



United Nations General Assembly Special Committee on the  
Drug Trade

*Topic Bulletin*

# Academy Model United Nations

February 1 - February 2, 2018

Dear Delegates,

Hi guys! My name is Grace Huang and I will be serving as one of your Chairs for the Special Committee on the Drug Trade as well as your Charge alongside Christian Rodriguez, the Sec-Gen of AMUN XIX. I have been doing Model UN since freshman year and my decision to join this organization is probably the best one I made in high school. After going to countless college and high school conferences as well as chairing AMUN last year, I am so excited to be able to work with you all this year! I am a senior in the Academy of Business and Finance at BCA. Outside of MUN, I like playing basketball, drinking coffee, and watching Suits, the Blacklist, and Friends.

I look forward to meeting you all and listening to all your ideas and debate. I hope you take the time to research your topics and come up with feasible resolutions to solve some of the most pressing issues the world is facing. Whether this is your first time being a delegate or tenth, don't be afraid to speak up and put your best foot forward. If you have any questions, feel free to email me at [grahua@bergen.org](mailto:grahua@bergen.org) or Christian at [chrrrod@bergen.org](mailto:chrrrod@bergen.org).

Best of luck,  
Grace Huang

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# TOPIC A:

## Economic Ramifications of the Drug Trade

### Overview

Chapter IV, Article 20 of the United Nations Charter proclaimed that, “The General Assembly shall meet in regular annual sessions and in such special sessions as occasion may require. Special sessions shall be convoked by the Secretary-General at the request of the Security Council or of a majority of the Members of the United Nations.” In this United Nations General Assembly Special Session on the Global Drug Trade, delegates will be discussing the global drug trade. Currently valued at \$360 million, this illicit industry has ramifications on every country economically, in terms of labor productivity, economic development, and justice systems as well. This committee will evaluate the impacts of the illicit drug trade and outline solutions to mitigate the harm caused by it and curb the expansion of the global drug trade.

### Topic History

The largest drug epidemic in recent years has been the opioid epidemic in China which had caused them to lose two wars to the British in the 18th and 19th century, attempting to keep this drug out of China. Millions of people were addicted to this drug, in fact, by the early 1900's, a quarter of Chinese men were addicted to opioids. This trade was incredibly profitable for the British which is why it took so many years to outlaw it. Accordingly, the first ever international conference about drugs, the Opium Commission met in Shanghai in 1909. While this was a step in the right direction, the declaration was non-binding and created by delegates who did not have the power to commit their respective countries. Shortly, the International Opium Convention, the first international narcotics control treaty, is passed in the Hague in 1912 and enforced in 1915. This Convention was “designed to curb shipments of narcotic drugs that were not meant to be used for medical purposes, thus emerged as a truly international instrument.”

After the creation of the League of Nations after WWI, the convention went under its power which led to the development of the 1925, 1931, and 1936 Conventions. This was true progress at the time in curtailing the illicit trade of narcotic drugs. Following these events were conventions that responded to new or different situations that emerged to control the drug trade like the 1953 Opium

Protocol and the 1988 United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. Between these years, the scope of controlled substances only grew from opium to morphine in 1909, to cocaine in 1912, cannabis in 1925, synthetic opiates in 1948, psychotropic substances in 1971, and precursor chemicals in 1988.

Further, the 1988 Convention is important to note as it was designed to not just outlaw narcotics but contained provisions to deprive drug traffickers of “financial gains and freedom of movement, extending the scope of control to measures to prevent money laundering and facilitate the tracing, freezing and confiscation of proceeds from drug trafficking. Moreover, it attempted to bar all havens to drug traffickers through its provisions for extradition of major drug traffickers and mutual legal assistance.”

## Current Situation

The biggest benefit of the emergence of the illegal drug industry is the increased employment rate, especially for the inexperienced and unemployed people. In developing countries, the pastoral and unregulated regions have been cultivated as primary fields for the production of marijuana and coca. As many farmers in developing countries struggle to compete with other established and richer companies, producing illegal drugs is an appealing option for the farmers. Although the profits from selling the drugs are unequally distributed, the traffickers and producers still make a fortune as the price of the drugs continues to grow from production level to the buyers. However, the negative consequences of this activity outweighs the short-term economic benefits.

To begin, the expansion of the illegal drug industry can affect the economic development and growth. In the 1990s, for example, Colombia became one of the largest, prominent countries to produce coca, grow a myriad of cannabis, and export heroin. Therefore, Colombia had to utilize its public funds to create institutions and programs to combat the trafficking. However, this was not the first attempt that Colombian government made to inhibit illegal drug productions. In 1970s, as United States began to pressure the Colombian government to enforce supervision for such illegal activities, marijuana production became scarce. Unfortunately, the pressure was not enough to stop the traffickers. Instead of marijuana, they decided to redirect their focus to cocaine as it is easier to export illegally and manufacture. Guerrilla fighters and other rural workers strongly advocated for cocaine production. As the advocacy became unbearable, government organizations collapsed, which led to the fall of legal markets.

Also, labor force was significantly impacted by the growing drug industries. As people began to abuse drugs, their abilities to perform their duties declined. With more and more people becoming addicted to drugs, the labor force diminished due to a large number of non-participation. In United States alone, the loss was roughly \$120 billion due to lack of workers. Non-participation and the economic consequences that comes from it are about 62 percent of the total drug-related costs. An interesting thing to note here is that it is usually the unemployment that drives people to begin using drugs rather than drugs resulting the non-participation in the first place.

## Possible Solutions

Past efforts to tackle the ongoing illegal drug problem have only focused on diminishing the production of the drugs. However, it is the demand that controls the drug industry in the end. Unfortunately, the demand for drug is considered to be inelastic - no matter how much higher the price gets, the demand for drug will remain the same. People who are addicted to drugs are indifferent towards the price as long as they can get the product. Therefore, diverting the attention to find ways that can decrease the demand is crucial. The possible solutions that can potentially reduce the demand include the following: education and rehabilitation programs.

Education is an essential part of preventing people from abusing drugs in the first place. With education, people will become more knowledgeable about the negative consequences of drugs. In addition, advocating for rehabilitation programs that are affordable to even the low-income communities is important.

Tactics to decrease supply, however, should not be ignored. Cutting down the amount of supplies is also another way to approach this issue. Some of the approaches that have been useful include programs that alleviate poverty in rural areas and promote stronger regional collaboration to look for traffickers.

## Bloc Positions

### *United States*

The US is actively dedicated to fighting the illicit drug trade. Since 1971, President Nixon declared the US in a War on Drugs. He also created the Drug Enforcement Administration in 1973 to be responsible for “responsible for tackling drug use and smuggling in the United States”. President Reagan continued the US on the zero-

tolerance path of drugs which is a significant factor in the increasing incarcerations for non-violent drug crimes. Nearly half of federal incarcerations are tied to drug-related crimes. The United States is also the country with the largest cocaine usage and the newest public health crisis for the US is opioid addiction. In 2016, drug overdose deaths exceeded 59,000 in the US.

In terms of economics, the trade cannot be halted by government action alone, there must also be a decrease in demand for these drugs. The US has been committed to providing resources and funding to fight the War on Drugs and wants to see other countries to provide aid for these efforts. Additionally, private financial institutions have also gotten involved like Bank of America and JP Morgan Chase in investigations regarding money laundering of drug profits. It's also a point to note that California just legalized marijuana for recreational use, the 9th state to do so.

### *Latin America*

Countries like Colombia, Bolivia, and Peru are responsible for approximately all production of coca in the world. With that said, these countries are all officially committed to the trade however, these countries also have extensive levels of corruption which run counter to these efforts. Colombia, for example, has received nearly \$1 billion of financial support to stop the trade.

Other countries like Mexico and Brazil, by sheer proximity, are also heavily involved. Mexico in particular has voiced support for American initiative and has accepted aid to stop the trade. The Merida Initiative, a \$1.9 billion anti-narcotics plan which goes to increase training of Mexican police and security forces as well as provides weapons and equipment for support in these efforts. Delegates will also have to keep in mind national sovereignty when writing resolutions that involve foreign interference.

### *Asia*

One significant country in the illicit drug trade is Afghanistan which is aid to produce three quarters of the world's opium and has 1.6 million people, 5% of its population addicted to the drug. The United States and Russia have both committed efforts to halting the trade to no avail in the late 20th century and early 21st century.

In Asia, Myanmar and China are both large producers of methamphetamines and Cambodia and the Philippines are both hubs for cannabis production. Another

problem to note is the Pacific Ocean as a transit hub for drugs to enter many countries,

In China, there has been a large crackdown on drugs within its borders. Fines are extensive and there are compulsory administrative detoxification centers. This raises one question of rehabilitation of drug users. Delegates will have to find solutions for treatment options for users while also keeping in mind the economic ramifications of doing so.

### *European Countries*

Drug use in Europe have been increasing every year for the past three years, especially in the UK as it has a drug mortality rate double that of Germany's. Due to its location, Europe is a hub for transporting drugs produced in other parts of the world. Along these lines, 60% of drug confiscations come from the UK, Spain, and France.

## Questions to Consider

1. What are some ways that countries can reduce the demand for illegal drugs rather than its production?
2. How can the agriculture in developing states further improve in order to better compete with the large-scale industries to prevent the developing states from turning to illegal drug productions?
3. What are some ways that UN can reduce guerilla violence that deteriorate the economic environment of the states?
4. How can states maintain their sovereignty while working collaboratively to eradicate illegal drug activities?
5. How has your country been impacted by drugs and what impact does that have on your approach to solving the problem?
6. What is past precedent that your country has taken to combat the illicit drug trade?
7. How can national sovereignty have an impact on how countries work together regarding collaborative efforts to combat the drug trade?

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