BELGIAN SCIENCE POLICY

DRUG POLICY IN FIGURES II

A study into the actors involved, government expenditure and target groups reached

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1. Introduction

In recent years, great emphasis has been placed on the importance of regular policy evaluation. Policy, it is argued, must adapt to social and societal evolutions and, in order to arrive at such an evidence-based policy approach, regular evaluation is a necessity. Different types of evaluation may be considered. However, prior to any policy evaluation, there must be clarity on the aspect of public expenditure. Furthermore, the federal policy document on drugs of 19 January 2001 underscores the importance of research that can provide insight into the volume of public spending on policy relating to illicit drugs.
The implementation of Belgium's drug policy involves a variety of actors, so that it is not easy to form an accurate overall impression. Moreover, drug policy funding is rather fragmented. The preceding study, entitled 'Drugs in Figures I', successfully disentangled this issue, making it a first important step towards an evaluation of Belgium's drug policy, all the more so as it offered insight into the public spending aspect over a number of years. These expenditures are a telling indicator of the government's efforts and commitment in dealing with the drugs issue, not only in terms of the means invested, but also in respect of the public authorities' prioritisation in relation to drugs policy.

In the present study, the methodology developed as part of the preceding research project was further refined and updated, and consequently also reoriented. Due account was taken of recent developments in the field, as well as of the bottlenecks identified and the recommendations made in the previous study and in recent research by or on behalf of the EMCDDA.
On the basis of the revised (more refined and updated) methodology, a new measurement was carried out. In this manner, insight is acquired into the evolution of public expenditure on the drugs issue in Belgium. Special attention was paid to the impact of the policy options and points of action put forward in the 2001 federal policy document. More specifically, the present study ascertains whether there is a positive relationship between the prioritisation in drugs policy in Belgium and the means invested by the authorities in the priority areas.

2. Research objectives

In addition to the general introductory section, this research report encompasses four parts. The first deals with the 'actors involved', the second focuses on the calculation of 'public expenditures on drug policy', the third considers the 'target groups reached', and the concluding part puts forward 'conclusions and recommendations'.

In this preamble, or **general introduction**, we shall first and foremost describe the *research context*. We shall also *delimit the research area* and provide a *conceptual framework*. Finally, this section contains a guide for the reader, as it were, specifying a *number of milestones* in decision-making in the field of drug policy. Such a guide was also included in the previous study, Drugs in Figures I. We shall revisit and update it, so that public expenditures for the present reference year (2004) are placed in a broader, historical context.

In part 1 – **actors involved** – we identify and inventory the various players. As the present study is a follow-up study on 'Drugs in Figures I', this part is quite brief. We report only on substantial differences with the previous study.

Part 2 of the report – **public expenditures on drug policy** – is the most voluminous section, which is only logical, as it constitutes the 'core business' of the study. Here, attention is paid on the one hand to the methodological framework that provides the basis for calculating public expenditures. On the other, we report on public expenditures for the year 2004. Subsequently, we place those expenditures for 2004 in comparative perspective, both nationally and internationally. In this part on public expenditures, we also provide schematic overviews and visual representations to complement the methodological outline and the reported findings.

The third part of the report takes a closer look at the **target groups reached**. To this end, we draw up a number of profiles of the target groups or target public.

In the fourth and final part, we present the **conclusions** drawn and formulate **recommendations**.

3. Research design and conceptual framework

The conceptual framework of this study is the so-called *drug budget*, i.e. an estimation of what government spends on its policy on illicit drugs.[1] The measurement of this financial effort by the public authorities is considered to be an important policy indicator. In concrete terms, the Drugs-in-Figures study aims to:

> ***'provide an overview of public expenditures on policy actions that are geared expressly and directly towards the issue of illicit drugs'***.

By ***'public'*** we mean government in the broadest sense of the word, i.e. central government, the community and regional governments, local authorities and the social security administration. An ***'expenditure'*** is a financial flow. The term ***'policy actions'*** refers to measures introduced by government with the specific purpose of dealing with the drugs issue. We take exclusive account of expenditures with a view to financing those policy actions. In other words, we are concerned neither with private expenditures for the purchase of drugs – which are moreover not public – nor with losses incurred through, for example, the death of a drug user. The specification that the public expenditures should be ***'direct'*** entails that we take no account of public spending on policy actions dealing with the consequences of drug use. After all, the latter include measures beyond the realm of drugs policy, as the consequences referred to may have other causes than drug use. Examples of such excluded costs are expenditures on measures to combat drug-related crime and the treatment of drug-related illness. '***Illicit drugs'*** are narcotic and addictive substances that are prohibited by law. Consequently alcohol, medicines and tobacco are not within the research scope.

So the basis of this study is an estimation of the drug budget. The calculation of the financial effort made by government in combating the drug problem differs unmistakably from the calculation of the social cost of drugs.[2] The latter concept is defined as *"an estimate indicating the resources which have become unavailable to the community because of drug use, and which could be used elsewhere if the drug problem was suppressed"*.[3]

In other words, 'Drugs in Figures II' **does not calculate the social cost** of drugs and, unlike the preceding study, should therefore not be subsumed with this type of research.[4] Using the drug budget as a basis is more in keeping with the purpose of the Drugs-in-figures project, as the analysis proceeds from the perspective of government, while studies into the social cost reason from the perspective of society.

An estimation of public expenditure on drug policy is a valuable policy indicator[5], as it is a way of measuring the degree of policy commitment exhibited by government. A drug budget not only indicates the actual level of public expenditure, but also outlines how expenditures are composed or what government's so-called policy mix is. This way, we obtain insight into how the various aspects of drug policy (prevention, treatment and enforcement) interrelate.

A drug-budget study is *not* an economic evaluation, as no relationship is established between policy measures and (policy) outcomes. As such, it says nothing about the effectiveness of policy, although it may

[1] MOORE, T.J., What is Australia's "drug budget"? The policy mix of illicit drug-related government spending in Australia, Victoria, Turning Point Alcohol and Drug Centre, 2006, p. 1.
[2] These are also known as 'cost-of-illness' or 'burden-of-disease' studies.
[3] SINGLE, E., COLLINS, D., EASTON, B., HARWOOD, H., LAPSLEY, H., KOPP, P. & WILSON, E., *International Guidelines for Estimating the Costs of Substance Abuse – 2001 Edition,* Toronto, Canada, Canadian Centre on Substance Abuse, 2001, pp. 42-43.
[4] In the case of the previous study, Drugs in Figures I, the general methodological framework applied the notion of a 'social cost'. It was understood to mean the sum of 'public expenditures' on the one hand and the 'private costs' and the 'external costs' on the other.
[5] See: SINGLE, E., COLLINS, D., EASTON, B., HARWOOD, H., LAPSLEY, H., KOPP, P. & WILSON, E., *International Guidelines for Estimating the Costs of Substance Abuse – 2001 Edition,* Toronto, Canada, Canadian Centre on Substance Abuse, 2001.

provide useful information for evaluating drug policy. In addition, public expenditures can constitute a basis for cost-effectiveness studies and for the calculation of the social cost of drugs.[6]

4. Conclusions and recommendations

Before we consider the conclusions and recommendations, we would like to draw the reader's attention to the fact that the **nature of the results has been influenced by three crucial factors**. First, there is the divergent means of funding of the various administrations. Expenditures associated with enforcement, for example, are primarily situated at the federal government level, while expenditures relating to prevention are dispersed over different levels. Therefore, there is a real likelihood of a **distortion** in the calculation of public expenditures. Second, the **quality of the research results** depends directly on both the availability and the quality of the basic data. Moreover, one should not lose sight of the fact that the availability and the quality of the basic data in turn depends on the registration systems that the departments and institutions in question apply. In this context, we regret that, until this day, no uniform and comparable registration systems are used by the various services. Third, we would like to emphasise that the calculation of public expenditures is based on **estimations and calculations**, so that one should always take into account a certain **margin of error**.

The conclusions are based on a number of observations, in which the information regarding the identification of the actors involved (part 1 of the research) and the calculation of public expenditures (part 2 of the research) are discussed in unison. Where appropriate, a link is made with information regarding the target groups reached (part 3 of the research).

4.1 Conclusions by sector

4.1.1 Prevention

1. From a funding perspective, prevention continues to record the **lowest public expenditures**, despite the generally accepted notion that prevention activities lie at the heart of policy.

Table 1 Expenditures on *prevention* at the various policy levels (2004)

K €$_{2004}$	PREVENTION
Federal level	1,635,128
Flemish Community /Region	3,300,766
French Community	1,296,621
German-speaking Community	192,000
Walloon Region	1,901,345
Common Community Commission	106,957
French Community Commission	1,223,191
Flemish Community Commission	17,173
Flemish Provinces	536,165
Towns & municipalities	1,141,139
TOTAL	**11,350,486**

2. Public expenditures on prevention have increased since the previous measurement. This is primarily due to **the increase in spending by the devolved authorities** and not so much to the decrease in spending on prevention by the federal State.

[6] See: POSTMA, M.J., *Public expenditure on drugs in the European Union 2000-2004*, EMCDDA Strategies and Impact Programme, 2004, pp 3-4.

3. Although the two different approaches to 'prevention' are still in evidence, we notice an **increase in expenditures on 'prevention from a health and wellbeing perspective'**, compared to a **drop in expenditures on 'prevention from a public order perspective'**.

The increase in prevention from the perspective of *health and wellbeing* is again largely attributable to greater spending on the part of the devolved authorities. The increase is most outspoken for the Flemish Community, where expenditures have more than doubled since the previous measurement. This is due largely to the fact that public spending on the VAD (Association for Alcohol and Other Drug Problems) is no longer distributed,[7] so that the entire amount is now taken into account. The increase is also partly attributable to the fact that a broader range of expenditures was taken into account,[8] including spending on a syringe exchange programme and on projects subsidised by the Flemish Cities Fund. Public expenditures on prevention in the French-speaking part of the country have increased overall, but this is mainly attributable to the efforts by the Walloon Region and a reorganisation of drug policy with the introduction of so-called 'Plans de Prévention de Proximité' (local prevention plans) and the decree of approval of specialised institutions for addiction care.

4. The introduction of a **specific drug policy**, coupled with **coordinating organisations**, has not only affected the institutional and financial stability of services in the field, but it has also created room for **specific – supporting – information flows**.

5. The **distinction** between specific forms of **prevention** and **treatment** remains problematic, especially as certain initiatives are inspired by a methodology that is applied in both sectors.

4.1.2 Treatment

6. Public expenditures on treatment have, on the whole, **increased substantially**, and particularly **federal public spending**. If we take a closer look at expenditures at the federal level, we notice that the increase is mainly due to public spending on non-categorial drug treatment. The rise in federal public expenditures on categorial drug treatment is less outspoken.

The rise in public expenditures on non-categorial drug treatment should be seen in the light of *the increase in the average daily rate for beds*. In other words, the additional expenditure is due neither to an increase in the number of drug users admitted nor to an increase in the number of actors involved in the sector.

Table 2 Expenditures on *treatment* at the various levels of government (2004)

K €$_{2004}$	TREATMENT
Federal level	107,801,788
Flemish Community /Region	4,771,961
French-speaking Community	74,459
German-speaking Community	187,050
Walloon Region	1,705,371
Common Community Commission	106,957
French Community Commission	2,120,058
Flemish Community Commission	60,576
Flemish Provinces	272,690
Towns & Municipalities	496,642
TOTAL	**117,597,551**

4.1.3 Enforcement

7. Enforcement continues to be the sector for which the **most substantial public expenditures** are recorded. Moreover, the share that enforcement represents in overall public expenditure on drug policy has

[7] This implies that the aspect of 'illicit drugs' was not isolated. This choice was inspired by the reality of 'prevention', where no distinction is made between illicit drug prevention and prevention of other substance abuse.

[8] In the previous study, Drugs in Figures I, public expenditures on prevention in Flanders was restricted to spending on the VAD.

further grown. This increase is primarily due to the *modified methodology*, which *no longer takes exclusive account of expenditures on personnel*.

Table 3 Expenditures on *enforcement* at the various levels of government (2004)

K €$_{2004}$	ENFORCEMENT
Federal level	107,478,404
Flemish Community/Region	37,500
French-speaking Community	-
German-speaking Community	-
Walloon Region	-
Common Community Commission	-
French Community Commission	-
Flemish Community Commission	-
Flemish Provinces	-
Towns & Municipalities	59,604,214[9]
TOTAL	**167,120,118**

8. Enforcement continues to exhibit the **least disparate funding** of the various sectors, especially as far as 'actions' is concerned. Consequently, the relative alignment of policy priorities and the handling of the drug problem persists.

As in the previous study, we observe that a limited number of ministers are responsible for enforcement. As far as activities within the sector of enforcement are concerned, competences lie with the Ministers of Justice, Internal Affairs and Finance. In addition, the Minister for Science Policy plays an important role in view of the research projects conducted within the framework of the 'research programme in support of the federal drugs policy document'

9. To an extent, public expenditures on enforcement continue to exhibit the **hourglass effect**, as **spending** on the **detection** of drug offences and on **detention** are still the most apparent. Public expenditures on activities related to prosecution and repression remain rather limited.

10. Despite the legal provisions for **alternative measures**, their **application** continues to be **too limited** or even non-existent.

Notwithstanding the legal provision for *therapeutic advice* under the Royal Decree of 4 May 2003, this is, until this day, not applied in practice. Thus, the assumption that such a regulation would result in an increase in the application of alternative measures remains unsubstantiated.

4.1.4 Other

11. The public expenditures subsumed under the residual sector **are rather limited**. Virtually all government spending on drug policy is assignable to one of the three main sectors.

[9] The local police forces are funded from two main sources: the *federal allocation* and the *municipal allocation*. A report by Dexia Bank on the 'finances of local authorities in 2003' shows that, on average, the federal allocation amounts to 36.6% and that of the municipalities to 62.7%.
If this ratio is applied to total expenditure on local police (€ 95,062,542) then the federal allocation encompasses € 34.507.703 and that of the municipalities € 59.604.214 .

Table 4 Expenditures on the sector *other* at the various levels of government (2004)

K €$_{2004}$	'OTHER'
Federal level	833,521
Flemish Community /Region	-
French Community	-
German-speaking Community	-
Walloon Region	-
Common Community Commission	-
French Community Commission	-
Flemish Community Commission	-
Flemish Provinces	-
Towns & Municipalities	235,764
TOTAL	**1,069,286**

4.2 Cross-sector conclusions

12. Although prevention still ranks highest on the priorities list, followed first by treatment and then by enforcement as an *ultimum remedium*, actual public expenditures show precisely the opposite ranking. The most substantial expenditures relate to enforcement, followed first by treatment and then prevention.

Table 5 Drug policy expenditures at the various government levels (2004)

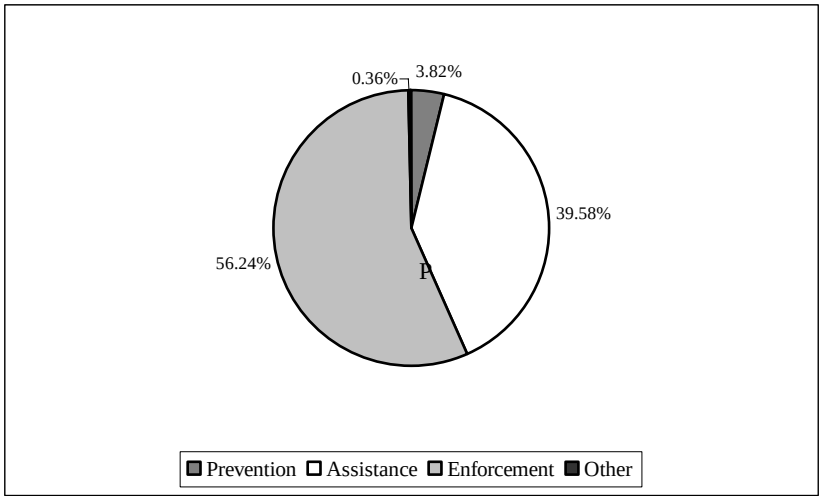
K €$_{2004}$	PREVENTION	TREATMENT	ENFORCEMENT	'OTHER'
Federal	1,635,128	107,801,788	107,478,404	833,521
Fl. Comm/Reg.	3,300,766	4,771,961	37,500	-
Fr. Comm.	1,296,621	74,459	-	-
Germ. Comm.	192,000	187,050	-	-
Wallon reg.	1,901,345	1,705,371	-	-
COCOM	106,957	106,957	-	-
COCOF	1,223,191	2,120,058	-	-
VGC	17,173	60,576	-	-
Provinces	536,165	272,690	-	-
Towns & Munic.	1,141,139	496,642	59,604,214[10]	235,764
TOTAL	**11,350,486**	**117,597,551**	**167,120,118**	**1,069,286**

- Strikingly, still over 50% of public expenditures on dealing with the drug problem go to **enforcement**.
- The **treatment** sector accounts for approximately 40% of public expenditures on dealing with the drug problem.
- The share of **prevention** amounts to just under 4%.
- Expenditures that cannot be categorised under one of the three main sectors are included in the residual category **'other'**. These expenditures are limited, amounting to only 0.36%.

If we compare these observations with the content of the federal policy document on drugs, then it emerges – as it did in the previous study – that the volume of public spending by sector is entirely the opposite of what one would expect on the basis of the ideas put forward in this document.[11]

[10] The local police forces are funded from two main sources: the *federal allocation* and the *municipal allocation*. A report by Dexia Bank on the 'finances of local authorities in 2003' shows that, on average, the federal allocation amounted to 36.6% and that of the municipalities to 62.7%.
If this ratio is applied to the total expenditures on local police (€ 95,062,542) then the federal allocation encompasses € 34.507.703 and that of the municipalities € 59.604.214.

Figure 1 Visual representation of public expenditures for 2004



13. In 2004, **total public expenditure** on drug policy for all sectors combined was estimated at **€ 297,137,441**. On 1 January 2004, Belgium's population stood at 10,396,421. This means that public expenditure on drug policy in 2004 amounted to **€ 28.57 per inhabitant**.

Taking into account the level of spending per sector, this € 28,57 may be divided as follows:

Table 6 Distribution of public expenditure by sector

SECTOR (2004)	€ PER CAPITA
'Prevention'	1.09
'Treatment'	11.31
'Enforcement'	16.07
'Other'	0.10
TOTAL	**28.57**

14. Comparison with an admittedly limit number of foreign studies into this matter shows that **Belgium's public expenditure on drug policy is substantially lower than that in other European countries**, particularly the Netherlands and Sweden.

Belgium's per capita public expenditure on drug policy for the year 2004 amounted to € 28,57. Taking into account the level of spending per sector, this amount may be divided as follows: € 1.09 per capita on prevention, € 11.31 per capita on treatment, € 16.07 per capita on enforcement and € 0.10 per capita on the residual sector 'other'.

By way of comparison, in the Netherlands, per capita public expenditure on drug policy for the year 2003 amounted to € 134.4. And Sweden's per capita public expenditure on drug policy for the year 2002 amounted to € 101.

15. In 2004, Belgium's Gross Domestic Product (GDP) amounted to € 289,508,500,000 (289.5 billion euros), meaning that **public expenditure on drug policy represented 0.10 % of GDP**.

[11] This, in itself, says nothing about the quality of policy, as the volume of public expenditure provides no indication of the outcome of public policy measures. This notion is further elaborated in recommendations 2 and 3.

4.3 Recommendations

1. International comparison of public expenditures on drug policy may be **enhanced** by the (further) development of a **uniform European methodology.**

In response to the EU Action Plan 2005-2008, attention has grown within the EMCDDA for research into public expenditure. Within the framework of the EMCDDA, such research is being conducted for the purpose of '*identifying, developing and testing methods at EU level for quantifying public expenditures in the field of drugs'*. It is hoped that this will lead to a common methodology, so that it will be possible to assess public expenditures in the various Member States in a uniform and standardised manner, and to subsequently make meaningful cross-country comparisons. The first phase of the EMCDDA's efforts to develop such a common methodology consisted in a literature survey. In the next phase, a broad consultation will be carried out of key international figures and EU experts, as well as representatives of the EU Reitox national focal points. The methodology developed thus far is to be presented at a conference in the spring of 2007.[12] The first concrete application, i.e. an initial estimation on the basis of the new methodology, is expected by the end of 2008.[13]

The present study may serve as an important point of reference for the further development of such a common EU methodology, especially as the number of European studies on this topic is rather limited.

2. In order to be able to evaluate drug policy, policymakers should first and foremost have formulated **clear policy goals**.

In recent years, the importance of regular policy evaluation has been emphasised quite strongly. A first step towards achieving such regular evaluation is an estimation of public expenditure. Such an estimation is a valuable policy indicator[14], as it enables us to test the policy commitments of government. A drug budget provides insight not only into the actual level of public expenditures in this field, but also into how these expenditures are composed or what the government's so-called 'policy mix' is. Consequently, the prevailing balance between the various sectors of illicit drug policy (prevention, treatment and enforcement) also becomes visible.

The federal policy document on drugs, pursuant to the recommendations of the parliamentary working group, envisaged a policy of normalisation aimed at rational risk management and an integrated, encompassing approach to the drug problem. The underlying idea was that prevention is better than cure, and that cure is better than punishment. It follows that prevention should be the highest priority, followed by treatment, with repression merely a final resort. The declaration of intent implied in this policy document is extremely important, as it enables one to develop an integrated drug policy (which was previously not the case in Belgium). This rather general description, however, does not allow concrete policy evaluation. In order to transcend this general descriptive framework, it is to be recommended that concrete policy commitments be made, with a statement of goals and focal points that allow one to formulate operational action points and timeframes.

3. In order to arrive at a **more balanced funding**, insight is required into the extent to which expenditures on a particular sector are 'adequate' or 'inadequate'. This can be determined by means of **further research** into various aspects of the issue at hand.

Any appraisal of public expenditure in a sector on the basis merely of the volume of spending, be it in comparison with expenditures in other sectors or not, will inevitably lack depth and fail to take due account of the specific characteristics of the sector in question.

There is, in other words, a need for a different yardstick with which to assess whether or not expenditures in a sector are adequate. One must find ways of determining whether current policy – which inevitably entails expenditures – is effective.

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[12] We refer to the first conference of the *International Society for the Study of Drug Policy* which is due to take place on 22 and 23 March 2007 in Oslo, Norway.

[13] This information was provided orally by the EMCDDA's project manager for 'public expenditure' on 14 November 2006.

[14] SINGLE, E., COLLINS, D., EASTON, B., HARWOOD, H., LAPSLEY, H., KOPP, P. & WILSON, E., *International Guidelines for Estimating the Costs of Substance Abuse – 2001 Edition,* Toronto, Canada, Canadian Centre on Substance Abuse, 2001.

In a drugs budget study such as 'Drugs in Figures', it is not possible to properly assess the relationship between policy measures and (policy) outcomes. Insight into this relationship can only be obtained through further research, in two areas.

First, there is a need for research into the *social cost* of drug use. Such research will yield information on the relationship between a particular drug policy and its benefits in terms of reducing the social cost. As an understanding of public expenditures constitutes the basis for calculations of the social cost of drugs,[15] it is to be recommended that the findings of the present study be used as an input for such further research.

On the other hand, there is also a need for *effect or evaluation studies*, in each of the main sectors of drug policy (prevention, treatment and enforcement). On the basis of such studies, one can ascertain the coverage of a sector. In addition, one can determine the effects and the factors that impact on those effects. The findings from such studies can subsequently be used for planning purposes and for developing measures and activities within a sector.

4. With a view to attaining an **integrated and integral drugs policy**, there is an urgent need for a **concerted vertical and horizontal policy alignment.**

In the light of the previously made recommendation concerning the need for a drug policy that puts forward concrete goals, we once again emphasise the importance of both a vertical and a horizontal alignment of policy. Such a vertical and horizontal policy alignment may be enhanced by the establishment of a coordinating body. The General Drug Policy Cell may constitute a first step towards such a transparent coordination structure. The establishment of this cell was announced some time ago, but thus far it has not materialised.

5. In order to be able to **guarantee follow-up research** in accordance with the methodology developed, **access to the relevant information ought to be enhanced**. Furthermore, in the case of some registration systems, **more detailed data collection** is called for.

To guarantee that the methodology could be successfully applied in the future, access to all the relevant information needs to be enhanced. Although in the case of some registration systems an effort is made to disseminate information through annual reports, in other instances this is not systematically the case. With a view to a smooth implementation of the methodology, such information dissemination is to be encouraged.

6. There is a need for a sustained effort to enhance the **compatibility and standardisation** of epidemiological **data.** For this reason, serious consideration should be given to the possibility of in-depth research into the target groups reached. After all, such studies will provide insight into the mechanisms involved in gaining access to care and treatment services. They will also provide better insight into groups that are underrepresented in treatment, such as women and persons from ethnic minority backgrounds.

[15] POSTMA, M.J., *Public expenditure on drugs in the European Union 2000-2004*, EMCDDA Strategies and Impact Programme, 2004, pp. 3-4.