

## Re: A Prison State, If Not a Police State

**Source:** <http://sci.tech-archive.net/Archive/sci.econ/2005-03/0839.html>

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**From:** Bill (*xxx\_at\_yy.zz*)

**Date:** 03/07/05

Date: Mon, 07 Mar 2005 00:26:11 GMT

"Ivan M." <ivan.yosifovich@gmail.com> wrote in message  
news:8fe47a92.0503061508.1b208ee8@posting.google.com...

> *"Bill" <xxx@yy.zz> wrote in message*

> *news:<OwtWd.10299\$5Y6.9484@newssvr31.news.prodigy.com>...*

>> >> > *[The graph of illegal drug prices] seems relatively flat for the*

>> >> > *last 10 years.*

>> >> >

>> >> > *During which the DEA budget has increased by 70% in real terms. Go*

>> >> > *figure.*

>> >>

>> >> *The point is the price of drugs is not a useful measure of DEA*

>> >> *effectiveness.*

>> >>

>> > *Yes, it is. The only non-negligible components of the street price of*

>> > *drugs are costs of avoiding and bribing law enforcement and the*

>> > *monopoly profits of the gang that gets to control a particular area*

>> > *(the cause of monopoly being economies of scale in bribing the law*

>> > *enforcement, of course). If the interception of drug trade anywhere in*

>> > *the trading chain is becoming more effective, the street price of*

>> > *drugs must be increasing.*

>> >

>>

>> *You are not listening. Suppose they focus their efforts on users and lock*

>> *them*

>> *up for longer periods – which is where this discussion started – then the*

>> *price of drugs will drop (supply and demand).*

>

> *I'm not talking about what could happen if DEA was staffed by wise and*

> *benevolent idealists. I'm talking about what the results of prohibition in*

> *practice. Or you perhaps think that those benevolent idealists from DEA are*

> *sincerely misguided and push wrong policies because they don't understand*

> *your arguments?*

>

You again are not addressing the point. The price of drugs is not a got  
measure of how effective drug control has been. The original topic was  
prison. If we put more people in prison longer (which I oppose) I think drug

prices would drop because demand would drop.

>> > *You essentially propose more of what's being done right now. Greatly intensifying these measures has so far turned out be a miserable utter failure. I have no reason whatever to believe that success will suddenly follow if they are just intensified beyond a certain point.*

>> >

>>

>> *Why not? If you have some degree of success now – i.e. some interceptions. Would you not have more if you put in 10 or 20 times the effort?*

>

> *Yes -- and it wouldn't change anything. You don't seem to understand one essential characteristic of illegal drugs, and that is the vast difference between their price in the countries of origin and their price once they enter the US. Imagine if the US border had the magical property to turn sand into gold when it's imported into the US, and that for some reason the US government attempts to stop the importation of sand at all costs. It would most certainly fail, because even if a tiny percentage of the sand someone tries to smuggle in passes through, it is still a hugely profitable operation. Drugs are similar -- they are dirt cheap to manufacture abroad and precious once smuggled into the US. If the US market potential is several hundred tons of cocaine each year, even if 90% of all shipments are intercepted, it is still hugely profitable for the mafia to attempt smuggling thousands of tons each year, because the profits from 10% that gets through are far more than enough to compensate for the loss of other 90%. Of course, such a high rate of interception is impossible even if the US turns into a new North Korea.*

>

>> > *Assume for the moment that the border control really gets significantly more effective. The result will be a great increase in the street price of drugs, and hence a great increase of the potential profits for smugglers. There will always be customers for drugs, regardless of the price -- Hollywood stars will want cocaine even if it's \$5,000 a gram. The increased profit incentive will at least partially offset the negative incentive of the greater probability of getting caught. There is no reason to believe that the new equilibrium quantity smuggled will be substantially smaller -- especially when you factor in the greater opportunities and incentives for corruption.*

>>

>> *Of course it will be. The people who are not Hollywood stars will not be able to pay for it. Basically if there is less supply, there is less supply and there must be less consumption.*

>

> *But even if the price gets so high that only millionaires can afford it, that situation cannot last long, because the possibility of mindboggling profits will attract more smugglers and the price will soon drop again.*

>

To some degree.

>>> *But one corrupted border control official (or a small group of them)*  
>>> *is enough to let in an enormous quantity of drugs. Remember, drugs*  
>>> *aren't a bulky cargo. And, what is even more important, the difference*  
>>> *in price on the different sides of the border is \*enormous\*, two*  
>>> *orders of magnitude -- if just 5% of the stuff you try to sneak in*  
>>> *gets through, you're still end up making a profit. This difference*  
>>> *would get even greater with tighter border control.*

>>>

>>

>> *Again, I'm not talking perfection here. And by frequently rotating customs*  
>> *people you will never know who you will get.*

>

> *There is absolutely no way to avoid corruption in a situation when even a*  
> *relatively junior official can earn a fortune by simply turning a blind eye.*  
> *Besides, who does the rotating? \*His\* incentive for corruption would be*  
> *sky-high. You would need an incorruptible angel from heaven to fill that*  
> *position.*

>

If that is perceived as a problem you could even have a random process. Or you can rotate our the rotators.

>>> *The powers to terrorize and repress people for victimless crimes. The*  
>>> *greater such government powers are, the more corruption there will be.*

>>>

>>

>> *I never said anything like that. I propose less control at the local*  
>> *level. More control at the border, but no powers beyond what exist today.*

>

> *The powers that exist today are frightening already.*

>

You talked about greater powers and I never suggested that.

>>> *And what police state are you talking about.*

>>>

>>> *The one that you already have -- mainly as a result of the former*  
>>> *alcohol prohibition and the subsequent drug war. If the mere act of*  
>>> *growing a particular plant species in my basement or possessing a*  
>>> *pound of a certain chemical is going to get my house raided by a SWAT*  
>>> *team and ensure me a jail sentence comparable to the one for murder,*  
>>> *that's a police state -- whatever euphemisms you use to describe it.*

>>>

>> *Again, you are attributing to me the opposite of what I have said and then*  
>> *holding me to account for it. I proposed both less focus on MJ across the*  
>> *board and less focus on police enforcement at the local level and more*  
>> *focus*

>> *on help. The opposite of what you suggest I have said. I have also said*  
>> *prison terms should be shorter -- or non existent in many cases.*

>>

>> *Don't automatically stereotype people.*

- >
- > *I'm not stereotyping you*
- > *I believe that you sincerely think that your*
- > *schemes could work in practice. What I am rightfully stereotyping is what*
- > *governments do when they are given the power to meddle in any area of*
- > *people's affairs. You can be sure that this power will soon be stretched and*
- > *abused beyond the wildest imagination. Give the government power to censor*
- > *any kind of speech, and it's only a matter of time when the anti-government*
- > *speech will be criminalized. Give the government power to regulate*
- > *interstate commerce and it will proclaim that growing corn on your own field*
- > *to feed your own pigs constitutes interstate commerce (see Wickard v.*
- > *Filburn if you don't believe me on that one). And you believe that giving*
- > *the government power to repress people and confiscate their property with*
- > *the excuse that they possess a handful of some chemicals won't lead to a*
- > *police state? People in the positions of power aren't selfless*
- > *philanthropists struggling to work out an optimal policy for maximizing*
- > *common welfare. They are after maximizing their own power and wealth, and*
- > *the process by which they get to their positions generally selects for*
- > *opportunism and ruthlessness.*

Again I am totally focused on the border and am simultaneously proposing less focus at the local level, less prison time, less focus on MJ, and more help at the local level. On balance that sounds like less of a police state to me.

Bill