

Illegal drugs in the Czech Republic: regulation or prohibition?

Abstract

As part of the noble effort to eliminate drugs as a global phenomenon that has accompanied mankind almost since time immemorial, prohibition is clearly the most dominant policy applied worldwide. However, given that rigidly restrictive legislation does not lead to the desired results, which are, in particular, the reduction of drug trafficking and the reduction of global consumption, this simple reasoning would lead one to conclude that it is a failed approach. However, success can be perceived in very relative terms and must always be compared with an alternative, and it is only when they are compared that a true evaluative statement of success can be made. Prohibition fails, but is there a better alternative?

Drug prohibition and its enforcement imposes significant costs on society as a whole, while it itself completely eliminates some potential sources of public revenue that could offset these and other costs. The aim of this thesis was to provide guidance as to whether, in the context of the Czech Republic, it might be more appropriate to legalise some selected illicit drugs in the context of the high costs of prohibition, specifically focusing on cannabis, ecstasy, LSD, methamphetamine, cocaine and heroin.

Using publicly available data, the thesis analyses and compares the costs and benefits of potential legalisation in several different scenarios, which assume different behaviour of drug users and different adjustments of the commercial market after legalisation. The calculations themselves take into account savings in law enforcement costs, tax revenues, treatment and harm reduction costs, and the societal costs of reduced quality of life for users who would only start using drugs as a result of legalisation.

Based on the chosen calculation methodology, all of the drugs in question demonstrate the potential economic benefits of legalisation if several cumulative conditions are met, in particular avoiding a significant increase in new users and reducing the black market. However, only two substances show a positive trade-off in both the optimistic realistic scenarios and the more pessimistic ones: cannabis and cocaine.

The results of the paper cannot be interpreted as a full economic assessment of potential regulation. However, it can provide effective guidance and hints on the rationality and

economic viability of prohibitionist policies for certain illicit drugs, and possibly make a modest contribution to the societal discourse on the approach to illicit drugs.

Key words: illegal drugs, legalization, regulation, prohibition, costs