

The Harvard Plan for Drugs

A Review of *Against Excess: Drug Policy*

for Results. By Mark A. R. Kleiman. New York: Basic Books, 1992.

As the casualties from the war on drugs mount, the appeal for moderation in the title of Mark Kleiman's latest book on drug policy is most welcome. However, make no mistake about it, *this is no case for legalization*. Rather, the author makes a case for a technocratic solution to our drug-abuse and drug-policy problems. As the most recent and sophisticated defense of prohibition, it is worthwhile reading for everyone interested in drug policy. In view of the victory of the Clinton regime, *Against Excess* could serve as the blueprint of future drug policy.

This is the latest version of what I call the Harvard approach to drug policy—a hodge-podge of policies and programs designed to “rationalize” drug policy and to professionalize drug war management. While it has been said that Harvard hates America, I have found this simply not true. Harvard profits from America. What Harvard (not Kleiman) hates is that Americans still remember and still have some attachment to the Jeffersonian concept of self-government. It is this attachment and this concept that gets in Harvard's way of controlling and profiting from Americans through more government power and greater control over the individual's daily life. Not only is Kleiman's case for the drug war based on the lack of self government, his recommendations would create employment opportunities for yet another army of drug policy and law enforcement experts.

The basic Harvard argument on drug policy goes as follows: America is a liberal society; the liberal society relies on the self-government of individuals; drugs are different from other consumer goods in that drugs undermine the ability of drug takers to self govern and often create external harm for people who don't take drugs; therefore we need a special policy for drugs.

However, not only are drugs different from other consumer goods but drugs differ from one another with respect to their effects and the harm that can occur from their abuse. As a result, the Harvard approach requires that each drug or group of drugs have a specially designed policy in order to minimize the costs of both drug abuse and drug policy.

Kleiman proposes, or rather endorses, the neo-prohibition of alcohol and tobacco that is sweeping this nation. Higher taxes, more regulations and restrictions, infringements on the right to free speech (advertising), and more government is the answer here. The benefits of alcohol, although widespread and well established by nearly a century of research and thousands of years of experience, are treated by Kleiman with skepticism—as if the latest research on the health benefits of alcohol was actually the first!

He accepts the neo-prohibitionist Gospel that the problems of fetal alcohol syndrome and second-hand smoke are highly significant when in the first case it has been blown out of proportion and in the second case it has yet to be scientifically verified. No doubt this proposal will be like sweet music (or fine red wine) to the army of bureaucrats, government researchers, and agencies that have been created and prospered from neo-prohibitionism.

Kleiman proposes to decriminalize marijuana. Marijuana would be highly taxed and regulated like alcohol and tobacco. This is the lone bone he throws to the supporters of legalization and will no doubt get some positive reception at *High Times* and N.O.R.M.L. I can sympathize with the author's insistence that public policy towards dangerous drugs convey a warning to consumers, but frankly the average purchaser of beer, wine, spirits, cigarettes, and freon knows that the average politician is collecting excessive excise taxes not out of concern for the consumers' health or environment, but out of concern for tax revenue. Nevertheless, this is a worthwhile section and I would also recommend Kleinmen's 1989 book on this subject, *Marijuana: Costs of Abuse, Costs of Control* (Westport, Conn.: Greenwood Press).

The author would continue the prohibition of narcotics, although attention would be shifted away from arrests and towards "inconveniencing" black-market participants. Drug-involved offenders would get free drug treatment and would be drug tested when on bail, probation, or parole. He also wants more government methadone maintenance, education, tighter controls on prescription drugs and federal control over treatment facilities. The clincher in Kleiman's program *against excess* is his recommendation for adding \$20 billion to the war on drugs—a tripling of resources! Therefore, while Kleiman

is preaching for moderation in drug policy he is actually promoting a massive shift in resources, power, and rights away from the people to the central government. In his recent address to the Drug Policy Foundation, Nobel Laureate economist Milton Friedman warned us that the war on drugs was really a war against people by the government and that government is the problem. This important issue is completely neglected by Kleiman.

The conclusions and proposals in this book are based on the author's understanding of the perfectly rational consumer, an economic model that allows some economists to translate human action (however imperfectly) into mathematics. For Kleiman, it is this nearly perfect, rational consumer that is the prerequisite of the classical liberal society. The application of this model is both inappropriate and incorrect. First of all, the classical liberal society is not based on the methods of liberal welfare economists or on the presumption that all citizens are "rational" in all respects. Rather, it is based on the ideas of people who fought for freedom and the documents that represent their legacy such as the Magna Carta, the Declaration of Independence, the Articles of Confederation, and the Bill of Rights.

Second, the author does not fully understand the workings or limitations of the model. He notes that to have rational time preferences requires an individual to apply the same rate of discount to all decisions. His example of an irrational individual is one who is willing to lend money to a bank at an interest rate of 8 percent while at the same time borrowing money from the credit card company at an interest rate of 20 percent. Here he fails to realize that people also have liquidity preferences (the preference for cash on hand) as well as time preferences. An individual's liquidity preference will outweigh time preference under certain conditions, resulting in this very type of "irrational" action. The fact that individuals have limited information and have many different types of preferences (time, liquidity, leisure, risk, sex, etc.) makes it difficult, if not impossible, to describe any action as irrational in the typical economic sense.

One of my favorite pieces of "evidence" that Kleiman uses to support his contention that habit and addiction are stronger than the rational individual comes from a study based on personal interviews. A certain percentage of individuals regret having started various habits or for not quitting those habits. This evidence is pure after-the-factism (*post hoc* reasoning). Naturally, people will "regret" actions where most or all of the benefits have been received, but the costs have yet to be paid. Eating hot and spicy food, having unsafe sex, and buying on credit are just like smoking cigarettes or getting drunk—you get the benefits immediately, but you incur future costs.

It is human nature that we are willing (at the time of choice) to pay more later to get benefits now. If we are truly worried about time preferences and short time horizons, then the war on drugs is no answer. Prohibition destroys individual responsibility towards drugs and it is individual responsibility and maturity that instill a future orientation where drug abuse and other risky activities are avoided.

Kleiman has several remaining issues that undermine the viability of his policy recommendations. He is apparently worried that the costs drug abusers inflict on others would be greater under legalization, yet he seems unwilling to make users pay the costs themselves. In fact, he would offer *free* drug treatment and rehabilitation to all takers. (One might even suspect that the odds are good that Mr. Kleiman also supports some form of national health care system that would increase the “free rider” and “moral hazard” problems, thereby contributing to the irresponsible use of drugs.) He also bases his support for prohibition on the fact that the criminal justice system does not do a good enough job of preventing drug-related crime. Most informed observers, however, trace many of the problems in our criminal justice system to the burden and corruption placed on it by narcotics prohibition. Finally, I would note that even Mr. Kleiman realizes that only a small percentage of the population develops abuse problems with any specific drug and that we do not know what makes a given person have an abuse problem with a given drug. Why then does he recommend a nationwide policy that is oppressive, impersonal, and ineffective?

Mark Thornton
Auburn University