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What is our Nations' Drug Policy in the 21st Century?

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1 MR REGOS: What is our nations drug policy in the 21st century
2 and how do we come to have this policy? Would a different
3 policy be more effective? Whilst they are important
4 questions perhaps the most important and fundamental
5 question is: should someone with a minority taste in
6 psychoactive drugs be punished for using that drug?

7 In 2012 several countries began developing their own
8 policies. Tonight we will hear that the case for global
9 drug prohibition has begun to collapse and that the
10 threshold decision required is to define drugs as a health
11 and social issue and in need of far greater funding.

12 This evening we will hear from Dr Alex Wodak. Dr
13 Wodak is physician and former director of the Alcohol and
14 Drug Service at St Vincent's Hospital where he is now the
15 emeritus consultant. This is St Vincent's Hospital in
16 Sydney.

17 During the early 1980's he made 13 submissions to
18 the New South Wales Health Department requesting them to
19 start a needle and syringe program. All were ignored. So
20 in 1986 with some colleagues he resorted to civil
21 disobedience and began Australia's first needle syringe
22 program and Australia's first medically supervised
23 injecting centre. Dr Wodak was the foundation president
24 of the International Harm Reduction Association and is now
25 President of the Australian Drug Law Reform Foundation.

26 I could go on and read his extremely long CV but
27 that would take us to dessert. The only thing I want to
28 ask of him is, he comes from a family of over achievers
29 and I want to know whether who in his family has the
30 bragging rights and I think this little item may have
31 given him the bragging rights and that is that he is a

1 member in the general division of the Order of Australia
2 and he received that honour in 2010 for service to
3 medicine and health. Please welcome Dr Wodak.

4 DR WODAK: Good evening ladies and gentlemen and thank you very
5 much for the invitation to come and speak here tonight and
6 answer questions. I am very happy to do that. There is no
7 more appropriate an audience to discuss the topic we are
8 talking about tonight than the twin professions of
9 medicine and the law that really have to deal with a lot
10 of the mess that is made by alcohol and other drugs and
11 that no doubt in the future it will have a lot to say
12 about the way in which drug policy evolves.

13 As Michael mentioned in the introduction, my view is
14 that the case for global drug prohibition is collapsing
15 and this evening I want to explain to you why I take that
16 view. It is not just a view that I take, it is view that
17 an increasing number of very distinguished international
18 citizens take around the world.

19 On June 2 2011, 19 of these distinguished
20 international superstars met at the Waldorf Astoria Hotel
21 and gave a press conference and that included Kofi Annan,
22 former UN Secretary-General; Paul Volcker, former Chairman
23 of the US Federal Reserve; George Shultz, former US
24 Secretary of State; former Presidents of Brazil, Columbia,
25 Mexico and Switzerland; Sir Richard Branson and some
26 others. I think you get the general idea and they
27 announced at that press conference their view that global
28 drug prohibition was collapsing and that we needed to
29 start an international discussion about what kind of drug
30 policy would replace the drug policy we have had over the
31 last half century or more.

1 That report triggered Australia 21 Canberra based
2 think tank that deals with so called wicked problems.
3 Problems that, I am not really sure what the question is,
4 not sure what the answer is, we do not know what the time
5 line is, do not know who is responsible for the problem,
6 things like global warming and those sorts of problems.
7 So Australia 21 has a focus on wicked problems and last
8 year Australia 21, triggered by the global commission on
9 drug policy, had two drug policy round tables and the way
10 that works is that they first develop a discussion paper
11 then they invite 20 to 25 people from diverse backgrounds,
12 people of some prominence in the community to a private
13 round table. The round table operates under the Chatham
14 House Rule and the round table discussion is recorded,
15 transcribed then edited and comes out as a report and the
16 report is owned by the Board of Australia 21 not the
17 participants so that participants are free to say whatever
18 they like at the round table, they will not be quoted,
19 unless they wish to be. The first meeting was held last
20 January and then a report was launched on April 3. That
21 indeed was the conclusion of the first report Australia21
22 last year, that global drug prohibition had failed
23 comprehensively and at the launch Mr Mick Palmer, former
24 Commissioner of the Australian Federal Police, the
25 Commissioner during the tough on drugs period in
26 Australia, looked into the barrel of the television camera
27 and said, "Police in Australia have never been better
28 resourced, have never been better trained and never been
29 more effective and yet their impact on the drug trade is
30 minimal". I think that created quite a reaction around
31 this country. There was vigorous debate and it is

1 interesting that in that vigorous debate there was only
2 one prominent person in the community, the Shadow Minister
3 for Health Peter Dutton, who stood up to defend the
4 effectiveness of drug law enforcement, and Mr Mick Palmer
5 wrote a response, published in the Melbourne Age and the
6 Sydney Morning Herald which I think took Mr Dutton's
7 response apart.

8 Now it is interesting that at that January
9 roundtable as it also happened with the second roundtable,
10 prominent people who defend drug prohibition were invited
11 to take part in the roundtable and they all declined and I
12 think we know why. Again it is an illustration that
13 people know that the intellectual case for drug
14 prohibition is collapsing. It is a very hard case to make
15 these days, it is so obvious that it has failed.

16 Then we held a second roundtable, and a second
17 report was launched in September and that looked at four
18 European countries - the Netherlands, Switzerland,
19 Portugal and Sweden. The first three countries were held
20 up as examples of countries that had realised that their
21 drug problems had reached crisis proportions and realised
22 that something had to be done. The three countries
23 responded in detail slightly differently but the three
24 countries realised that they had to be bold and try
25 innovative responses and they tried different things but
26 much more emphasis on health and social interventions and
27 the result is that in those three countries there is
28 strong support for the drug policy that emerged, the
29 Netherlands in the 1970s and in the case of Switzerland in
30 the early 1990s and in Portugal on July 1 2001.

31 In contrast, Sweden still has very vigorous debate.

1 There are many who support the very punitive approach that
2 Sweden has taken to drugs since the 1960s but the results
3 are not quite so glamorous. They look glamorous when you
4 look at later on how many people are using drugs but they
5 are not so glamorous when you look at how many people have
6 died from drugs. As was pointed out in the report in the
7 European report coming from the European centre that
8 mobilises data for the whole of Europe, Sweden has the
9 eighth highest per capita rate of drug overdose deaths
10 compared with the Netherlands at number 19, Portugal is
11 number 25. In some respects though Sweden does some
12 things that are also admirable. They provide a lot of
13 health and social support for struggling members of the
14 community and that is very important because people who
15 have a problem with drugs are often struggling members of
16 the community in other respects.

17 There is a lot more information I could give you on
18 that point and I will come back to the question of whether
19 our drug policy has indeed failed and how we would make
20 such a judgment.

21 Before we do that I really want to turn to what I
22 think is the most important question. It is important of
23 course to ask ourselves whether our drug policy works or
24 does not work. It is important to ask what our drug
25 policy is. It is important to ask how we got to have the
26 drug policy that we have got. It is important to ask what
27 the alternatives to our drug policy might be and what
28 stops us from having those policies but I think the most
29 central question of all is the question, as Michael said,
30 why on earth do we punish people who use a drug that you
31 do not want to use and that I do not want to use but

1 somebody else does want to use? Why should they be
2 punished for it? That is a very important question.

3 In December I was on my way to a drug policy
4 conference in Ditchley which is near Oxford and the train
5 went through Redding station and as I looked out at
6 Redding station I remembered the ballad Redding Gaol which
7 many of you will have read via Oscar Wilde when he was
8 serving a two year sentence with hard labour for the then
9 crime of having sex with another man. That sentence was
10 handed down in 1895, 118 years ago.

11 Looking at that through today's perspectives I do
12 not think there would be many people in this room who
13 think that it is fair and just for somebody to get a two
14 year sentence with hard labour for the crime of having sex
15 with another person of their own gender. In fact 62 years
16 after that sentence was handed down the Wolferson
17 Committee in 1957 said that sexual acts between adult
18 males in private should not attract criminal sanctions and
19 56 years after that report was handed down a majority of
20 members of the House of Commons voted to allow gay
21 marriage, so we have gone 118 years from Oscar Wilde
22 getting that sentence to nearer where gay marriage is
23 going to start happening in the United Kingdom.

24 There are a lot of parallels between the way we
25 respond to people with minority sexual preferences and the
26 way we respond to people with minority taste for
27 particular drugs but a convincing case, a good case for
28 punishing people who take a drug that you do not want to
29 have and I would not want to have, a good case has never
30 been made.

31 If you argue, and you could argue that it is just

1 and fair to have severe sentences, severe criminal
2 sanctions for people who take drugs that might harm
3 themselves then we should also be handing out even more
4 severe sentences for people who smoke tobacco or who drink
5 too much alcohol or who over-eat and do not take enough
6 exercise, who go hang-gliding, who go mountain climbing,
7 so why do we just pick on people who take drugs?

8 Some of you might say, we pick on people who take
9 drugs because they rob banks and do terrible things. We
10 have laws against all of those terrible things and if
11 somebody robs a bank because they have been taking drugs,
12 well, they will be punished for robbing banks. We do not
13 really need to punish them for the fact that they took
14 drugs which as an unintended side-effect pushes up the
15 black market price of drugs and for somebody who is
16 dependent on drugs and who will buy the drugs at whatever
17 price they are in the black market then goes out and robs
18 banks in order to pay for the drugs that they feel that
19 they must have. So that is really, I think, what is at
20 the heart of this problem and it is a discussion that we
21 never have and it is a discussion that we must have and
22 this is exactly the sort of body that should have that
23 kind of discussion. Is it fair and just to punish people
24 for taking drugs that are a minority preference?

25 Let us turn to the question of what is Australia's
26 drug policy? It is discussed a lot by our political
27 leaders, and frankly there is not a great deal of
28 difference between the Labor governments and the Coalition
29 governments on this question. They try and claim that
30 there is, but in the cold hard reality when you look at
31 the minutiae there really is not all that much difference.

1 In 2002-2003 financial year Australian governments,
2 Commonwealth, State and Territory spent \$3.2b of your
3 taxes in response to illicit drugs. Seventy five per cent
4 of that went to drug law enforcement, Customs, Police,
5 courts and prisons. A pretty expensive return on an
6 investment that is very poor. Some would even say it is
7 very negative. There were a lot of pretty severe
8 unintended negative consequences because of that huge
9 investment. Only 17 per cent went to efforts to reduce
10 the demand for drugs. Ten per cent went to the prevention
11 of drug use. Seven per cent went to drug treatment. One
12 per cent went to harm reduction, things like needle
13 syringe programs, and the remainder, five per cent went to
14 health treatment for diseases that drug users had, and two
15 per cent miscellaneous so the bulk of government
16 expenditure goes to Customs, police, courts and prisons
17 type interventions. A smaller amount, much smaller amount
18 goes to trying to prevent the uptake of drugs or the
19 treatment of people with drug problems, and then a tiny
20 fraction, one percent, goes to trying to reduce the harm
21 resulting from the drugs. That one per cent provides a
22 magnificent return to taxpayers. Anyone in this room who
23 can get a return like this from the stock market, I would
24 like to have your contact details afterwards, because one
25 dollar invested in the needle syringe program, according
26 to a study commissioned by the Commonwealth Department of
27 Health, one dollar invested in the needle syringe program
28 to prevent HIV infection in Australia reduces health care
29 savings by \$4 and overall has a \$27 benefit. As I say, if
30 you can get returns like that from the stock market please
31 let me know your contact details.

1 In the period 1988 to 2000 the Australian government
2 spent \$122m on the needle syringe program and the return,
3 the benefit, the saving was between 2.4 and 7.7b dollars.
4 That is billion with a B. Money out, \$122 million,
5 savings, 2.4 to 7.7 billion dollars. So just in financial
6 terms, spending money on needle syringe programs which
7 gets criticised by the shock jocks every day of the week
8 is a very good protection for our community. It has kept
9 HIV rates low in this community and it has reduced the
10 Hepatitis C infections not as much as we would like, but
11 it has reduced them at least to some extent. That is what
12 Australia's policy is. We have adopted the policy of harm
13 minimisation on April 2 1985 when the then Prime Minister
14 Bob Hawke met the six premiers and the at that time one
15 chief Minister in Canberra and they all signed onto the
16 National Drug Strategy which included harm minimisation.
17 It was not defined in those days, it was defined during
18 the Howard years as the culmination of efforts to reduce
19 the supply of drugs, reduce the demand for drugs and
20 reduce the harm rendered by drugs, so supply remand
21 reduction, supply reduction and harm reduction all
22 comprise in the Australian definition harm minimisation.

23 Whatever they say when they are in opposition,
24 governments of all political stripes actively support harm
25 minimisation in practice because especially the harm
26 reduction component saves a lot of lives, prevents a lot
27 of disease, reduces a lot of crime and also saves the
28 treasury a lot of money, saves you the taxpayer a lot of
29 money.

30 I should mention that at that meeting on April 2
31 1985, again all variations of Australian governments were

1 present, and representing Queensland was no less than Joe
2 Bjelke-Petersen so harm minimisation is not a Labor Party
3 policy, it is not a Coalition policy, it is a national
4 official drug policy which we have had ever since 1985.
5 It has been independently evaluated on half a dozen or so
6 occasions and each time found to be working pretty well.

7 How did we get to have the policy that we have got
8 here? We could spend all night talking about this, it is
9 quite a long and complicated history but I will keep it
10 relatively short.

11 Two major factors that are involved in this. Our
12 first drug laws were passed before Federation, in the
13 1880s, and they were passed in South Australia, Victoria
14 and New South Wales. At the same time almost identical
15 laws were passed in California in the United States,
16 British Columbia and Canada. These were laws that
17 provided criminal sanctions for people who smoked opium.
18 Who was smoking opium in those jurisdictions in the 1880s?
19 Chinese on the goldfields, so this legislation, our first
20 drugs legislation came 100 per cent from racism and
21 nothing else. That racism continued and grew in fact in
22 the early 20th century and was fuelled by the Bulletin a
23 magazine that is now extinct, but until 1961 had on its
24 masthead "The magazine for the white man."

25 The Bulletin used to publish quite racist
26 inflammatory cartoons in the 1920s fanning up anti-Chinese
27 feeling and this helped to develop our drug policies in
28 Australia as similar racist feelings had in the United
29 States that were connected to drugs.

30 As well as all of this there were two other
31 developments that are worth noting. One is that when the

1 British arrived in India and established the East India
2 Company and then that morphed into the British Colony in
3 the 17th century with Warren Hastings in Bengal and then
4 grew from there, Britain and India, in fact the whole
5 world was running a huge negative trade deficit with
6 China. China was exporting a lot of tea and silk and
7 porcelain and importing very little else, and as we know
8 from today, huge trade imbalances result in a lot of
9 political tension and sometimes more than that, lead to
10 war.

11 The British responded by exporting opium from India
12 first through the East India Company then through the
13 British Colony in India and that went through Calcutta to
14 Hong Kong and then was pushed onto the unwilling Chinese
15 by the British with increasing violence towards the
16 unhappy Chinese, having this Indian opium pushed down on
17 them, in the large part, to settle the trade imbalance
18 between those three countries.

19 That was a major factor and a lot of American
20 Christian missionaries in China saw this at first hand and
21 reported back to Washington DC about what they had seen
22 and put increasing pressure on the American governments
23 until a meeting was convened, the first Opium Commission
24 was convened in Shanghai in 1909 at which 13 nations were
25 represented and that was really the first international
26 meeting where a movement of global drug prohibition was
27 starting to coalesce, and there were subsequent meetings,
28 in 1912 in the Hague, centenary last year, and then a
29 further meeting in Geneva, a critical meeting held under
30 the League of Nations in 1925 when the three plant based
31 drugs, opium and derivatives, coca and derivatives, from

1 which we get cocaine, and cannabis and its derivatives.
2 Cannabis was not even on the agenda at the meeting and the
3 delegates were not given information about cannabis so how
4 they prohibited cannabis is still a bit of a mystery. But
5 nevertheless it was prohibited.

6 At that meeting it was agreed that there would be an
7 international prohibition and the commonwealth came back
8 from that meeting and wrote to the States and Territories
9 and said, "You have got to prohibit cannabis." I do not
10 know what the Victorian government replied but the New
11 South Wales government reply was, "We do not know of this
12 drug cannabis in New South Wales but if it is good enough
13 for the commonwealth to want us to do something of course
14 we will do it." I think commonwealth state relations are
15 not quite as cordial these days as they evidently were in
16 the late 1920s. But that is really how this international
17 framework developed.

18 Another critical factor was the fact that in 1898
19 the American Spanish Civil War which the Americans won,
20 and as a result of that the Americans took over the
21 responsibility of the Philippines and they found to their
22 horror that the Spanish had been allowing opium addicts to
23 be supplied with regular provisions of opium and the
24 Americans had to take that on and were aghast at this, and
25 this fed into the international developments that I was
26 talking about.

27 Then a critical development occurred in the 1970s
28 and what happened then was that the American president
29 Richard M. Nixon was in his second term with a very
30 unpopular war on his hands, the Vietnam War. He was
31 looking to the next elections in - sorry, he was in his

1 first term, 1968 to 1972 - was looking to his second
2 election, 1972, and wondering how the hell he could pull
3 something out of the hat to get re-elected. John
4 Ehrlichman suggested at the committee for the re-election
5 of the president, acronym CREEP, John Ehrlichman suggested
6 that Nixon wage a war on drugs and Nixon took up that
7 suggestion and announced the war on drugs on June 17,
8 1971. "Public Enemy No. 1 is drugs." He said that.
9 Nixon won in a landslide. He won 49 out of the 50 states
10 and politicians around the world of all political stripes
11 saw that result and thought, this is the magic political
12 pudding. It does not matter how bad your candidate is,
13 how worthy and impressive his or her opponent is, you say
14 you are going to wage a war on drugs and you get elected
15 in a landslide. I am going to have one of those too, so
16 this became the mantra of politics around the world and to
17 some extent it still works although it is wearing off
18 rather rapidly. That is where our policy really comes
19 from. That is where we got - we got the three
20 international treaties, 1961, 1971 and 1988, and when
21 your country signed it and ratified one of those three
22 treaties your country was required to introduce laws in
23 the parliament which provided for criminal sanctions for
24 the cultivation, production, transport, possession,
25 purchase, use, et cetera, et cetera, of certain
26 substances, and then there are about 250 substances that
27 have been identified through this process, so that is
28 where these laws come from.

29 Do they work? Two ways of looking at this. One way
30 is looking at the drug market itself and another way is
31 looking at the consequences of that market. Let us have a

1 look first at the drug market itself.

2 In the year 1980 the world was producing 1000 metric
3 tonnes of illegal opium, most of that in our region in
4 Burma. By 2007 the world was producing 9.000 tonnes of
5 opium, 1000 to 9000. Since gone down to 5000 and then
6 gone up to 7000 again, but there is no sign of it going
7 back to 1000 tonnes.

8 In the first half of the 20th century only one
9 country had a serious drug problem in the world, United
10 States. By the end of the third quarter of the 20th
11 century almost every developed country including Australia
12 had a significant drug problem. By the end of the 20th
13 century virtually every developing country outside Africa
14 had a significant drug problem. Now in the 21st century
15 there are about a dozen or 15 important African countries
16 that now have significant drug problems, so the drug
17 problem has been spreading, production has been
18 increasing, consumption has been increasing, price has
19 been dropping. Drug prohibition is meant to make drugs
20 more expensive but the price of heroin and cocaine has
21 fallen, on UN figures, by about 80 per cent in the last
22 quarter century.

23 Drugs are relatively available so the Australian
24 Government since the year 2000 has been commissioning a
25 survey of drug users asking them once a year whether they
26 have found a particular drug very difficult, difficult,
27 neither one nor the other, easy or very easy to obtain.
28 Ninety four per cent of Australian drug users say that
29 hydroponic cannabis is easy or very easy to obtain.
30 Seventy eight per cent say that bush cannabis which is
31 more highly priced is easy or very easy to obtain, and the

1 figures for heroin, cocaine and amphetamines are mostly in
2 that 70 to 80 per cent range, so drug prohibition is not
3 making drugs more expensive, is not making them
4 unavailable, is not reducing their consumption. If
5 anything, consumption is going up and production is going
6 up so the effects on the drug market have been terrible.

7 And something that is closer to home for us here is
8 death, disease, crime and corruption have all been
9 unfortunately increasing. Between 1964 and 1997 drug
10 overdose deaths in Australia per capita increased 55 times
11 so we lost 1,116 young Australians in the year 1999, the
12 peak year, from heroin overdose. And they are going up
13 again. They went up from 360 in 2007 to 500 in 2008 to
14 612 in 2009 and to 705 in 2010. These are young
15 Australian men and women, mainly men. Young Australian men
16 and women. Deaths are going up.

17 And drug prohibition did not help us keep the HIV
18 epidemic under control, it was only efforts that were
19 perceived to be contrary to drug prohibition - needles and
20 syringe programs, things like that, that helped to keep
21 Australia relatively free of HIV. And make no mistake
22 about this, if HIV had spread rapidly among drug users it
23 would have spread amongst the general population as well.

24 Crime has gone up. It is harder to define what is
25 and what is not a drug-related crime, but I do not think
26 anyone in the room would contest that we have serious
27 problem with drug-related crime in Australia today, much
28 more so than we had 50 years ago. And corruption has
29 also, sadly, increased in Australia.

30 Last year the second most senior officer of the New
31 South Wales Crime Commission received a 22 year sentence

1 for his involvement in a \$300m drug trafficking operation.
2 A few years ago a former head of the South Australian Drug
3 Squad died while in prison serving a 26 year sentence for
4 drug trafficking.

5 The Costigan Royal Commission in 1985, the
6 Fitzgerald Commission in 1987, the Wood Commission in
7 1997, the Kennedy Commission in 2004 all came to the
8 conclusion that police corruption was rampant in those
9 States, Costigan of course federally - that police
10 corruption was serious and extensive and closely linked to
11 unsuccessful attempts to enforce drug laws so let us not
12 make any mistake about it, the price of drug prohibition -
13 one of the prices we pay is extensive corruption, a very
14 serious cost if you ask me, and I am sure many of us here
15 today. So however you look at it, prohibition seems to
16 increase deaths, disease, crime and corruption, and it
17 also increases violence. If you want proof of that just
18 look at Mexico. The incoming president in December 2006,
19 Lipe Calderon declared a war on drugs, one of the first
20 things he did on assuming office, and when he left office
21 last December 60,000 Mexicans had been murdered by the
22 police, the army or drug traffickers, 60,000, so the
23 incoming president has declared that he is not going to
24 follow the same policy.

25 There are many studies that show, contrary to what
26 you might think, that the more heavily drug law
27 enforcement authorities push down on the drug traffickers
28 the more violence that community is going to suffer, so it
29 is very clear that drug prohibition does not work. And if
30 you think it does not work for Australia, multiply that by
31 hundreds if not thousands if you look at the countries

1 that are really savagely affected by this. I am talking
2 now about countries that are major drug producers or major
3 transit countries. Burma, Afghanistan, Columbia, Peru,
4 Bolivia, and the major transit countries, countries like
5 Mexico, Guatemala, Honduras and Pakistan. These countries
6 have had their institution ripped apart by corruption,
7 massive corruption. Presidential candidates have been
8 assassinated in Columbia. Judges have been assassinated,
9 have accepted bribes, silver or lead. Which do you want,
10 judge? Do you want to be murdered or do you want to hand
11 down a sentence that my client is going to like?

12 This is a serious problem in these countries. Our
13 homicide rate is about 1.2 per 100,000 per year. In the
14 United States it is about 4.8. Mexico is now up to 25 per
15 100,000 per year and by the time you get to Honduras it is
16 up to 90 per 100,000 per year, so violence is a huge
17 factor. The reason why central America and Latin America
18 has become much more violent in recent years is because
19 the Americans managed somehow to stem the flood of drugs
20 heading through the Caribbean and so now the drugs travel
21 by land and when they travel by land and come into
22 resistance from law enforcement authorities the result is
23 violence on an epidemic scale.

24 What should we be doing instead? It is clear that
25 we have tried the law enforcement option to the maximum
26 and it is clear that putting the responsibility,
27 rhetorical and financial and practical on law enforcement
28 authorities, that law enforcement is simply not able to
29 achieve the kind of results that we want to see, so if
30 that has not worked, then the obvious thing to do is to
31 treat this as a problem that is primarily defined as a

1 health and social problem and rapidly increase the funding
2 that is available for health and social interventions, and
3 health and social interventions do work. I have given you
4 the return on investment figures for the needle syringe
5 program and the return on investment figures are pretty
6 good for drug treatment, so the methadone program although
7 criticised by every shock jock in the country and often by
8 ministers on both sides of politics unfortunately, gives
9 us a return of around about \$7 per dollar that we invest.
10 Yet people criticise it left right and centre.

11 We have very few studies comparing the cost-
12 effectiveness of drug law enforcement and treatment but
13 there was one in 1994 carried out by the very
14 distinguished prestigious RAN Corporation in Santa Monica
15 California. They looked at the return on a \$1 investment
16 on cocaine by the US government and when a dollar was
17 spent on trying to eradicate the coca plant that produces
18 cocaine in Columbia, Peru and Bolivia, US taxpayers got a
19 benefit of 15 cents, one-five. A dollar spent on trying
20 to interdict powder cocaine travelling from South to North
21 America got a return of 32 cents. One dollar spent on US
22 Customs and police, a little bit better, 52 cents per
23 dollar, so still making a loss of 48 cents per dollar
24 spent but a dollar spent on the treatment of cocaine users
25 got a return of \$7.48. So what did the US Government do?
26 They spent - 93 per cent of their budget allocation went
27 to those three loss making law enforcement bodies and
28 seven cent went to drug treatment, and you ask why is our
29 drug policy failing? It is failing because we are
30 allocating much more money than we should to drug law
31 enforcement and not nearly enough to health and social

1 interventions.

2 Another study looked at a \$1m investment in two
3 different kinds of law enforcement and drug treatment,
4 again with cocaine, again carried out by the RAN
5 Corporation, and what they found was that a \$1m investment
6 in mandatory minimum sentences where the judges are told
7 by the parliamentarians, by the politicians what kind of
8 penalties they must provide for certain crimes with no
9 allowance for variations for different circumstances in
10 each case, a \$1 investment in mandatory minimum sentences
11 reduced cocaine consumption in the United States by 12
12 kilograms. However, flexible sentences carried out by the
13 courts reduced consumption by 26 kilograms and a \$1m
14 investment in the treatment of cocaine users reduced
15 consumption by 103 kilograms, but this situation still
16 continues in the United States which has been the major
17 country in the world, not the only country, but the most
18 important country in developing the idea of drug
19 prohibition and evangelically spreading this idea around
20 the world.

21 Some of you will have seen that last November,
22 November 6, at the time of the presidential elections in
23 the United States there were three ballot initiatives to
24 do with legalising cannabis and in the states of Colorado
25 and Washington in the north-west, the majorities of 55 per
26 cent supported the ballot initiative to tax and regulate
27 cannabis like alcohol and tobacco. In fact more voters
28 voted to tax and regulate cannabis in Colorado and in
29 Washington State than voted for Barack Obama to become
30 president. He won both states but cannabis won by more.
31 Cannabis legalisation won by more.

1 The Gallup Poll shows that the American public is
2 gradually changing its attitude to drug prohibition so in
3 1969 only 12 per cent of respondents in the Gallup Poll
4 when asked the question, "Do you support the legalisation
5 of marijuana," only 12 per cent supported the legalisation
6 of marijuana, but in 2011 they had become a majority at 50
7 per cent, so opinion is changing in the United States on
8 this question as it has on the question of gay marriage
9 and let us hope, on gun control.

10 It is clear where we need to go. It is clear that
11 this is not an easy issue for politicians. It is an issue
12 that is very difficult for politicians. I am one of the
13 few people in this room, I suspect, who actually has a lot
14 of admiration and respect for our politicians. They have
15 got a hell of a job and we have got to make their job even
16 more difficult by telling them that they have got to sort
17 this out, we are not going to stop unless they do sort
18 this out. And what the details are going to be they are
19 going to decide, but I think one thing has to be clear,
20 and I hope the leaders of the legal profession and the
21 medical profession will tell our politicians that we need
22 a new drug policy, we need a national discussion about a
23 drug policy and that drug policy has got to have much more
24 emphasis and much more funding for health and social
25 responses.

26 All this is pretty simple. There are a lot of other
27 things, more detailed things we should be debating.
28 Should Victoria for example have a safer injecting
29 facility, especially something similar to the medically
30 supervised injecting centre that we have at Kings Cross,
31 about 100 such centres around the world. Victoria

1 unfortunately has got rapidly rising deaths from drug
2 overdose so there is a strong case to have a safer
3 injecting facility here in Melbourne. Where that should
4 be, how many that should be, they are not questions for me
5 to answer but they should be questions that Victorians
6 should start asking of the Victorian government.

7 Should we be allowing people dying of cancer who
8 have not had relief from terrible symptoms from
9 conventional medicines, should we be allowing some of them
10 to have cannabis used as a medicine? What is stopping us
11 is prohibition. That is what is stopping us. I do not see
12 why a grandpa or grandma who has got intolerable vomiting
13 after their cancer chemotherapy cannot have the benefit of
14 relief from that terrible symptom by having some cannabis.
15 Should we be allowing people with distressing spasticity
16 from multiple sclerosis to have medicinal cannabis? We
17 have to ask ourselves what kind of a civilised country we
18 are where we cannot be a bit more practical about these
19 things and there are many other issues that we could
20 discuss.

21 So what stops us getting to have a rational
22 discussion and having more effective less expensive
23 policies, policies that are not quite so
24 counterproductive? What stops us doing that? There are a
25 lot of things stopping us. One is the politics of it. Up
26 until now bad policy has been good politics and what we
27 have to do is make sure that good policy becomes good
28 politics. That is not going to be easy but this is not
29 going to happen from within politics, this is going to
30 have to start from outside political life, from groups
31 such as these.

1 We are going to have a lot of problems. We will run
2 into some groups that have a vested interest in today's
3 arrangements even though today's arrangements are not all
4 that effective. We have private prisons that are not
5 going to be quite as lucrative if we downsize the prison
6 population and we can downsize the prison population if we
7 stop defining certain things as drug-related crimes.
8 There are going to be other groups like that in the police
9 and the Corrective Services Union who are going to fight
10 these changes and I think we are going to have to ask
11 ourselves what is in the public interest rather than what
12 is in the interest of the Police Union or the Corrective
13 Services Union. So there are a lot of questions that we
14 need to ask ourselves, and fundamentally will you pull
15 this issue apart? What is happening is a battle between
16 the inexorable forces of economics and the immovable
17 mountain of politics, and in the short term the immovable
18 mountain of politics always wins, but in the long run the
19 inexorable market forces always win. The sooner they win
20 the better.

21 I think many of us took a different view of the
22 world when we saw the Berlin Wall crashing in the 1980s
23 and realised that there is a very heavy price to be paid
24 by governments or communities that thought that they could
25 ignore powerful market forces. This particular market
26 force is worth an estimated \$332b a year. That is a UN
27 estimate from 2003, so presumably it is more than that
28 now.

29 For \$US322b a year there is probably something like
30 a third of the national Australian economy so it is pretty
31 hefty market forces. Do we pretend that we can ignore

1 such an important, such a powerful market force? We have
2 tried over the years, and we have tried previously to
3 ignore powerful market forces.

4 In this State, I remember growing up in Victoria in
5 the days when it was illegal to place a bet outside a
6 racecourse. If you wanted to bet on the horses you had to
7 go to the racecourse. Millions of Australians disobeyed
8 that law seven days a week. We had extensive police
9 corruption as a result of trying to enforce an
10 unenforceable law and after a few decades of this, the
11 community got sensible and decided that we would scrap
12 that and we would create the TABs and ultimately the TABs
13 have been privatised.

14 Now quite how all these details are going to play
15 out I do not think should concern us tonight, should
16 concern us in the future, but it brings up the next
17 important principle and that is that change should not be
18 revolutionary in this area, change should be slow and
19 incremental, should be carefully evaluated, we should only
20 go on to the next stage when we have done the previous
21 stage. I make an exception in the case of taxing and
22 regulating cannabis, I think the case for that is
23 unarguable today. It will take a long while for that to
24 happen but many of us, I think, would not mind if some of
25 the resources allocated to law enforcement authorities
26 today to enforce the unenforceable cannabis laws which are
27 broken by 1.9 million Australians every year and which
28 were broken by the current prime Minister before, the
29 current leader of the Opposition, the previous leader of
30 the Opposition, the current president of the United
31 States, the previous president of the United States, the

1 president before him, so I think these unenforceable laws
2 should be the first to go and we should create a market
3 where we can generate some revenue.

4 In Colorado some of the revenue is going to be
5 dedicated to rebuilding schools in that State so there is
6 a lot of attraction in this area.

7 We could have cannabis marketed with packets that
8 say, "This stuff could give you schizophrenia. If you
9 want help, ring this number, go to this website." We
10 could have on the packets, "This packet contains cannabis
11 at such and such a concentration." We could have proof of
12 age laws like we have for alcohol. We could have hard to
13 get but easy to lose licences for people who grow
14 cannabis, who are wholesalers or retailers so if they
15 misbehave they lose their lucrative licence overnight
16 without the right of appeal so there are a lot of
17 attractions for us. We could learn from the mistakes we
18 made with alcohol and tobacco, we could start off with
19 plain packaging required for cannabis. We could ban
20 advertising for cannabis right from the start, and if we
21 can do it I would love to see a ban on donations from the
22 cannabis industry to the political parties.

23 So it is exciting times ahead and the legal
24 profession and the medical profession I hope will be at
25 the forefront of arguing the case for change and talking
26 our politicians into having the gumption to change laws
27 that clearly do not work. Thank you very much.

28 MR REGOS: Dr Wodak has indicated he is happy to take some
29 questions so if anyone has some.

30
31

1 QUESTIONS:

2 MR EDWARDS: (Off microphone) Will Edwards. I am an orthopod.

3 Thank you for a wonderful talk. I am a little concerned
4 with freeing up gambling. It was a great move because it
5 eliminated the SP bookies and we got the TAB and so forth,
6 and we now hear that pokies are the devil's work in the
7 western suburbs and they are destroying families and that
8 our sports are being corrupted by betting on who is going
9 to get the first kick at the Grand Final, so on and so
10 forth and the pendulum seems to be swinging a little
11 against betting. Will not this similar ramification be
12 seen before the freeing up of the (indistinct).

13 DR WODAK: Thank you. That is an excellent question, very
14 relevant, and I agree with you we should be concerned
15 about the precedent that has been created by gambling but
16 you will notice that people like Tim Costello and Nick
17 Xenophon who I suppose would be the leaders amongst
18 Australians in trying to have a more effective approach to
19 gambling and to bring the gambling industry under some
20 kind of control again, they never talk about going back to
21 the days when all gambling would be prohibited. They are
22 talking about better regulation of gambling, more
23 effective regulation, a market where the gambling industry
24 does not have so much control, and I agree with Tim
25 Costello and Nick Xenophon and Anna Wilkie and others on
26 this point. I think this is a monstrous problem. We have
27 allowed it to get much too large and it does need to be
28 brought under control but nobody wants to go back to the
29 bad old days where the demand for gambling was provided by
30 two groups of people only, and that is criminals and
31 corrupt police, and those are really the choices, a

1 regulated market which has its faults, it is not perfect,
2 or a market which is run by criminals and corrupt police,
3 and much as I detest the gambling industry I detest the
4 criminals and corrupt police even more.

5 DR (INDISTINCT): I am a physician in adolescent medicine.

6 Thank you very much for this evening. I certainly very
7 much support your proposal that cannabis should be allowed
8 for therapeutic use. I think that would be an enormous
9 advance.

10 My concern particularly is for the vulnerable group
11 of young people that I am concerned with in their
12 adolescence when their vulnerability with great immaturity
13 and their sensitivity to the social pressures put them at
14 great risk. My understanding is that banning alcohol
15 until the age of 18 has not been very effective in
16 preventing them from drinking and I am just wondering if
17 any of the studies that you have seen are aware of
18 effective ways of protecting vulnerable people from
19 entering the whole field of drug abuse, whether it is
20 (indistinct).

21 DR WODAK: Thank you. That is also a very important question
22 and I think the best way of protecting vulnerable people
23 is to have fewer vulnerable people. I do not mean this
24 frivolously at all. There is a book that some of you may
25 have seen or heard of which came out a few years ago by
26 Michael Marmot Wilkinson called the Spirit Level in which
27 the authors have - the book got a lot of publicity, a lot
28 of favourable publicity, some unfavourable publicity, and
29 they have looked at indicators of inequality amongst rich
30 countries and what they found is that when you look at a
31 lot of social ills, whether this is mental illness or

1 obesity or illicit drug use or incarceration rates, they
2 found that the more unequal countries like the United
3 States have more of those problems and the less unequal
4 countries, the Scandinavians and the Japanese have less of
5 those problems. I regret to say that Australia is close
6 to the US in terms of measures of inequality measured by
7 something called the Gini Coefficient. Australia is not
8 quite as unequal as the United States but we are pretty
9 close, and I think it is clear from that and from work
10 that other people have done that we have allowed our
11 communities to become much more unequal and I guess many
12 of us in this room have benefited from that, and I think
13 we would benefit even more if we had a healthier community
14 and not so much inequality and it would be a healthier
15 community because there would be less inequality.

16 It is beyond me, I am not an economist, beyond me to
17 go into the mechanics of this but I can say that there
18 will be a talk in Melbourne somewhere, we are trying to
19 find a venue, where Tim Costello and Ross Giddins will be
20 speaking on the subject of inequality here in Melbourne,
21 so watch this space.

22 I think that is the main response I would give to
23 you. the other response I would give to you is that when
24 we did this project in Australia²¹ last year and we looked
25 at those four European countries, although we found a lot
26 to criticise in Sweden for the way, the very harsh and
27 punitive way they respond to young people who use drugs,
28 we also were struck by the very impressive way that Sweden
29 organised its health and social services for vulnerable
30 groups and they do a very good job and I think their drug
31 outcomes would be even worse if they removed those

1 supports from vulnerable populations.

2 The other thing that I would draw some encouragement
3 from is President Obama's second inaugural speech on 21
4 January when he announced that amongst the measures that
5 he was going to introduce in his second term was much more
6 support for pre-school children and I think investing -
7 once again it is outside my area - I am sure you know
8 thousands of times more about this than me - but I am
9 aware that there is very impressive literature in that
10 field where there is a solid investment by the community
11 in many different aspects of life, from putting money,
12 putting resources into pre-school children so that would
13 be another - so it would be inequality and putting
14 resources into pre-school children, and also the health
15 and social supports modelled on what Sweden and other
16 countries do.

17 DR MICHAEL VOQUIST: Dr Wodak, I am Michael Voquist, I am an
18 anaesthetist. My question really is, I guess, whilst I
19 agree with the thrust of what you are saying, are there
20 any drugs - I mean there are drugs and there are drugs.
21 Are there any drugs that you would consider just so
22 heinous and which have such a low therapeutic index, if
23 you like, that they just can not be legalised? I am
24 thinking of drugs such as gamma hydroxybutyrate, GHB or
25 some of the methamphetamine family, such as ice et cetera,
26 that really - it is very difficult to see how their use
27 could be argued for in any legal sense.

28 DR WODAK: I am not sure that I heard the question. Is it, are
29 there any drugs that are safe?

30 DR MICHAEL VOQUIST: I am asking basically if there are any
31 drugs that you would say, look, you just cannot legalise

1 that drug, such as GHB or ice?

2 DR WODAK: Okay, thank you. That is the sort of complicated
3 question that is hard - it is also a critical question -
4 it is hard to answer it very quickly but in general terms
5 I think there are three groups of drugs.

6 The first group, clearly cannabis is in this group,
7 should be taxed and regulated and sold like alcohol and
8 tobacco but in a way that government would be handled much
9 more stringently, and I would handle alcohol much more
10 stringently too, I would have to say. It is a pity we
11 have not got time to talk about that tonight. That is the
12 first group. Possibly - I am not sure - possibly ecstasy
13 could go in that group, maybe. First I would try and fix
14 cannabis, do not try and fix everything at once. It has
15 taken us fifty years to get into this mess, do not try and
16 solve it in 50 days would be my response. First would be
17 cannabis, maybe at a later stage I would add ecstasy to
18 that.

19 Then there is a group of drugs like heroin, cocaine
20 and amphetamines and I do not think anybody in their right
21 mind, certainly not me, wants to see heroin or cocaine
22 sold in one kilogram blocks of pure heroin or cocaine at
23 the supermarket checkout counter. That is never going to
24 happen, it should not happen, I do not think anybody in
25 the world would support that. I think that area of the
26 market, the best we can do is to provide a rich variety of
27 treatments in the health field based on evidence of what
28 works and provide a variety of choices and treat that
29 condition as a health problem like any other health
30 problem, do research in it that is not governed by what
31 politicians tell us what research can be done and cannot

1 be done.

2 The heroin trial was rejected by Prime Minister
3 Howard on August 19, 1997 with the phrase that that would
4 send the D list research - providing heroin to heroin
5 users would send the wrong message. Sorry, Prime
6 Minister, butt out of it. These decisions about which
7 research should or should not happen should be handled the
8 way we make decisions about breast cancer research or any
9 other kind of medical research, so there is a strong case
10 I think to mop up as much demand as possible with drug
11 treatment, and possibly, as we do for heroin users with
12 methadone, provide an analogue where other treatments have
13 not worked.

14 Seven countries have now done eight trials of
15 heroin-assisted treatment where heroin - like we were
16 going to do in 1997 - and the results of all of those
17 trials have been very very impressive. This is not even
18 first line treatment, it is not even second line
19 treatment, it is a third line treatment for that five per
20 cent who have very longstanding very severe problems and
21 who have not benefited from any other previous treatment,
22 and that five per cent is particularly important because
23 they account for 30 or 40 per cent of the crime.

24 The benefit of doing that, the cost benefit is for
25 every dollar invested you save \$2. Not as good as
26 methadone but this is a much more difficult population we
27 are talking about. So that is the second group of drugs.

28 Possibly there is a third group of drugs, and I say
29 possibly, and the third group of drugs are drugs that we
30 might one day entertain the possibility of commercial
31 retail sale for selected drugs in low concentrations in

1 small quantities. What on earth does he mean by that?
2 What I mean by that is going back to Australia that
3 existed prior to 1906 when your great great grandfather
4 and your great great grandmother could buy edible taxed
5 regulated edible opium, that existed until 1906. Coca
6 Cola until 1903 contained cocaine so maybe we could have
7 things like that.

8 In South America you can buy cocaine tea bags and
9 you can take the tea bags to your hotel room, you can add
10 boiling hot water and drink an infusion of cocaine, a very
11 weak infusion, so I think possibly we might end up mopping
12 up some of the demand in that kind of way, but let us see
13 first how the earlier stages go, and let us only do this
14 if we are still in a bit of a mess and we want to get a
15 little bit better and let us do it very carefully and very
16 slowly and with a lot of careful, rigorous scientific
17 evaluation. So it is a complicated answer but I hope that
18 helps you.

19 I will say one other thing before I finish and that
20 is that one of the things that really never gets talked
21 about - we talk about the damage that drug prohibition
22 does, and I have talked a lot about that tonight, one of
23 the things that we do not talk about is the effect that
24 prohibition has on the drug market itself, and what
25 prohibition does to the drug market is that it makes more
26 dangerous drugs drive out less dangerous drugs, so when
27 opium smoking was banned in Asia half a century or more
28 ago - opium smoking used to be practised by elderly old
29 men in the villages - and there are enough women here who
30 can attest to the fact that elderly old men are not very
31 useful in villages or anywhere else for that matter, but

1 in any case, what happened when opium smoking was banned
2 was that it was replaced by the injection of heroin, and
3 the people who injected heroin were not the elderly old
4 men but were young and sexually active men, so we created
5 the perfect conditions for the biggest public health
6 catastrophe the world has ever known, an HIV epidemic
7 among half of the world's population that lives in Asia.

8 There are many other examples. When the US
9 prohibited alcohol from 1920 to 1933, when that came in in
10 1920 beer disappeared and was replaced by wine and spirits
11 and when prohibition was repealed in 1933 beer came back,
12 so prohibition has a very negative effect on the drug
13 market and is an expensive way of making a bad problem
14 even worse so we should be very wary of it, thank you.

1 MR REGOS: Thank you. May I call upon Mr Darren Bracken, member
2 of the committee, to deliver a vote of thanks. Thank you.

3 MR BRACKEN: Ladies and gentlemen, can I tell you that Dr Wodak
4 seems to have been able to convince the editors of the
5 Bulletin of his thesis. There is an article in February's
6 Economist that takes up his theme and develops it along
7 the lines of the presentation he has provided tonight.

8 Amongst other things they talk about is what Dr
9 Wodak referred to as the group that is maintaining the
10 prohibition and it describes them as the - is describing
11 the evangelical approach that they have - and describes
12 that industry as the "mighty prohibition industry." One
13 can well see how such an industry might cause some
14 difficulties for those with Dr Wodak's thesis.

15 It also describes the prohibition problem and the
16 difficulty of trying to do something about drug addiction
17 as "The perfect sisyphean of futility." You could think
18 of a few, I would have thought, examples of that.

19 I wonder if you would join me in thanking Dr Wodak
20 for providing considerable insight this evening.

21 - - -