1.1 Overview

1.1.1 Evolution of the World Drug Problem

Continued containment of the drug problem

The global drug problem is being contained. The production and consumption of cannabis, cocaine, amphetamines and ecstasy have stabilized at the global level – with one exception. The exception is the continuing expansion of opium production in Afghanistan. This expansion continues to pose a threat - to the security of the country and to the global containment of opiates abuse. Even in Afghanistan, however, the large scale production of opium is concentrated and expanding in a few southern provinces where the authority of the central government is currently limited and insurgents continue to exploit the profits of the opium trade.

On the whole, most indications point to a levelling of growth in all of the main illegal drug markets. This is good news and may indicate an important juncture in long term drug control. A stable and contained problem is easier to address than one which is expanding chaotically, provided it is seen as an opportunity for renewed commitment rather than an excuse to decrease vigilance.

Most indications are, however, that Member States do have the will to re-commit to drug control. Although it is outside of the scope of this Report to assess policy, the estimates and trends which are provided in the following pages contain several examples of progress forged on the back of international collaboration. The extent of international collaboration, the sharing of intelligence, knowledge and experience, as well as the conviction that the global drug problem must be tackled on the basis of a 'shared responsibility' seem to be growing and bearing fruit.

Following stabilization in 2005, opium production increased in 2006 ...

The total area under opium cultivation was 201,000 hectares in 2006. This is clearly higher than a year earlier (+33%) though still below the level in 1998 (238,000 ha) and some 29 per cent lower than at the peak in 1991 (282,000 ha). Given higher opium yields in Afghanistan than in South-East Asia, global opium production is, however, higher than in the 1990s.

Following a small decline of global opium production in 2005 (-5%), global opium production increased again strongly in 2006 (+43%) to reach 6610 mt, basically reflecting the massive expansion of opium production in Afghanistan (+49%). Afghanistan accounted for 92 per cent of global illicit opium production in 2006. As a result global heroin production is estimated to have increased to 606 mt in 2006. The bad news from Afghanistan also overshadows the good news from South East Asia. Opium production in the Golden Triangle (mainly Myanmar and Laos) declined by 77 per cent between 1998 and 2006 and by 84 per cent since the peak in 1991.

… while cocaine production remained stable

If only the area under coca cultivation is considered, a small decline by 2 per cent to 157,000 hectares was reported for the year 2006. As compared to the year 2000, the area under coca cultivation in the Andean region declined by 29 per cent; in Colombia, it fell by as much as 52 per cent. This progress was, however, not translated into a decline of global cocaine production, due to improved yields and production techniques. Global cocaine production is estimated to have remained basically unchanged in 2006 as compared to a year earlier or two years earlier. Following a revision of yield estimates, global production is now estimated at 984 mt. A decline in Colombia (-5 %) was compensated by increases reported from Bolivia (+18%) and Peru (+8%).

Cannabis production declined in 2005 ...

Estimates for both cannabis herb and cannabis resin showed a decline for the year 2005. This decline follows several years of sustained growth. Global cannabis herb production is now estimated at 42,000 mt, down from 45,000 mt in 2004. Global cannabis resin production

declined from 7,500 mt in 2004 to 6,600 mt in 2005, reflecting mainly the decline of cannabis resin production in Morocco.

... and ATS production stabilized

Global production of amphetamine-type stimulants seems to have stabilized at around 480 mt in 2005, slightly down from 500 mt in 2000. There has been a decline in ecstasy production (from 126 mt in 2004 to 113 mt in 2005), and a small decline in methamphetamine production (from 291 to 278 mt) which was offset by an increase in global amphetamine production (from 63 to 88 mt).

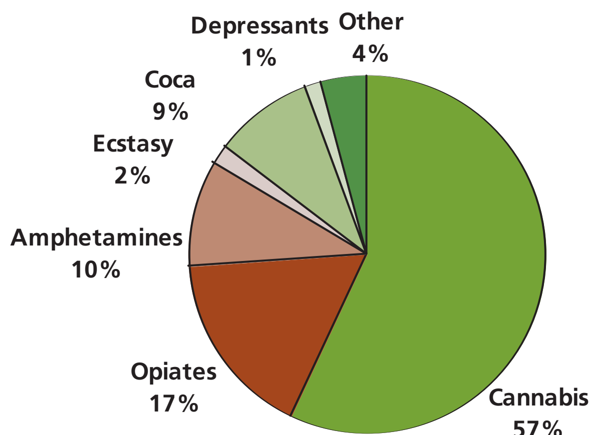
Member States reported 1.5 million drug seizure cases to UNODC

Member States reported 1.5 million drug seizure cases to UNODC for the year 2005, 21 per cent more than a year earlier. Some of the increase was due to improved reporting. One hundred and twelve countries provided detailed statistics on seizure cases in 2005, up from 95 countries in 2004. If only the data of those countries that reported in both 2004 and 2005 is considered, the increase amounts to 10 percent.

More than half (57 %) of all seizure cases involved cannabis (herb, resin, oil, plants and seeds). Opiates (opium, morphine, heroin, synthetic opiates and poppy seeds), accounted for 17 per cent, with heroin alone accounting for 14 per cent of the total. This is followed by seizures of the amphetamine-type stimulants (12 %). About half of these seizures (or 5.5 % of the total) is accounted for by methamphetamine, followed by amphetamine (2.5 %) and ecstasy (2%); the rest (2 %) includes 'Captagon' tablets (Near East) and 'Maxiton Forte' (Egypt), 'ephedrone' (methcathinone) and various undefined amphetamines. Coca products account for 9 percent of global seizure cases; the bulk of coca related seizure cases concern cocaine (8 % of total).

Depressants account for 1 per cent of global seizure cases and other drugs for 4 per cent. This includes substances such as methaqualone, khat, various synthetic narcotics, LSD, ketamine, various non-specified psychotropic substances, and inhalants. Some of these substances (such as khat, ketamine and some of the psychotropic substances) are not under international control, but are under national control in several Member States.

Fig. 1: Breakdown of seizure cases in 2005 by substance (N = 1.51 million)



Source: UNODC, Government reports.

Largest quantities of drugs seized are cannabis, cocaine and opiates

Information on the quantities of drugs seized was provided by 118 countries for the year 2005 in reply to UNODC's Annual Reports Questionnaire. Supplementing ARQ data with information obtained from other sources[1], UNODC has compiled data and information from 165 countries and territories. This forms the basis for the analysis which follows.

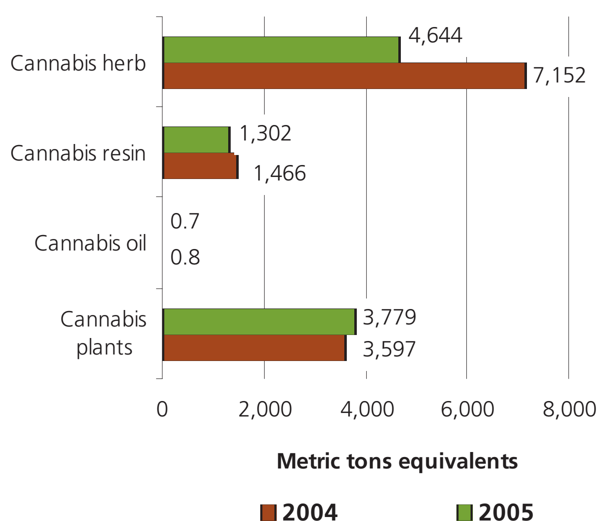
The largest seizures worldwide are for cannabis (herb and then resin), followed by cocaine, the opiates and ATS. All cannabis related seizures amounted to more than 9,700 mt in 2005, including 5,947 mt for cannabis end products (herb, resin and oil). Cocaine seizures amounted to 752 mt, opiate seizures, expressed in heroin equivalents, amounted to 125 mt and ATS seizures (methamphetamine, amphetamine, non-defined amphetamines and ecstasy) amounted to 43 mt.

Increases in 2005 were reported for coca leaf, cocaine, the amphetamines as well as GHB and LSD. As global cocaine production remained unchanged, the strong increase in cocaine seizures is likely to have been the exclusive result of effective and successful law enforcement. Though amphetamines seizures increased in 2005 they are still below the peak levels of 2000 and 2001. Global trafficking in amphetamines over the last five years has remained basically stable.

Opiates seizures as a whole remained stable in 2005 –

[1] Government reports, HONLEA reports, UNODC Field Offices, Drug Abuse Information Network for Asia and the Pacific (DAINAP), ICPO/Interpol, World Customs Organisation (WCO), CICAD, EMCDDA, United States Department of State, *International Narcotics Control Strategy Report*, etc.

Fig. 2: Global cannabis seizures, 2004-2005



Source: UNODC, Government reports.

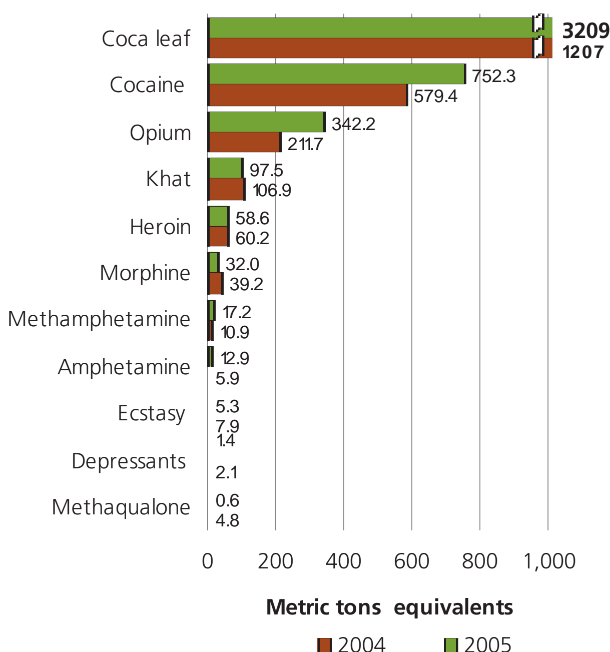
reflecting stable global opium production in that year. Rising seizures of opium offset declines in heroin and morphine seizures. For 2006, however, preliminary data indicate a strong increase in opiates seizures, in line with growing levels of opium production in Afghanistan.

In 2005, global seizures of cannabis herb, resin and oil declined. The decline in cannabis herb seizures seems to be linked to intensified eradication efforts in a number of countries across the globe. The decline in cannabis resin seizures can be linked to the decline of cannabis resin production in Morocco.

Drug seizures in unit terms decline in 2005

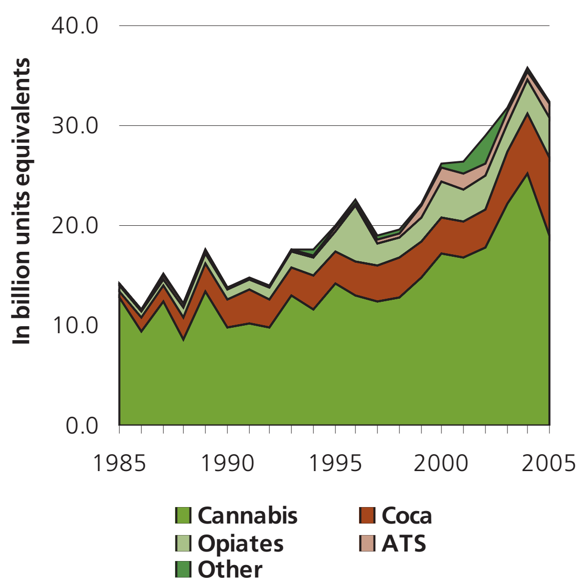
As the quantities of drugs seized are not directly comparable, it is difficult to draw general conclusions on overall drug trafficking patterns from them. Since the ratio of weight to psychoactive effects varies greatly from one drug to another (the use of one gram of heroin is not equivalent to the use of one gram of cannabis herb), the comparability of the data is improved if the weight of a seizure is converted into typical consumption units, or doses, taken by drug users. Typical doses tend, however, to vary across countries (and sometime across regions within the same country), across substances aggregated under one drug category (e.g. commercial cannabis herb and high-grade cannabis herb), across user groups and across time. There are no conversion rates which take all of these factors into account. Comparisons made here are based on global conversion rates, of milligrams per dose,[2] found in scientific literature or used among law enforcement agencies as basic rules of thumb. The resulting estimates should be interpreted with some caution.

Fig. 3: Global drug seizures, excluding cannabis, 2004-2005



Source: UNODC, Government reports.

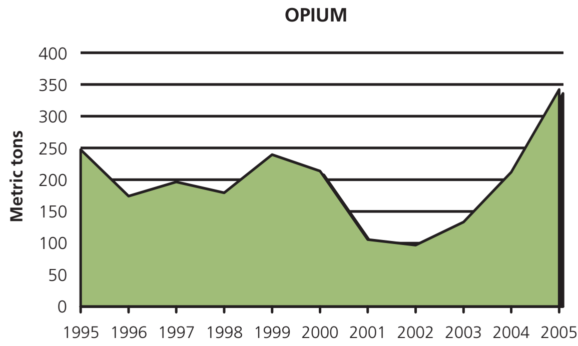
Fig. 4: Global drug seizures in 'unit equivalents', 2000-2005

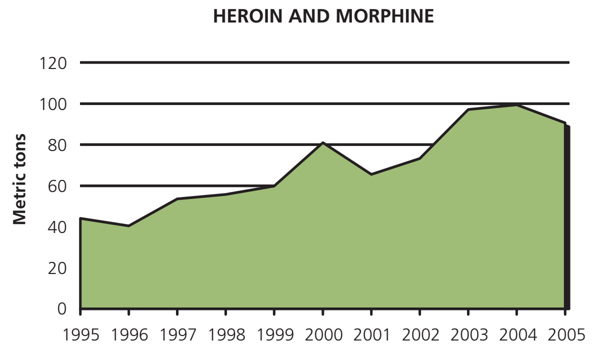


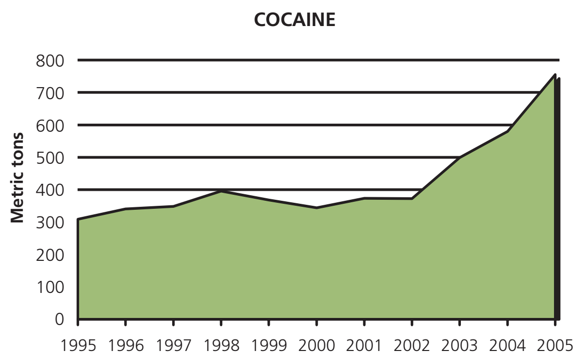
Source: UNODC, Government reports.

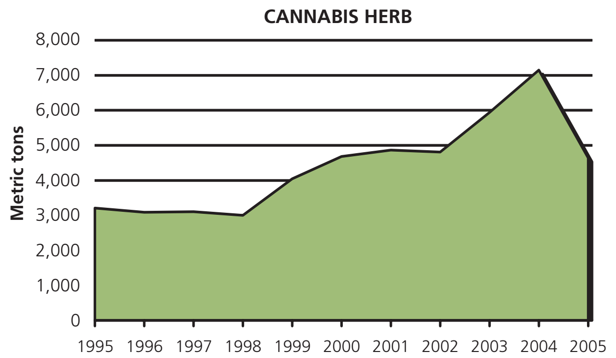
[2] For the purposes of this calculation, the following typical consumption units (at street purity) were assumed: cannabis herb: 0.5 grams per joint; cannabis resin: 0.135 grams per joint; cocaine: 0.1 grams per line; ecstasy: 0.1 grams per pill, heroin: 0.03 grams per dose; amphetamines: 0.03 grams per pill; LSD: 0.00005 grams (50 micrograms).

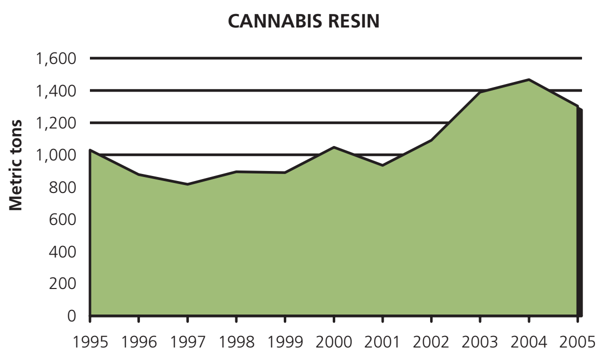
Fig. 5: Trends in the world seizures, 1995 - 2005











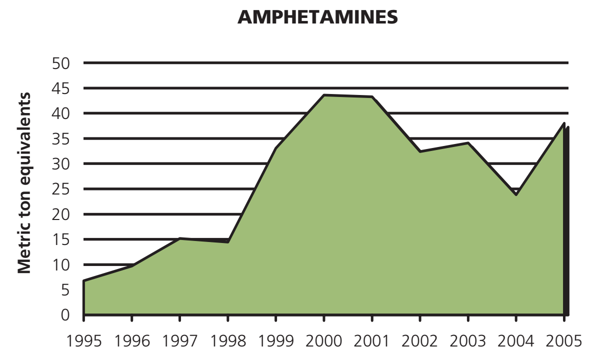
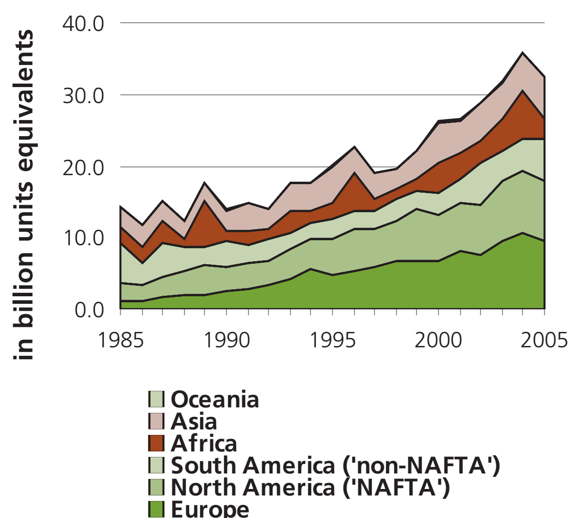
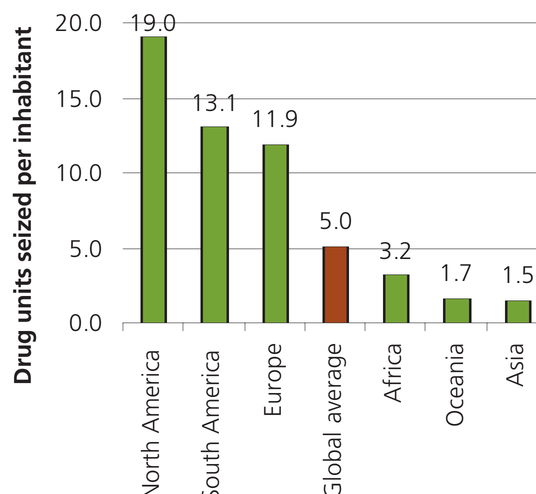


Fig. 6: Regional breakdown of seizures 'in unit equivalents', 1985 -2005 (N = 32.5 billion units)



Source: UNODC, Government reports.

Fig. 8: Drug units/doses seized per inhabitant in 2005

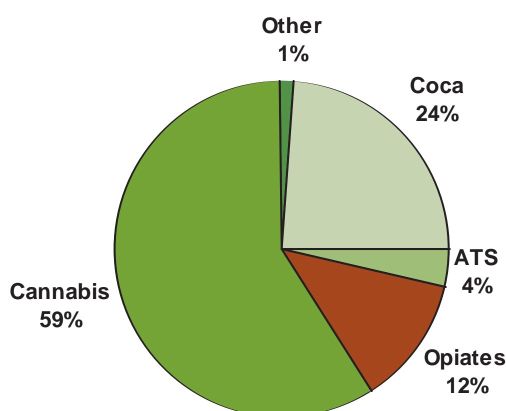


Source: UNODC, Government reports.

Based on such calculations, global seizures were equivalent to 32.5 billion units in 2005, down from 35.8 billion units a year earlier (-9%). As the number of drug seizure cases increased in 2005, the decline of seizures in unit equivalents cannot be attributed to reduced law enforcement activity. It most likely reflects the first signs of stabilization in global drug trafficking flows parallel to the stabilization in global drug production and drug consumption.

In units terms, more than half of all seizures (59 %) are cannabis, followed by coca related substances (24 %), opiates (12 %) and amphetamine-type stimulants (4%). While cannabis leads the table, irrespective of the measurement used, it may be interesting to note that in terms of drug units seized, cocaine ranks second. In terms of reported drug seizure cases, cocaine ranked fourth, behind the opiates and behind the ATS. This reflects the fact that, while there are many multi-ton seizures of cocaine every year, other drugs are usually trafficked in far smaller quantities.

Fig. 7: Regional breakdown of drug seizures in 'unit equivalents', 1985-2005



Source: UNODC, Government reports.

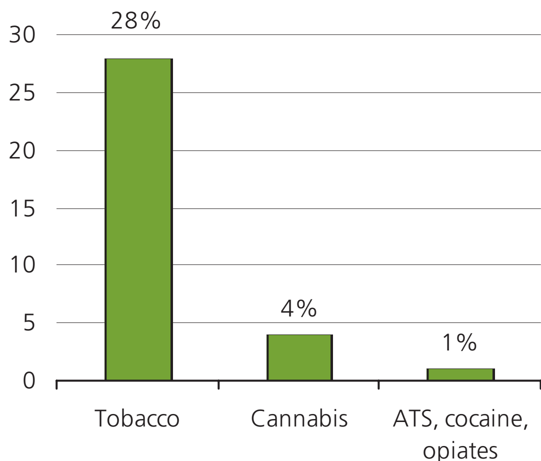
A regional breakdown shows that 44 per cent of all drugs, expressed in unit equivalents, were seized in the Americas, 29 per cent in Europe, 18 per cent in Asia, 9 per cent in Africa and 0.2 per cent in the Oceania region. Seizures declined in 2005 in Africa, in the Oceania region, in Europe and in North America but increased in South America and in Asia.

On a per capita basis, drug trafficking is most widespread in North America, reflecting higher abuse levels and/or the fact that law enforcement in North America is the most active in fighting drug trafficking. The largest amounts of drugs per inhabitant are seized in North America (19 doses per inhabitant), followed by South America (13 doses) and Europe (11 doses). The global average is 5 doses per inhabitant per year. Africa, Oceania and Asia are all below the global average. Within Asia, however, data differ among the various subregions. For the Near & Middle East / South-West Asia region, seizures amount to 11 doses per inhabitant, which is almost the same level as reported from Europe.

Overall stabilization in global drug use

The estimated level of drug use in the world has remained more or less unchanged for the third year in a row. Approximately 200 million people or 5 per cent of the world's population aged between 15 and 64 years have used drugs at least once in the previous 12 months.

Fig. 9: Use of illicit drugs compared to the use of tobacco (in % of world population age 15-64)



Source: UNODC, WHO

This continues to be a far lower level than tobacco use (28 %). UNODC's estimate of the global number of problem drug users also remains unchanged at around 25 million people or 0.6% of the global population age 15-64.

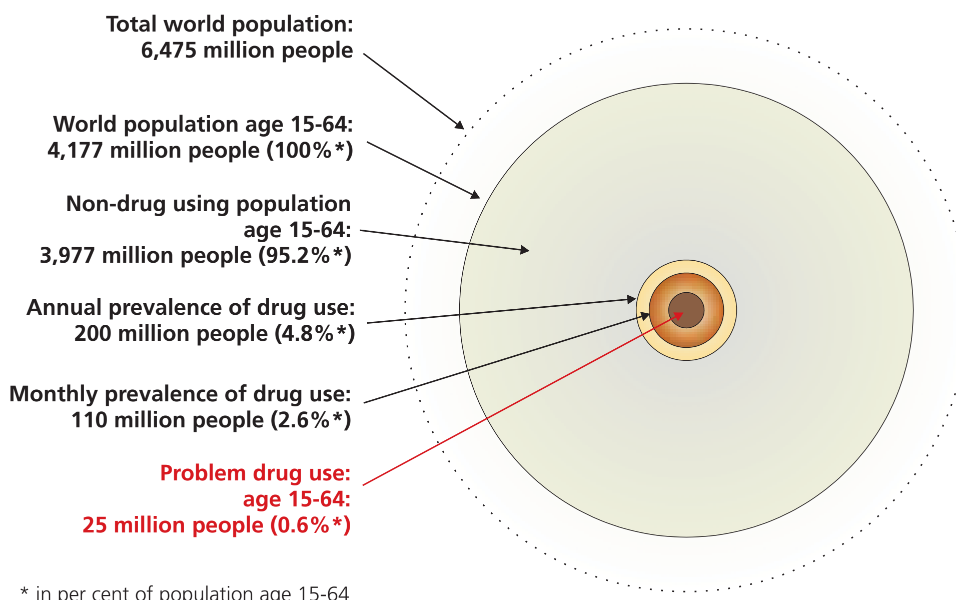
With the exception of a small increase in cocaine use (based on prevalence estimates), use of all illicit drugs was either stable or declined slightly in 2005/6. The increases in cannabis and ecstasy use which were recorded in 2004/5 were not carried over into the 2005/6 period.

Consumed by almost 4 per cent of the population or close to 160 million persons, cannabis continues to account for the vast majority of illegal drug use. Global cannabis use estimates are slightly lower than last year's estimates, due to ongoing declines in North America and – for the first time - some declines in the largest cannabis markets of Western Europe. Cannabis use in the Oceana region also continued to decline. In addition, a number of new household surveys found lower prevalence rates than UNODC had previously estimated for the countries concerned. Growth in cannabis use occurred in Africa, several parts of South America, some parts of Asia (South-West Asia, Central Asia and South-Asia) and parts of Eastern and South-eastern Europe. Although it is too early to speak of general decline, signs of a stabilization of cannabis use at the global level are apparent.

Amphetamine-type stimulants (ATS), including amphetamines, methamphetamine and ecstasy, remain the second most widely consumed group of substances. Over the 2005/6 period 25 million people are estimated to have used amphetamines (including methamphetamine) at least once in the previous 12 months, about the same as a year earlier. An estimated 9 million people used ecstasy over the 2005/6 period, down from 10 million in 2004/5. Declines in ecstasy use occurred primarily in North America.

The number of opiates users remained stable at 2004/5 levels. As in that period, 16 million persons or 0.4 per cent of the global population aged 15 to 64 consumed

Fig. 10: Illegal drug use at the global level (2005/2006)



* in per cent of population age 15-64

Table 1: Extent of drug use (annual prevalence*) estimates 2005/6 (or latest year available)

	Cannabis	Amphetamine-type stimulants		Cocaine	Opiates	of which heroin
		Amphetamines	Ecstasy			
(million people)	158.8	24.9	8.6	14.3	15.6	11.1
in % of global population age 15-64	3.8%	0.6%	0.2%	0.3%	0.4%	0.3%

Annual prevalence is a measure of the number/percentage of people who have consumed an illicit drug at least once in the 12 month-period preceding the assessment.

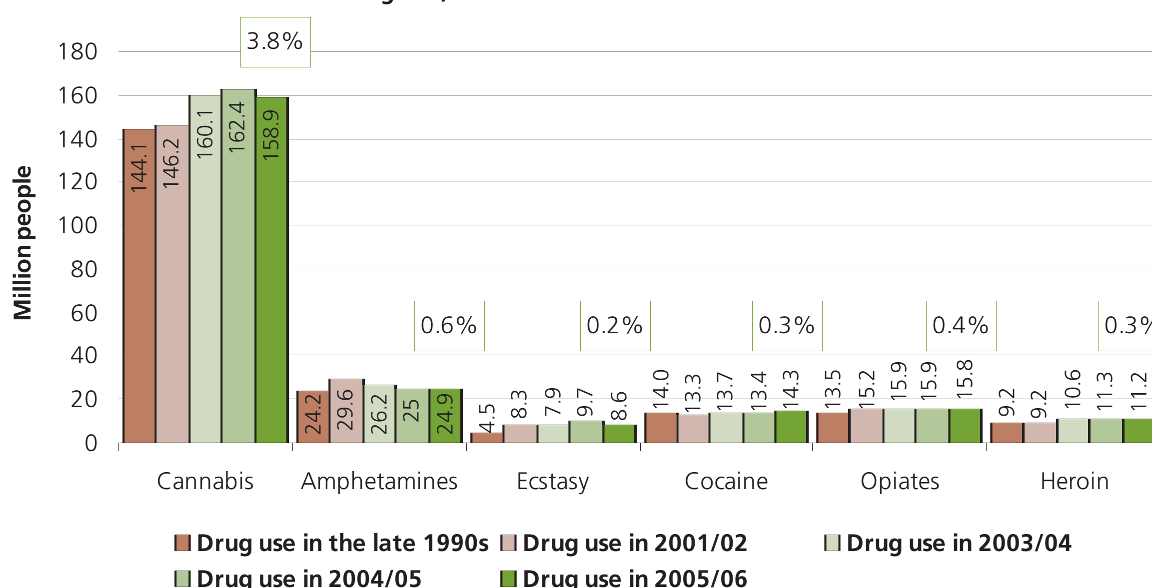
opiates. Out of these 16 million persons, 11 million or 0.3 per cent of the population abuse heroin. Overall, consumption declined or stabilized in established markets, including those of Western Europe and North America, but increased in countries in the vicinity of Afghanistan as well as in new markets, such as Africa. In most of the countries of East and South-East Asia opiate abuse stabilized or declined.

UNODC's estimate of the global level of cocaine use increased slightly to 14 million persons or 0.3 per cent of the global population. Continued increases in South America, Africa and Europe were partially offset by decreases reported from North America. UNODC also compiles data based on use trends as perceived by experts. Results from these data are not always identical to actual reported information.[3] Trend estimates provided by Member States to UNODC differ slightly, and indicate that global cocaine use declined slightly in 2005.

Treatment demand continues to be highest in North America

The demand for drug abuse treatment is an important indicator for assessing the world drug situation because it reveals the drugs which place the largest burden on national health systems. Member States reported a total of 4.5 million people under treatment for drug abuse to UNODC. Of the 25 million people (0.6% of the world's population age 15-65) estimated to be heavily

Fig. 11: UNODC estimates of illicit drug use, late 1990s to 2005/2006



Sources: UNODC, Government reports, EMCDDA, CICAD, local studies.

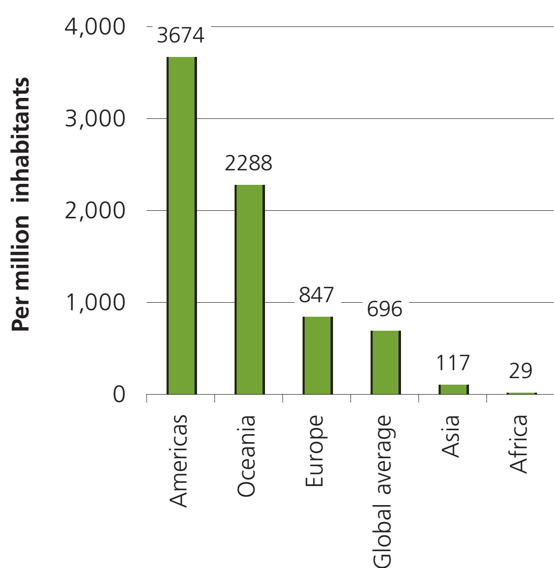
[3] A detailed explanation of this can be found in the Methodology section of this Report.

drug dependent, about 1 out of 5 are treated for their problem.

The number of persons under treatment is higher than was reported in last year's *World Drug Report* (3.7 million). Most of the increase is due to better reporting (notably from countries in South America). The actual world total may be higher given the large number of countries which do not have comprehensive registry systems.

Based on reported data, some 700 out of every million persons were treated for drug abuse in 2005. The highest numbers of drug treatment (per million inhabitants) are found in the Americas (3,670), the Oceania region (2,290), and Europe (850). Within the Americas, treatment levels in North America are the highest (5,050), and within Europe treatment is far more frequent in Western Europe (1,400) than in the rest of the continent (360). Treatment levels in Asia (120) and in Africa (30) are low. In recent years much of the progress made at the global level in stabilizing or reducing drug consumption occurred in North America, the Oceania region and Western Europe, where more treatment capacity was created.

Fig. 12: Drug treatment per million inhabitants in 2005 (N = 4.5 million)



Source: UNODC, Government reports.

Treatment demand for opiates abuse continues to be highest in Asia and in Europe

In Asia and Europe – home to more than 70 per cent of the world's total population – opiates account for the bulk of drug-related treatment demand (62% and 58%, respectively in 2005.)[4] Within Europe, treatment demand for opiates abuse is higher in Eastern Europe (61%) and lower in Western Europe (55%). The proportion of opiates-related treatment in overall treatment demand has been declining in both regions since the late 1990s[5]. In Europe this reflects increasing abuse of cannabis, cocaine and ATS; in Asia increasing abuse of ATS and some increase in cannabis. The decline in Asia is also linked to the decline of opium production in South East Asia. In Oceania, the proportion of treatment for opiates addiction in overall treatment demand is declining. This began after the Australian heroin shortage of 2001. The only exception to this downward trend is Africa. Heroin related treatment increased from 8 per cent of treatment demand in the late 1990s to 15 per cent in 2005. Most of this rise was reported from countries in eastern and southern Africa.

Treatment of cocaine abuse remains highest in the Americas – but the strongest increase is recorded in Europe

In South America, cocaine continues to account for most of the drug abuse related treatment demand (48%) though the proportion has declined since the late 1990s (from 65%). High proportions of cocaine related treatment demand are also encountered in North America (40%). In the USA, cocaine related treatment demand has shown a marked decline over the last decade. Because this was not the case for Canada or Mexico, the unweighted average for North America declined only slightly. The strongest increase in cocaine related treatment demand was observed in Europe (rising from 3 % to 8 %). Data also show that cocaine is still mainly a problem of Western Europe, where it now accounts for 13 per cent of treatment demand. In Eastern Europe the proportion is 2 per cent and in Africa 10 per cent. In Asia, in contrast, cocaine related treatment is still negligible (0.3%).

[4] While some countries have a comprehensive treatment registry system, others only provide data from a few clinics. Simply adding up such numbers of people treated for specific substances would give a strong bias in favour of the countries which have nationwide monitoring systems. In order to overcome this problem, the proportions at the country level were first calculated and based on these results, the (unweighted) averages of the respective region were derived. The data shown are those reported for the year 2005. In case no data for a specific country were reported for 2005, data obtained in previous years were used instead.

[5] The subsequent comparisons are based on treatment data statistics compiled and published in the *World Drug Report, 2000*.

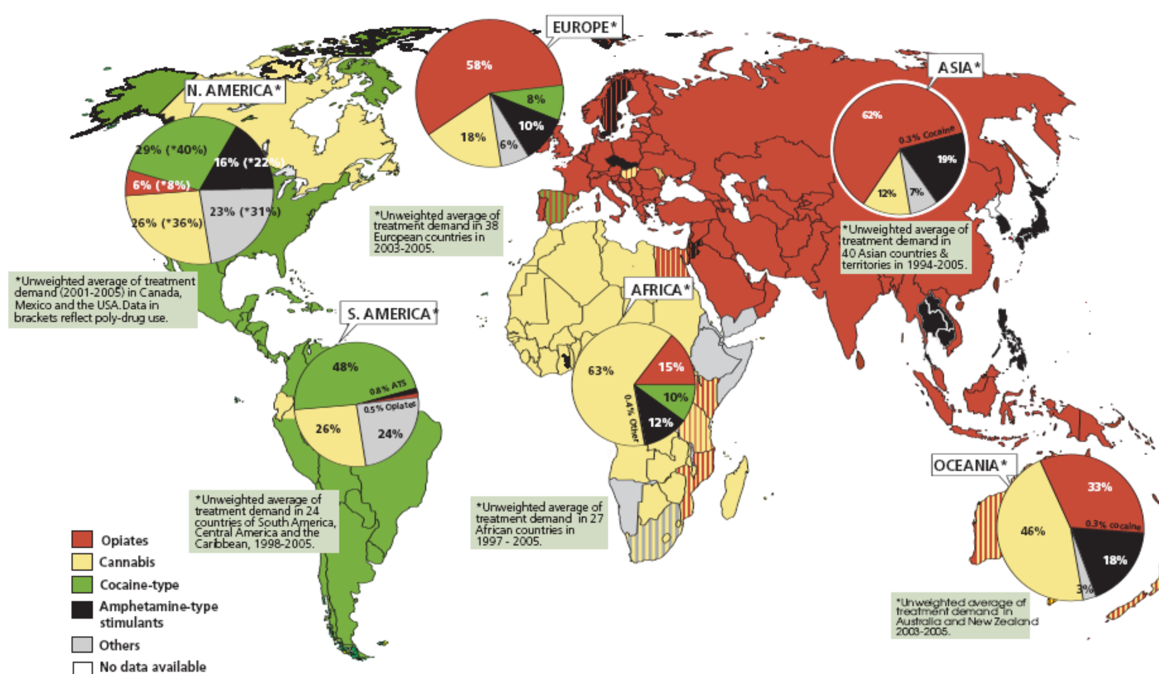
Cannabis related treatment demand remains highest in Africa but increased globally

Most of the demand for drug related treatment in Africa is related to cannabis abuse (63 % in 2005). Treatment demand for cannabis has increased globally over the last decade. It increased in the Oceania region (from 13 % to 46 %), in North America (from 23 % to 36 %), in South America (from 15 % to 26 %), in Europe (from 10 % to 18 %) and in Asia (from 9 % to 12 %). Some of the strong increases in the Oceania region, in North America and in Europe are due to the availability of cannabis with far higher levels of THC[6] than in the past. Rising levels of THC are particularly noticed among developed countries.

Treatment demand for ATS is highest in East & South-East Asia, Oceania and in North America

The proportion of ATS abuse related treatment is highest in Asia (19%), notably in East & South-East Asia (unweighted average of 37 % in 2005), the Oceania region (18 %) and North America (16%). Slightly lower are the proportions reported from Africa (12%) and Europe (10%). Over the last decade ATS related treatment demand increased across all regions. As compared to the figures published in last year's *World Drug Report*, ATS related treatment demand continued growing in North America, Asia and in Africa, but stabilized in Europe and declined slightly in the Oceania region. Some of the current growth in ATS related treatment is a consequence of previous years' ATS abuse. Data for the USA, for instance, show a clear reduction in ATS prevalence rates, while ATS related treatment continues growing.

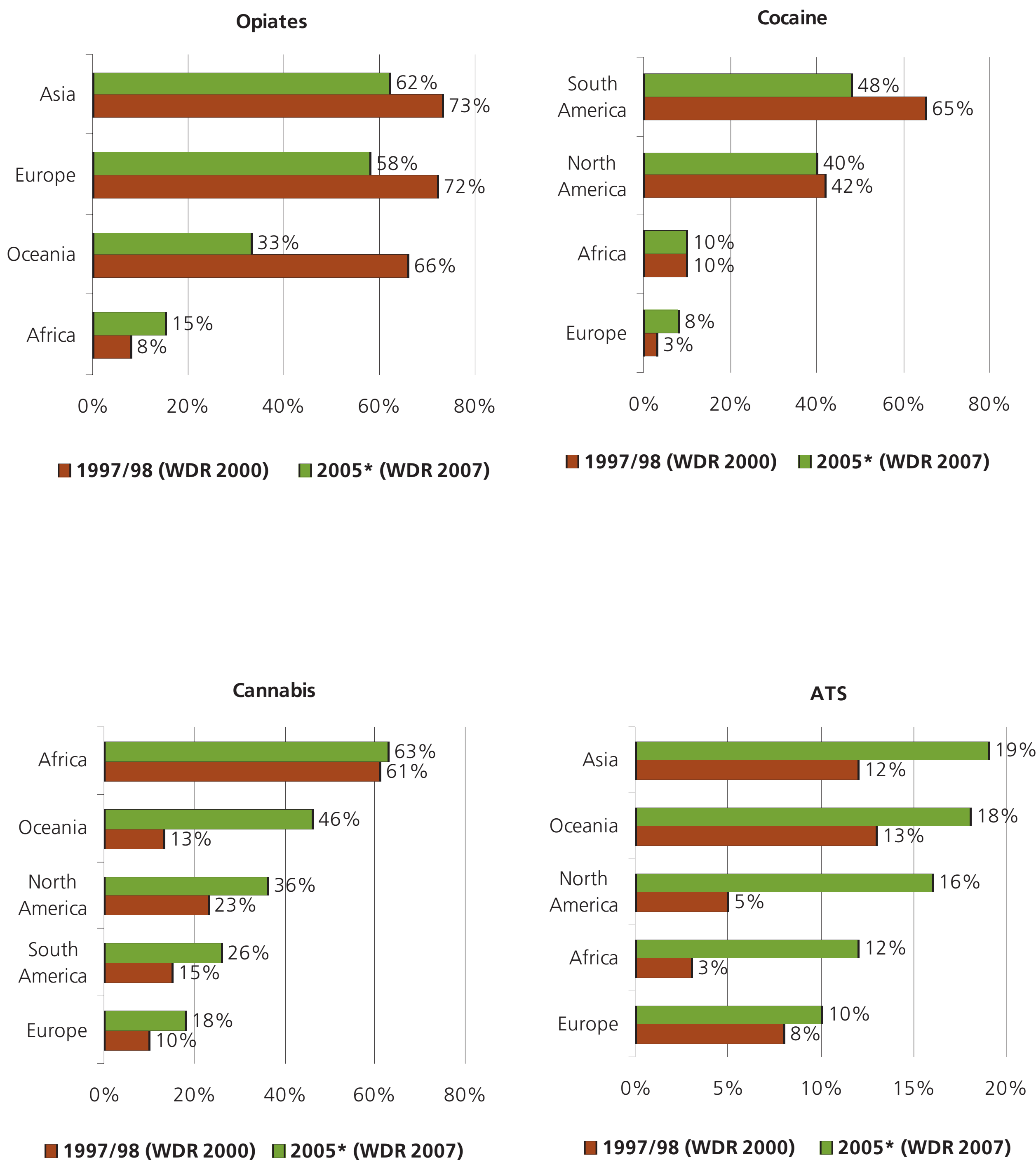
Map 1: Main problem drugs (as reflected in treatment demand in 2005 (or latest year available)



Source: UNODC, Government reports

[6] Tetrahydrocannabinol is the main psychoactive substance in cannabis

Fig. 13: Proportion of people in drug related treatment for specific substances: 1997/98 and 2005*



* 2005 or latest year available; calculated as the unweighted average of countries reporting in a specific region; information based on reports from 40 countries in Asia; 38 countries in Europe, 27 countries in Africa; 24 countries in South America, Central America and the Caribbean, 3 countries in North America and 2 countries in the Oceania region.

Sources: UNODC, Government reports, EMCDDA, CICAD

1.1.2 Outlook for world drug markets

Consolidating achievements

While there has been a long term geographical contraction of cultivation and production centers for opium/opiates and coca/cocaine, there has been a dispersion of production locations for cannabis and ATS. While the world has witnessed overall stabilization in the established consumer markets for each of the four illicit drugs, there are also indications of growing levels of abuse in some regions. It will be important to carefully monitor the markets to see whether this stabilization trend is being sustained. The goal, of course, is to move from containment to overall reduction. Understanding some of the threats and enabling conditions in relation to this goal will be critical to this achievement.

Development of new trafficking routes

The development of new trafficking routes is something which should be anticipated and monitored carefully. Illicit drug organizations, independent of their level of organization and sophistication, are adaptive and creative when it comes to distribution. Over the course of the last few years new routes have appeared in some regions. In particular Africa is increasingly being exploited by drug traffickers and this trend can be expected to continue. The trafficking routes from Afghanistan via Pakistan and Central Asia to China (in order to compensate for the lower production levels in Myanmar) are another potential growth area that will need more careful monitoring.

Development of new consumer markets

Within the context of overall stabilization of demand, incipient consumer markets can probably be identified for each of the four drug markets. In the case of opiates they seem to be forming along trafficking routes and in African countries, in the case of amphetamines and ATS, there are indications of some emerging markets in South-East Europe and the Near and Middle East, and cocaine continues to find new markets in South America, Europe and Africa. There have also been reports of the emergence of cocaine markets in some of the Asian countries. Opiate use is increasing in Africa, notably in countries of eastern Africa and in South Africa and cocaine use is increasing in countries of western and southern Africa.

Opium/heroin market

Developments in Afghanistan will continue to determine the levels of global opium production. With no indication that production will rise significantly in any of the other opium producing countries, where supply has been contracting, Afghanistan's share in global opium production could rise again this year. Early indications suggest there could be another increase in opium production in that country in 2007.

New trafficking routes are likely to develop or come to light. Routes into and through China and India are examples of this. Increases in abuse in countries bordering Afghanistan and along major trafficking routes are likely, while demand can be expected to remain stable in established markets.

Coca/cocaine market

Production levels are likely to remain stable with Colombia retaining its share of overall production. Developments in Bolivia will continue to influence the market. In the absence of increased prevention efforts, the current upward trend in use in Europe could continue.

Cannabis

The insidiousness of this market will not change in the near term. In the mid-term, the production of resin could continue declining, given the ongoing efforts made by Morocco. The production of cannabis herb may well increase again, after the decline in 2005. Growth in hydroponic production, and thus growth in production in the developed world, is likely to continue. Despite the overall stabilization of use in 2005/06, it is too soon to predict an end to growth in the consumption of cannabis.

ATS

Although ATS production is flexible in the sense that technology is simple and infrastructure can be temporary, it is rather inflexible when it comes to the chemical inputs required to produce the final product. As long as the controls on these are effective and can be sustained their lack of availability will hamper global pro-

duction. In 2005/2006 these controls increased, with impressive results in several regions. If this is sustained into the next few years growth of supply in this market could indeed be suppressed. On the other hand, one can also observe some circumvention strategies, as the necessary precursor chemicals are increasingly being produced out of chemicals that remain readily available on the market.

Although amphetamine, methamphetamine and ecstasy are likely to continue to find new consumers it is likely that, overall, the market will remain stable. Ecstasy use could continue declining in established, developed world markets, and increasing in markets in developing countries.

Policy momentum at the national and international level

If one takes the Hague Opium Convention of 1912 as a starting point, the struggle against the drug problem has been long indeed. When it has been effective, and successes have been enumerated in previous editions of this Report, one of the pillars of success has been sustained political commitment and resource allocation at the national and international level.

Trends revealed in the pages of this Report indicate that the current stabilization could be an important juncture for drug control. Significant stabilizations have occurred and have been sustained in the short term. Continued commitment and momentum at the international level will be one element in continuing these trends and possibly effecting sustainable, long term contraction in each of these markets.

In this context assistance, approaches and policy need to be appropriately holistic and sequenced. In 1998, at the General Assembly Special Session on Drugs (UNGASS), Illicit Trafficking, there was a general consensus among the international community that the drug problem could only be effectively addressed holistically. The first step to achieving this was to ensure that interventions were made both on the supply and the demand sides of the problem. Almost ten years on, it is apparent that this central tenet now forms the basis of much drug policy. Similarly, it has been increasingly recognised that drug policy and drug control interventions must be holistic in nature. In order to address the problem of supply in Afghanistan, for example, demand in Europe and the neighbouring countries of Afghanistan needs to be controlled, as does the growing problem of use in Afghanistan itself, and the development of new trafficking routes through Central Asia – which, in turn, could address the increase in IDU related HIV infection rates in the region. Each of those problems, also need to be addressed in their proper context. In some cases this will mean ensuring that the drug problem is approached in the broader human security and development framework. This type of approach is more complex, and will need international coordination, but should yield sustainable benefits.

As the international community moves increasingly toward this type of approach one of the main elements of its success is going to be ensuring that interventions are properly sequenced. To ensure efficacy, the basis of this sequencing must be built on knowledge of drug market dynamics. As this knowledge advances, strategy can become more sophisticated. At what stage in a drug epidemic, for example, should treatment efforts be increased, or when would it be most effective to aim for a sharp reduction in supply? None of these issues is straight forward. However, over the last ten years the steady accumulation of knowledge on the drug situation has led to the advancement of our understanding of drug market dynamics. If momentum on this continues, strategic policy of this nature could become an effective tool for reducing the drug problem rather than merely containing it.