naranjo**

Former Director of the Colombian National Police and current Director of the Latin American Citizenship Institute, Monterrey Technology System, Mexico

**Antonio Navarro Wolff**

Former Governor of Nariño, former Senator, former Mayor, and former Minister of Health of Colombia

**Donald Pigaroff**

Assistant Deputy Minister for Policy, Department of Justice, Canada

**Michael Reid**

Americas Editor, *The Economist* of the United Kingdom

**Peter Reuter**

Professor in the School of Public Policy and in the Department of Criminology, and Founding President of the International Society for the Study of Drug Policy of the United States of America

**Víctor Rico**

Director of Institutional Development and Special Affairs at CAF, Latin American Development Bank in Bolivia

**Steve Rolles**

Main Policy Analyst, Transform Drug Policy Foundation, United Kingdom

**Morris Rosenberg**

Deputy Minister, Department of Foreign Affairs, Canada

**Mirta Roses**

Director of the Pan American Health Organization at Argentina

**Lisa Sánchez**

Coordinator of the Latin American Program for the Reform of Drug Policy, México Unido contra la Delincuencia / Transform Drug Policy Foundation, Mexico

**Armando Santacruz**

Counselor of México Unido contra la Delincuencia

**Chandrikapersad Santokhi**

Former Minister of Justice and Police, and Principal Representative of Suriname for CICAD

**Juan Manuel Santos**

President of the Republic of Colombia

**Rogério Seabra**

Overall commander of the Units of Police Pacification (UPP) in Rio de Janeiro, Brazil

**Zili Sloboda**

Director of the Research and Development Center of JBS International Inc. of the United States of America

**Eduardo Stein**

Former Vice-President of the Republic of Guatemala, and current Coordinator of Red Centroamericana de Centros de Pensamiento e Incidencia (IaRED)

**Ilona Szabó**

Co-coordinator of the Global Commission on Drug Policy of Brazil

**Francisco Thoumi**

Retired Professor, former Research coordinator for UN Global Programme against Money Laundering in Vienna

**Juan Tokatlián**

Professor of International Relations at the Universidad Torcuato de Di Tella of Argentina

**Sergio Torres**

Circuit Judge of the National Crime and Correctional Court of Argentina

**Gabriela Touze**

President of the NGO Intercambios of Argentina

**Arturo Valenzuela**

Professor of Georgetown University, Washington D.C.

**Alberto Vollmer**

President of Ron Santa Teresa and  
Founder of Proyecto Alcatraz of  
Venezuela

**John Walsh**

Senior Associate, WOLA, United  
States of America

**Richard Wex**

Assistant Deputy Minister for Law  
Enforcement and Policy, Department  
of Public Safety

**Panelists at Workshop 2**

We were privileged to hear three  
representatives from Fundación  
Conexión, El Salvador and one from  
Proyecto Alcatraz of the Fundación  
Santa Teresa in Venezuela.

***OAS/CICAD Team***

Adam Blackwell  
Álvaro Briones  
Francisco Cumsille  
Rafael Franzini  
Maria Beatriz Galvis  
Adriana Henao  
Bryce Pardo  
Paul Simons

***Reos Partners Team***

Mille Bojer  
Elena Díez Pinto  
Adam Kahane  
Anaí Linares

***Centro de Liderazgo y Gestión Team***

Alejandra González  
Joaquín Moreno  
Juan Carlos Morris  
Gustavo Mutis

***Scenario Editor***

Betty Sue Flowers  
Distinguished Teaching Professor  
Emeritus of the University of Texas at  
Austin

***Scenario Editor - Spanish version***

Juan Carlos Morris

***Graphic Design***

Alejandro Ahumada





Organization of  
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1889 F. Street, NW, Washington, DC 20006  
Tel: + 1.202.370.5000  
[www.oas.org](http://www.oas.org)

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