Cocaine, crack and crime [1]

Written by **Sam Bowman** [2] | Tuesday 15 November 2011

There's a fascinating post [3] on The Atlantic Cities blog today, which argues that the spectacular drop in crime the US enjoyed during the 1990s was down to a fall in the price of cocaine (and, therefore, the highly-addictive crack cocaine):

> Cocaine was the driving force behind the majority of drug-related violence throughout the 1980s and into the early 1990s. It was the main target of the federal War on Drugs and was the highest profit drug trade overall. In 1988, the American cocaine market was valued at almost $140 billion dollars, over 2 percent of U.S. GDP. The violence that surrounded its distribution and sale pushed the murder rate to its highest point in America's history (between 8-10 per 100,000 residents from 1981-1991), turned economically impoverished cities like Baltimore, Detroit, Trenton and Gary, Indiana, into international murder capitals, and made America the most violent industrialized nation in the world.
>
> Then in 1994, the crime rate dropped off a cliff. The number of homicides would plummet drastically, dropping almost 50 percent in less than ten years. The same would go for every garden variety of violent crime on down to petty theft. The same year as the sharp decline in crime, cocaine prices hit an all-time low. According to the DEA's System to Retrieve Information on Drug Evidence (STRIDE) data, the price per gram of cocaine bottomed out in 1994 at around $147 (calculated in 2003 dollars), the lowest it had been since statistics became available.

The Atlantic says that this drop in price is down to more sophisticated smuggling techniques, which increased supply. Of course, correlation isn't causation etc. But it sounds like a plausible explanation ? reduced margins for dealers means the risks of jail or death from turf wars (the main source of drug gang-related murders) has less of a pay-off. The emergence of crystal meth (very low-cost to produce) probably hit demand for cocaine too.

The other side of all this, which I'm surprised the article doesn't mention, is that lower costs mean that addicts find it easier to pay for their habit. They're less likely to resort to theft and mugging, and so on. It's also noteworthy that crack probably only emerged as a way to get more "bang for the buck" out of cocaine while trafficking was harder.

The upshot of all this is that reducing the price of drugs like cocaine in Britain would probably help with crime rates as well. Drug legalization would be ideal, but a more achievable work-around might be to instruct customs workers to turn a blind eye or take a coffee break when flights from Colombia are coming in to Heathrow. They do it for European countries already, where there are seldom-enforced limits on how much alcohol or tobacco can be brought in. Extending the practice to one more country could make a

surprisingly positive difference to the UK's crime rates.

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