Drug Trafficking and the Socio-Political Economic Contexts in Selected Countries

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Abstract

As international criticism of the Philippine government's war on drugs continues, this study aims to find out the rate of drug trafficking incidences of various countries in the world and explore how this is affected by the respective countries' legal and socio-economic conditions, specifically: (1) Gross Domestic Product (GDP) per country, (2) public sector's perceived corruption index, and (3) country's legal standing on prohibited drugs. This study utilizes data mining or exploratory method. Data on the various variables were gathered from statistical reports from various reputable world agencies and subjected to statistical analysis in order to determine their significance in relation to drug trafficking. Results show that legal policies on drug trafficking, whether restrictive or non-restrictive, have no relation to drug trafficking. Surprisingly, countries with high GDP and countries considered as clean (no corruption) show higher drug trafficking rate. With higher purchasing capability, countries with high per capita income become targets for drug trafficking. The absence of corruption is not much of a factor as it is purchasing power that lures the illicit trade of drugs in these countries. As other studies have indicated, bloody campaign to eradicate the problem of illegal drugs has been found to be ineffective as compared to drug treatment.

Keywords: *drug war, drug trafficking, illegal drugs, GDP, corruption index, drug laws*

1.0 Introduction

Countries around the globe have long declared war against drugs. Over these recent years, many notable changes and reforms in international policy on illicit drugs and drug trafficking have taken place (Fazey, 2007). The United Nations Office on Drugs and Crime (UNODC) defines drug trafficking as a global illicit trade involving the cultivation, manufacture, distribution and sale of substances which are subject to drug prohibition laws. Governments have instituted dozens of programs to dismantle the illicit drug industry, but they have seen only marginal success (Jenner, 2011). In the Philippines, the newly-elected President Rodrigo Duterte's strong political will of ending the drug war largely contributed to

his winning in the recent national elections. Even just weeks after he took his oath of office, numbers of Filipino drug users who surrendered, and drug pushers and drug lords who received fatal death from the hands of police authorities are growing exponentially. This study aims to find out the rate of drug trafficking incidences of various countries in the world and explore how this is affected by the respective countries' legal and socio-economic conditions.

Illicit drug trafficking is one of the biggest business in the world at some $322 billion (UN World Drug Report, 2007). Countries which vehemently restrict the use of illegal drugs serve as an avenue for drug traffickers, manufacturers and smugglers to make a magnanimous amount of money (London: Anthem Press, 2002). A report published by 2010 to 2015 Conservative and Liberal Democrat coalition government of UK which is based on an in-depth study of drug laws in 11 countries ranging from the zero-tolerance of Japan to the legalization of Uruguay stated that they could not give an overall conclusion but they see lack of direct link between being "tough on drugs" and the problem on illicit drug use and drug trade. Thorton (2007), in his paper Prohibition versus Legalization: Do Economists Reach a Conclusion on Drug Policy?, economists cannot reach a specific conclusion on the impact of drug policy, but they are more inclined towards pro-liberalization of prohibited drugs. Interestingly, Drug Watch International (1994) mentioned a study on international drug policy and its effects on countries. Results have shown that countries with lenient drug law enforcement have had an increase in drug addiction and crime. Conversely, those with strong drug policies have reduced drug use and enjoy low crime rates.

Corruption is mentioned in many accounts to have some links to drug trafficking. In Haiti and Mexico, corruption plays a significant role in their drug trafficking (Williams, 2004; Morris, 2013). Morris also mentioned that "organizations providing contraband goods and services (aka organized crime, including drug trafficking organizations) cannot operate without the existence of some form of corruption: that the two are intricately and inherently linked." Thus, drug trades cannot survive without corruption because the said illicit business entails bribing and intimidating government officials and police authorities.

In Africa, not only corruption creates a breeding ground for drug trafficking on the continent, but also poverty and high youth unemployment. These three are a host of criminality and other social problems (2013). The drug dealers, also called as "narco-foot soldiers" and "drug gang members" are composed largely of poor and unemployed men and women (Cockayne and Williams, 2009) who face the first hand hazards, demands and sensitive nature of their employment. A study was conducted comparing Black Youth from White Youths, where the former engaged more on drug dealing due to low social status and reduced socioeconomic opportunities (Floyd, L. J., Alexandre, P. K., Hedden, S. L., Lawson, A. L., Latimer, W. W., & Giles, N. 2010). Several international and interstate conventions were held all around the world recognizing how poverty and drug trafficking are interconnected. Drug trafficking, terrorism, deepening poverty were among issues addressed during the fifty-seventh United Nations General Assembly (2013). The representatives of the 34-nation Organization of American States confront an array of problems in their region, including political instability, poverty and drug and

arms trafficking (Lorente, 2005). During the International Day against Drug Abuse and Illicit Trafficking (2010), UN Secretary-General Ban Ki-moon said "Our work to achieve the MDGs and fight drugs must go hand-in-hand. In seeking to eradicate illicit crops, we must also work to wipe out poverty."

It is notable that there were numerous studies about drug trafficking; however, the scope is mostly limited to a particular country. Also, with the literatures presented, there were three prevailing dimensions that may have linked on drug trafficking: political, economic and social. No study yet has attempted to combine all three factors. Since countries all over the world have varying social, political and economic conditions, this study is undertaken to discover a global trend / pattern whether there are certain social, political and economic conditions that may encourage or discourage the rise of drug trafficking. Should there be relevant association of drug trafficking rate to certain socio-economic and political factors, this study might be useful as a reference of countries in the world in the making of policies and actions that mitigate the negative impact of drug trafficking.

Upon examining three major factors which are social, political and economic, this paper uses the following variables to be measured: (1) Gross Domestic Product (GDP) per country, (2) public sector's perceived corruption index, and (3) country's legal standing on prohibited drugs. These factors will be correlated to the rate of drug trafficking incidences per country. The purpose of this study is to determine which of the independent variables have a significant impact on the rate of drug trafficking.

2.0 Designs and Methods

This study utilizes data mining or exploratory method. Data mining is an advanced method of analysis to discover hidden concepts from patterns, association, changes, anomalies, and significant structures from a mass of information available from reliable sources. This method has been popular in the recent years due to the wide availability of large amounts of data in electronic forms and the imminent necessity to transform these data into useful information and knowledge for broader applications (Han, 2006). The data when analyzed may predict future trends and to extract useful information from the data (Thearling,2000).
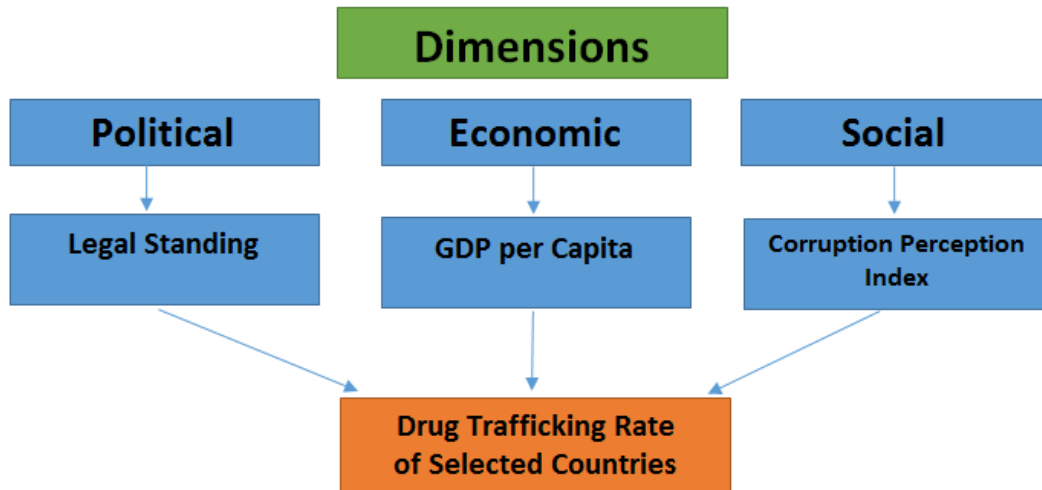
Figure 1. *Conceptual Framework*

Data were obtained from statistical reports from various reputable world agencies. Of the many countries in the world, there were only 50 countries in which the rate of drug trafficking were readily available (International Statistics on Crime and Justice, 2010). However, three countries were deliberately included: Philippines, US and China. Philippines was added to establish relevance of the study to the home country of the researchers, while United States and China were included since they are considered key players in the world economy. The data on drug trafficking of the three countries were retrieved from the respective national government websites and were analyzed to get the rate in which the year and population size remain consistent with all the rest of the data. The following profiles of each country were drawn:

1. Gross Domestic Product (GDP) per Capita is a measure of a country's economic output per person. The country's GDP is divided by its total population. GDP per capita is considered as the best measurement of a country's standard of living since it reflects how progressive a country feels to each of its citizens. The numerical values are expressed in 2013 international dollars using purchasing power parity (PPP) rates.

2. Corruption Perceptions Index measures the perceived levels of public sector corruption worldwide in the year 2015. It is based on expert opinion from around the world. The scale utilized was from 0 (highly corrupt) to 100 (very clean).

3. Legal Standing refers to the presence of restrictive and not restrictive laws and statutes in each of the selected countries. Countries with restrictive legal standing refer to those in which illicit drug use and drug trade is considered a serious crime. Countries labelled not restrictive are those in which the use of generally prohibited or addictive drugs is legal for either or both recreational or medicinal use, or illegal but decriminalized.

Drug Trafficking Rate refers to the number of incidences of drug trafficking, specifically including possession, manufacturing, selling, purchasing, or

delivering an illegal, controlled substance as reported by International Statistics on Crime and Justice (2010).

3.0. Results and Discussion

Data on the various variables were gathered from online sources and subjected to statistical analysis in order to determine their significance in relation to drug trafficking.

Table 1. *Legal Statutes on Drug Trafficking*

Type	N	Mean	StDev	SE Mean	T Value	P-Value
Not Restrictive (0)	16	77	150	38	0.80	0.433
Restrictive (1)	37	43	111	18		

Difference = mu (0) - mu (1)
Estimate for difference: 33.3
95% CI for difference: (-53.2; 119.9)
T-Test of difference = 0 (vs not =): T-Value = 0.80 P-Value = 0.433 DF = 22

Table 1 shows that countries with restrictive policies on drug use register lower Drug Trafficking. However, a Sample T-Test on the relationship between Legal Statutes and Drug Trafficking reveals lack of significance (t(22)=0.80, p=0.433) . Both restrictive and non-restrictive government policies on drug trafficking are equally insignificant in relation to Drug Trafficking.

In 1986, a study by the RAND corporation titled ""Sealing the Borders: The Effects of Increased Military Participation in Drug Interdiction" found that using the military to prevent drugs coming into the U.S. would have minimal or no effect at all to cocaine traffic and instead increased the profits of cocaine cartels. The 175-page study concluded that $3 billion should be switched from federal and local law enforcement to treatment. The report said that treatment is the cheapest way to cut drug use.

This was corroborated by the National Research Council Committee on the Data and Research for Policy on illegal Drugs which published a report in the mid-1990's that agreed with the RAND study. It recommended a switch to drug treatment and social policy which would be 23 times more effective than waging War on Drugs.

Table 2. GDP per Capita on Drug Trafficking

Category	N	Mean	StDev	SE Mean
Poor	34	21.47	21.65	3.71
Mid	15	55.3	72.7	18.8
Rich	4	318	361	180

Table 3. *Analysis of Variance for Drug Trafficking by GDP per Capita*

Source	DF	SS	MS	F	P
GDP	2	314767	157384	16.39	0.000
Error	50	480137	9603	18	
Total	52	794905			

Table 2 shows that rich countries have higher Drug Trafficking rate while poor countries have low Drug Trafficking rate. An analysis of variance among levels of GDP Per Capita on Drug Trafficking (Table 5) reveals significant difference (F(2,50)=16.39, p=0.000).

Statistical analysis on the three levels of the GDP Per Capita show higher drug trafficking rate among rich countries. It can be deduced that with higher purchasing capacity, drug dependents in rich countries fuel demand as they have the resources to buy drugs making them top market for drug trafficking.

Table 4. *Corruption Index on Drug Trafficking*

Level	N	Mean	STDev	SE Mean
Corrupt (1)	10	18.80	15.85	5.01
Mid (2)	28	25.82	24.49	4.63
Clean (3)	15	128.0	217.1	56.0

Figure 5. *Analysis of Variance for Drug Trafficking by Corruption Index Levels*

Source	DF	SS	MS	F	P
Corruption Level	2	116745	58373	4.30	0.019
Error	50	678160	13563		
Total	52	794905			

Table 4 shows that countries considered as clean (no corruption) have a high Drug Trafficking rate while countries with high Corruption Index has low Drug Trafficking rate. An analysis of variance among levels of Corruption Index concerning Drug Trafficking of Selected Countries (Table 3) shows significant difference (F(2,50)=4.30, p=0.019).

The results may seem logical, as "clean" countries are mostly rich economically, as well. And as Table 2 showed rich countries have more incidence of drug trafficking. However, Drug trafficking statistics here are based on the number of

apprehensions made by the authorities. So with less corruption, a country may register higher apprehension and therefore, higher incidence of drug trafficking. A corrupt country will have lesser apprehensions and would appear to have lower incidence of drug trafficking. Hence, the caution on the interpretation of the result.

The International Statistics on Crime and Justice (2010) said: "Police-recorded drug trafficking rates per 100,000 population were highest in Europe (around 30 per 100,000 population) and lowest in Asia (around 10 per 100,000 population). Rates of total police recorded drug related crime

showed considerably greater variability with a particularly high number of drug related crime offences in Europe (over 80 per 100,000 population) as compared with other regions. Caution must be exercised in interpretation of such results however," (S. Harrendorf, M. Heiskanen, S. Malby, 2010)

It states further: "The content of data reported as drug trafficking offences differs significantly as between countries in terms of the range of actions (such as production, selling, transport) that are included and the seriousness threshold (such as weight/amount of drug or intent to supply). In addition, overall numbers of police recorded offences are likely to be as related to law enforcement policies and activities as they are to underlying levels of drug use and markets," (S. Harrendorf, M. Heiskanen, S. Malby, 2010.

4.0 Conclusion

Of the three dimensions analyzed in this study, only economic and social factors show relationship to drug trafficking. Rich countries have less corruption; thus, they have better law-enforcement. As a result, they register more drug trafficking apprehensions. Corrupt countries however, have lower apprehensions; thus, registering a lower drug trafficking rate. Poor countries register higher corruption index and lesser apprehensions of illegal drugs. To fight drug trafficking, it is important to eradicate corruption in order to gain ground in the fight against drugs. The lone dimension that shows no relationship is the political dimension such as restrictive and non-restrictive government policies on drugs. This is corroborated by other studies that indicated a War on Drugs to be ineffective as compared to drug treatment.

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