

# Tackling Drug Markets and Distribution Networks in the UK

*A review of the recent literature by Tim McSweeney,  
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## Summary

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This summary sets out the main findings from a review of the recent literature on strategies to tackle illicit drug markets and distribution networks in the UK. The report was commissioned by the UK Drug Policy Commission and has been prepared by the Institute for Criminal Policy Research, School of Law, King's College London. The main literature searches for this review were conducted during late September 2007 using a number of search terms and bibliographic data sources. In drawing together the evidence for this review we aimed to answer four broad questions:

- What is the nature and extent of the problem?
- What are current UK responses?
- What are effective strategies for dealing with these issues?
- Where are the gaps in our knowledge and understanding?

This review restricted itself to domestic measures for tackling the drugs trade. As well as production control (e.g. assisting the Afghan government to implement its National Drug Control Strategy), there are a range of measures as part of the current drug strategy that are aimed at tackling drug markets and distribution networks within the UK's borders. The broad goals of these interventions include:

- supply reduction (e.g. interventions targeting sellers and traffickers, including enforcement and situational prevention);
  - demand reduction (e.g. interventions aimed at discouraging use); and
  - harm reduction (e.g. forging partnerships with local communities, drug treatment providers and other interventions).
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## THE NATURE OF ILLICIT DRUG MARKETS AND DISTRIBUTION AND TRAFFICKING NETWORKS

The global trade in illicit drugs has an annual turnover worth billions of pounds. During 2003/04 the size of the UK illicit drug market was estimated to be £5.3 billion. Drug trafficking is considered to be the most profitable sector of transnational criminality and to pose the single greatest organised crime threat to the UK. The size of the UK market means it is extremely lucrative for drug traffickers – both in scale and in terms of the profits that can be made. Estimated lifetime prevalence of cannabis use – globally the most widely consumed illicit drug – is higher in England and Wales than in any other European country. The UK also has a higher proportion of problem drug users within the adult population than any of its European neighbours.

The illicit drugs trade in the UK has far-reaching political, cultural and economic ramifications, and impacts negatively upon prison populations, levels of gun crime, social exclusion, and public health and community safety. These consequences and impacts are experienced disproportionately by the urban poor and minority ethnic groups.

### *Sources and supply routes*

Production and trafficking routes tend to emerge and develop in areas experiencing economic and/or political instability. Most of the world's global supply of cocaine is cultivated in Colombia, Peru and Bolivia, while more than 90 per cent of both the global and UK supply of heroin originates from Afghanistan (mainly from Helmand province). Intelligence assessments indicate that the primary trafficking route for heroin to the UK is overland from Afghanistan to Europe via Iran, Turkey and the Balkans. A significant amount of Afghan heroin seized in the UK arrives directly from Pakistan. There has also been a recent shift whereby traffickers use West Africa as a staging point, using light aircraft and other aeroplanes to transport drugs. Most of the UK's heroin is thought to arrive via sea and air ports in the South East of England. These assessments also indicate that the main entry points for cocaine in Europe are Spain and Holland, typically having arrived on board merchant vessels and yachts from Colombia and Venezuela. Almost all of the ecstasy consumed in the UK is thought to be manufactured in Holland or Belgium. There is growing evidence of intensive hydroponic cultivation of cannabis on a commercial scale throughout parts of the UK, which is thought to account for more than half the cannabis now consumed in England and Wales.

There is some evidence to suggest that kinship and ethnicity continue to play an important role in organising and sustaining market structures along the entire supply chain. Women also play a prominent role in drug trafficking. The evidence collected as part of this review indicates that women (mostly non-UK nationals, though the number of young female UK nationals involved has grown in recent years) are more likely to occupy the higher risk, lower status role of courier and tend to carry more drugs into the UK's ports, both in terms of weight and value, than their male (again predominantly non-UK national) counterparts.

### *The UK market*

While there is no single accepted definition of a drug market, the research literature tends to conceptualise two types of distribution system: a pyramidal one and a more fragmented, non-hierarchical and entrepreneurial free market. However, it is difficult to judge which system is dominant in the UK. There is some research that indicates there has been a shift from historical affiliations and ties with hierarchical structures among some ethnic groups, towards more open and entrepreneurial networks of individuals who lack any formal connections with traditional syndicates.

The market is usually described as having three levels: an international trafficking level, a local retail level, and between these a loosely defined 'middle market' at national/regional level. However, the lines between the different levels in the supply chain are far from clear and the various roles within them are often fluid and interchangeable.

The available evidence suggests that dealers and operatives at all levels of the market tend to display a fair degree of adaptability and responsiveness to changing market conditions. Many seem unconcerned about the risks associated with police enforcement activities (with the possible exception of asset recovery and the use of informants). Given the minimal entry barriers to the market, the limited deterrent effect of law enforcement and the sheer scale of the revenues that can be generated, recent research has concluded that dealing and distribution networks have considerable scope for growth within an established and mature UK market which is resilient to enforcement activity.

Markets for cannabis, ecstasy, powder cocaine and heroin are believed to have grown considerably in Northern Ireland following the ceasefires in the mid-1990s; broadly in line with increases in drug prevalence since then. There are a range of factors that are likely to have affected these trends: a gradual erosion of traditional forms of social cohesion, a weakening of informal social control mechanisms and fewer restrictions on mobility. As a consequence organised crime may also have adapted to serve these increased levels of local consumption and, perhaps, to supply growing levels of demand in the Republic of Ireland, too.

Prisons have been described as an environment where drugs are in demand and are valuable as both currency and commodity. The presence of drug markets in prisons is widely considered to be a major cause of violence, intimidation and corruption. Yet there has been very little UK research examining the dynamics and operation of supply routes and markets in a custodial setting. One of the few studies undertaken has noted that prison-based drug markets are structurally similar to those found in the wider community. They too are shaped by complex interactions between demand, supply, security and enforcement, and treatment strategies. Consequently, a careful balance needs to be struck between justice, care and control. Tight or uneven security within prisons coupled with inadequate drug treatment could lead to wider problems and undermine broader efforts aimed at reducing demand.

### **CURRENT STRATEGIES AND ENFORCEMENT STRUCTURES WITHIN THE UK**

The UK government has dedicated about one-quarter of the total cost of delivering the drug strategy to reducing the supply of drugs (£380 million in 2005/06). However, this does not include the wider criminal justice costs of drug-related crime (e.g. detection, prosecution and sentencing), which was estimated to be about £4 billion in 2003/04 for crime associated with Class A drug use.

The Serious Organised Crime Agency (SOCA) leads on higher level UK enforcement operations in partnership with a wide range of other national and international agencies. While there has been no independent assessment of its work, SOCA's first annual report to Parliament describes involvement in a range of activities resulting in some considerable seizures during 2006/07 in which its activity had been a contributory factor (whether through intelligence or a physical seizure). In April 2008 the Asset Recovery Agency's (ARA) asset recovering functions were transferred over to SOCA and ARA's remit for the training and development of financial investigators passed to the National Policing Improvement Agency.

Enforcement initiatives at a local or regional level are usually led by the police, sometimes in partnership with statutory and voluntary sector agencies. While these activities can achieve some considerable success (e.g. in terms of drug seizures and arrests) there is rarely any independent assessment of their impact on how the market functions and operates, on the subsequent availability, price and purity of illicit drugs, or on broader harm reduction outcomes.

### **EVIDENCE FOR THE EFFECTIVENESS OF DIFFERENT APPROACHES AIMED AT TACKLING THE ILLICIT DRUGS TRADE**

Though the situation has improved in recent years, the relationship between the supply of illicit drugs, the demand for them and enforcement activities still remains poorly conceptualised, under-researched and little understood in the UK. While the illicit drugs trade is both global in scope and vast in scale, effective strategies for tackling local drug

markets have to be built on a rounded understanding of the relationships between the markets and the communities in which they exist – including constraints on individual and community action.

### *Supply reduction approaches*

The number of Class A drug seizures in England and Wales more than doubled between 1996 and 2005, though most seizures of heroin (74%), crack (70%) and cocaine (61%) in 2005 were less than one gram in weight. The market share (volume) of heroin and cocaine (including crack) seized is estimated to be 12 and 9 per cent respectively. Yet despite significant drug and asset seizures and drug-related convictions in recent years, drug markets have proven to be extremely resilient. They are highly fluid and adapt effectively to government and law enforcement interventions. For example, by altering purity levels traffickers and dealers are able to increase their profit margins to alleviate the effects of increased seizures and/or enforcement action.

While the availability of controlled drugs is restricted by definition, it appears that additional enforcement efforts have had little adverse effect on the availability of illicit drugs in the UK. Since 2000, average street prices in the UK have fallen consistently for heroin, cocaine, ecstasy and cannabis.

Although there is reasonable empirical evidence that drug-law enforcement action can have some localised impacts, any benefits tend to be short-lived and disappear once an intervention is removed or ceases to operate. Recent reviews indicate that geographically targeted problem-oriented policing interventions aimed at drug hotspots and involving partnerships between the police and wider community groups appear to be more effective at reducing problems related to the drug market (such as street-level dealing, crime and other forms of anti-social behaviour) than conventional law enforcement-only approaches. The available evidence indicates then that street-level drug law enforcement efforts should focus on forging productive partnerships with local residents and community groups in order to identify and tackle the causes and consequences of street-level drug market problems more effectively.

The few systematic reviews that have been undertaken in this area have found that the most effective strategies for tackling drug dealing from residential and commercial properties display the following characteristics:

- an emphasis on improving the built environment;
- multi-agency working involving the police and other stakeholders (e.g. housing management teams);
- not relying solely on police crackdowns; and
- the use of civil law and related interventions (e.g. measures equivalent to anti-social behaviour orders) rather than criminal law.

Much of the proceeds from the illicit drugs trade is thought to enter the legitimate economy. Despite some important successes, and the apparent deterrent effect among some dealers, the overall impact of asset recovery and anti-money laundering operations is also considered to be marginal. Assessments of these measures have tended to identify shortcomings in relation to: take-up by law enforcement agencies; communication between stakeholders; roles and responsibilities; processes and procedures; and ownership of, and accountability

for, such regimes. These observations have led to increasing uncertainty among some commentators about the extent to which drug markets and distribution networks can be effectively controlled and tackled primarily through enforcement of the criminal law.

### *Demand reduction strategies*

Demand reduction strategies such as drug education and treatment have been developed in recognition that supply reduction and enforcement in isolation are insufficient as a response. Law enforcement responses alone are unlikely to be effective at reducing or solving problems related to drug market activity. Instead, enforcement and demand reduction strategies need to be combined in a complementary way. However, previous reviews of the available international and UK literature conclude that there is little evidence to suggest that drug education and prevention – as currently practiced – has had any significant impact on levels of drug use.

By contrast there is good evidence to support the effectiveness and cost-effectiveness of various drug treatment approaches for those with ‘problematic’ patterns of illicit drug use, including a range of criminal justice-based interventions. Nevertheless, in the UK, as in many other countries, the effectiveness of drug treatment as a demand reduction measure is undermined by high programme attrition rates and low levels of treatment completion, inconsistencies regarding the quality and availability of different treatment options, and ongoing concerns about its scope for facilitating recovery and reintegration among problem drug users.

One approach to disrupting local drug markets is to deploy ‘inconvenience policing’ tactics – where buyers are stopped, searched and, where appropriate, arrested. This can be regarded as a form of demand reduction because of its potential deterrent effect and the opportunities this may present for referral to treatment. However, the evidence suggests that this kind of approach can have unintended negative effects on the behaviour of individual users and on broader community relations. For example, inconsistent police responses can lead some drug users to avoid carrying injecting paraphernalia, thus increasing the potential for the sharing of injecting equipment, which in turn has implications for the transmission of blood-borne viruses. Markets can also rapidly adapt to such tactics – though in the process they may become less intrusive, and thus less irksome for local residents and businesses.

### *Reducing drug-related harms*

Supply reduction strategies have an important part to play in harm reduction. However, law enforcement efforts can have a significant negative impact on the nature and extent of harms associated with drugs by (unintentionally) increasing threats to public health and public safety, and by altering both the behaviour of individual drug users and the stability and operation of drug markets (e.g. by displacing dealers and related activity elsewhere or increasing the incidence of violence as displaced dealers clash with established ones). The Australian ‘heroin drought’ illustrated some of these unintended adverse consequences.

However, the police can and are actively involved in the planning, coordination and implementation of a range of activities that fall within the scope of harm minimisation. In doing so they can fulfil a number of important roles within a broader harm reduction approach by:

- forming partnerships with treatment and other interventions;
- helping to constrain supply;
- exploiting drug markets' inherent adaptability, thus forcing some of them to adapt into less harmful forms, e.g. from open to closed markets.

Nevertheless, there is a dearth of research on the key elements and processes that contribute towards producing these positive outcomes (including the cost-effectiveness of different policing activities and strategies).

### *Developing multi-agency community responses*

There is a broad consensus that effectively tackling drug markets requires cooperation from a range of agencies, including the police and local communities. However, there is very little evidence to guide effective practice aimed at engaging communities in enforcement efforts (largely attributed to conceptual and methodological issues). For example, while qualitative data support the notion that targeted funding and interventions (e.g. Communities Against Drugs) have had some success in disrupting local drug markets by providing an impetus for sustained, coordinated action aimed at reducing drug-related crime and strengthening community resilience against drugs, there have been difficulties in measuring and demonstrating their impact against a range of quantitative outcomes and targets.

One local UK study has identified the need for a range of interrelated approaches to undermine local drug markets and bolster community resilience. In this particular context, the researchers concluded, this could best be achieved by developing strategies to ensure the diversion of young people from the youth justice system (particularly in response to low-level possession offences), promoting more effective multi-agency work between local stakeholders, and adopting a more proactive programme of community engagement and capacity building.

A separate study (of the Derbyshire Drug Market Project) reinforced the notion that local responses should focus on forging productive partnerships with local residents and community groups in order to effectively identify and tackle problems associated with street-level drug markets. This particular evaluation aptly illustrated why policy makers and commissioners should not underestimate the difficulties of establishing effective inter-agency partnership working arrangements. In an attempt to reduce levels of harm and develop community responses, the research identified the need for projects to ensure that:

- effective strategic and operational management systems are in place;
- partnership working and performance management systems are integrated effectively (ideally as a unified strategic operation with an established line management structure and one operational budget); and
- expectations about the impact of police enforcement are realistic (i.e. aiming for containment rather than eradication).

To enhance the chances of success, projects will also need to maximise the benefits of drug treatment by offering a full range of treatment interventions to meet local user needs.

### **GAPS IN OUR KNOWLEDGE AND UNDERSTANDING**

We were unable to locate any comprehensive published UK evidence of the relative effectiveness of different enforcement approaches. Two UK studies that have considered

these issues were largely inconclusive due to a lack of reliable data. One notable US study has assessed the relative cost-effectiveness of various supply and demand reduction approaches and concluded that, given the high cost of supply reduction strategies, the provision of drug treatment is likely to be a more cost-effective approach.

We were also not able to identify any published comparative cost–benefit or value-for-money analysis involving these different levels of intervention within the UK.

The findings from this review reinforce the need for future research to:

- conceptualise, describe and map more accurately the nature and extent of local, regional and national market structures;
- establish the long-term effectiveness, cost-effectiveness and value for money offered by the range of interventions aimed at tackling drug markets and distribution networks;
- develop more multidisciplinary models and approaches (e.g. drawing on economic, criminological, behavioural, psychological and ethnographic perspectives) to better understand different aspects of drug markets, distribution and trafficking networks; and
- explore further the potential for new policy insights, ideas and interventions (e.g. engaging local communities and increasing their resilience to drug markets; developing strategies which address the extent of violence and intimidation in some local communities and tackle other constraints on their capacity for action; or assessing the impact of technological advances that could shape how markets and distribution networks operate or influence emerging patterns of drug production and consumption, such as the hydroponic cultivation of cannabis).

We also need to develop our understanding of the extent to which drug trafficking networks are embedded within, or related to, licit business organisations. This should also include a more detailed assessment of the impact of anti-money laundering measures, financial investigation, proceeds of crime and other ‘lifestyle incapacitation’ strategies contained within the 2005 Serious Organised Crime and Police Act.

In addition to assessing the impact of different enforcement methods and strategies across source, transit and importation routes, and comparative studies of local and regional markets, there is also an established need for more research charting the development of dealer and trafficker ‘careers’. This should include: their recruitment, learning and networking, how dealers/traffickers expand their enterprises, the role of imprisonment and other law enforcement efforts in either facilitating or hampering these processes, key turning points and understanding the mechanisms by which people desist from these ‘careers’.

### **IMPLICATIONS FOR FUTURE POLICY**

The evidence assembled as part of this review leads us to the following conclusions:

- drug markets are very intractable;
- they demand a range of responses – none of which will individually have dramatic effects; but
- a mix of supply and demand reduction measures may have some impact, or at least ameliorate the harms associated with visible drug markets.

The need to establish the long-term effectiveness, cost-effectiveness and value for money offered by key components of previous and current drug strategies – and in particular of drug law enforcement – should be a prerequisite for developing effective policies and responses in this area. This is not a novel observation, however: these points featured prominently in responses to the Government’s recent drug strategy consultation.

At the same time, it needs to be acknowledged that identifying the specific contribution of each different aspect of an overall strategy aimed at reducing supply, demand or harm is by no means a straightforward exercise. While there is an understandable desire and need for more rigorous research, in the context of drug markets and distribution networks, this has not always be feasible or possible in the past (because of poor quality data and an underdeveloped conceptual framework). A key priority for policy should be to improve the knowledge base and understanding of how different drug markets, distribution and trafficking networks develop and operate. This includes accurately mapping local markets and measuring intervention effects.

Another key policy issue is to recognise and minimise the unintended consequences of drug law enforcement efforts. The evidence assembled as part of this review demonstrates that law enforcement agencies are actively involved in the planning, coordination and implementation of a range of activities that fall within the scope of harm minimisation. However, as already noted, these activities can have a significant negative impact on the nature and extent of harms associated with drugs by increasing threats to public health and community safety, and by altering both the behaviour of individual drug users and the stability and operation of drug markets. There needs to be a much greater emphasis on establishing measurable outcomes which focus on harm reduction.

### *Addressing supply and demand*

The illegal status of drugs is likely to have contained their availability and use to some extent. However, drug laws do not appear to have direct effects on the prevalence of drug use: ‘tougher’ enforcement measures have not necessarily deterred use. While the proportion of adults in England and Wales reporting any drug use during the previous year has fallen since 1995 (by 1.8%) and the use of Class A drugs has remained stable (increasing by 0.3%), the use of powder cocaine has increased during this period (by 1.7%). This may be the result of a shift from amphetamine use (Class B), which fell by 2.2 per cent during this time, to powder cocaine on the part of ‘recreational’ users.

At the same time a number of UK indicators published during the past 18 months also suggest that attempts to increase resilience to illicit drugs at both the community and individual level are being undermined. Examples include the growth in wealth and poverty inequalities, the conclusion that the main strategy against social exclusion is now largely “exhausted” (e.g. there has been no progress in reducing child poverty in recent years and the unemployment rate among the under 25s has been rising since 2004), and the observation that levels of child well-being in the UK compare poorly with other industrialised countries. In addition to the ongoing focus and commitment to production control at source, and the tackling of trafficking and dealing networks closer to home, governments clearly cannot neglect the equally complex causes and drivers of demand in consumer countries.