BACK FIRIG

THE IMPACTS OF DRUG PROHIBITION ON THE CRIMINAL JUSTICE SYSTEM BUDGETS IN RIO DE JANEIRO AND SÃO PAULO

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In a single year, institutions in the Rio de Janeiro and São Paulo criminal justice systems spent almost a billion US dollars (BRL 5.2 billion) on the drug prohibition policy. This involved expenditures on judges, public defenders and prosecutors, civil and military police forces, youth detention centres and the prison system. These are resources being siphoned off from investments in areas such as health and education and channelled to the so-called War on Drugs

This unparalleled calculation is the outcome of the Backfiring research report, which is the initial stage of the project Drugs: How Much Prohibition Costs conducted by the Center for Studies on Public Security and Citizenship (CESeC) and developed by a team of professionals with experience in the fields of public security, criminal justice, government budgets and data processing.



INTRODUCTION

At a time of huge financial crises and caps on official spending in Brazil, questioning government investment choices plays a key role in responsible discussions of social and economic development, while also guaranteeing rights. This discussion is even more pressing for public security policies.

 Despite a significant upsurge in budget allocations to security policies over the past few years, Brazil is posting alarming rates for homicides, rapes and other violent crimes, while at the same time approaching the milestone figure of a million people behind bars.

In addition to discussing the types of steps taken to purportedly reduce violence, consideration must also be given to the amount of public funding invested in assessing its efficacy. If the State is spending increasingly large amounts on the same security policies without achieving good outcomes, it is necessary to question the approach adopted by governments and lawmakers.

DURING THE PAST FEW DECADES,
MASSIVE AMOUNTS HAVE BEEN
SPENT ON PUBLIC SECURITY,
WITH NO SIGNIFICANT DROP IN
VIOLENCE AND CRIME RATES.

The prohibition of certain psychoactive substances – generically known as "drugs" – is a political choice. For international conventions and national states, the decision to ban drugs is historically linked to moral precepts, racism and a lack of knowledge of the impacts of these substances.

Since the mid-20th century, Brazil's drug policy has been rooted in the prohibitionist paradigm, expressed through a 'war on drugs' model that steers the functioning of the entire institutional apparatus of the criminal justice system. In practice, this means that criminalisation and repression of the production, transport and retailing of illegal drugs have become a priority for Brazil's public security forces. Without questioning the cost-benefit ratio of this model, the war narratives of prohibitionism are frequently

brandished to buttress the military police framework with harsher penalties and justifications of police violence. Illegal drug consumption and sales are known to occur among all social classes, and in all neighbourhoods of towns and cities throughout Brazil. However, the criminal justice system operators focus their efforts and actions in favela slums and poverty-stricken urban outskirts, targeting Black youngsters involved in selling drugs at the retail level, fostering the genocide and the overincarceration of Black youth. The statistics resulting from the enforcement of the drugs legislation mirror the structural racism that permeates Brazil.

THE DRUGS ACT

(LAW Nº 11.343/2006)

DID NOT ESTABLISH CLEAR

CRITERIA TO DISTINGUISH

DEALERS FROM CONSUMERS

AND IT STRENGTHENED

STEREOTYPES THAT ENDED UP BY

CRIMINALIZING BLACK

YOUTH LIVING IN POVERTY

STRICKEN AREAS

In this context, there is no way of rethinking criminal justice and security policy investments in Brazil without examining the key role played by the prohibition of drugs for defining governmental agendas and economic priorities. By overloading government budgets with the high costs of armed repression and overincarceration, the prohibitionist policy is absorbing funds that could be invested more effectively elsewhere.

Drug prohibition failures are being increasingly well documented, particularly this model's inability to lower illegal drug consumption while establishing a permanent police state that jeopardises the right to life of millions of Brazilians. However, the budget burden imposed on government coffers by the Drug Act is barely discussed.

Bridging this gap, the CESeC implemented the **Drugs: How Much Prohibition Costs project** \mathscr{O} . It spent three years researching the prohibition budget in Rio de Janeiro and São Paulo States, guided by the following questions:

- What is the cost to the Brazilian government and society of continuing to support the ban on certain types of substances?
- What efforts and resources are channelled to the so-called War on Drugs, siphoned off from investments in areas such as health and education?
- What are the real outcomes achieved by this approach?

THE INITIATIVE OF ESTIMATING THE FINANCIAL COST OF THE PROHIBITION OF DRUGS IS NOT STEERED BY THE IDEA THAT FUNDING SPENT ON PUTTING IT INTO PRACTICE IS MORE IMPORTANT THAN THE SUFFERING CAUSED BY THE WAR ON DRUGS. TO THE CONTRARY, THE DRUGS: HOW MUCH PROHIBITION COSTS PROJECT HELPS DISCLOSE THE EXTENT TO WHICH GOVERNMENT BUDGETS ARE SLANTED TOWARDS A POLICY THAT TRIGGERS SO MUCH PAIN AND VIOLENCE.

BRAZIL, A COUNTRY MARKED BY VIOLENCE AND OVERINCARCERATION

Data released in the latest
Yearbook by the Brazilian Forum on
Public Safety indicate that there
were over 47,000 homicides in Brazil
in 2019, 72.5% involving firearms.
Among the victims, 51.4% were
under 29 years of age, and 74.4%
were Black. In addition to having
one of the world's highest homicide
rates, Brazil also has one of the
most lethal police forces in the
planet. In 2019 alone, 6,357 deaths
resulted from police interventions,
with dozens of police officers dying
in the course of duty.

Brazil is the world's third-largest jailer. According to its National Penitentiary Department, in June 2020 there were some 760,000 people imprisoned in Brazil, 30% of them in provisional detention. Between 2000 and 2020, Brazil's prison population ballooned by 226%. This mass incarceration is selective, with a specific profile: young (41.9%); Black (66.3%); and male (95.1%). Around 32% of those in prison are there for drug trafficking.

RESEARCH PROJECT

In the initial stage of the project, the research Backfiring: The Impacts of Drug Prohibition on the Criminal Justice System Budgets in Rio de Janeiro and São Paulo sets forth for the first time the costs of this ban for criminal justice institutions in these two States over the course of one year.

RESEARCHED INSTITUTIONS

Although drug prohibition affects the design and implementation of several government policies, it is public security and criminal justice system institutions that are on the front line for deploying the criminalisation and war model. It was thus decided to calculate the cost of drug prohibition for seven institutions, both in Rio de Janeiro and São Paulo, totalling fourteen researched institutions.

Police forces repress drug trade and consumption, investigating and arresting dealers and users, conducting raids to seize drugs and subduing criminal groups. The

justice system accuses, tries, and judges people charged with drug-related crimes. The prison system and youth detention centres are responsible for imposing measures and penalties that curtail the freedom of those found guilty. Together, this set of institutions forms the most evident, racist, and violent face of drug prohibition.

STUDIES FOCUSED ON THE
SPENDING OF THE MILITARY
POLICE, THE CIVIL POLICE, THE
PUBLIC PROSECUTOR'S OFFICE,
THE PUBLIC DEFENDER'S OFFICE,
THE COURTS OF JUSTICE, THE
PRISON SYSTEM, AND YOUTH
DETENTION CENTRES.

RIO DE JANEIRO AND SÃO PAULO

The States of São Paulo and Rio de Janeiro were selected mainly because of their influence on Brazil's public security and criminal justice policies. With high imprisonment rates, they were the cradle of Brazil's largest gangs, today scattered almost nationwide. Although not drug producers, Rio and São Paulo are major consumption hubs that are on the distribution routes to other markets. Violent repression in these States is focused on wiping out the retail trade in illegal drugs, following the prohibitionist paradigm that weighs disproportionately heavily on Black youngsters living in poverty-stricken areas.

SELECTED PERIOD: 2017

Starting in 2019, this research project was designed to calculate the costs of applying the Drugs Act during a full tax year. The period between January and December 2017 was selected for analysing the expenditures of institutions in the São Paulo and Rio de Janeiro criminal justice systems. It was decided to discard 2018 as a target year, due to potential distortions resulting from the federal military intervention in the area of public security in Rio de Janeiro, together with State and Federal elections that also happened that year.

METHODOLOGY

Para calcular o custo da aplicação da Lei de Drogas pelas instituições do sistema de justiça criminal, a pesquisa seguiu três passos:

- defining the specific reference indicators for each institution;
- applying the indicators to the data collected from the institutions for estimating the proportion of work undertaken by each of them to implement the Drugs Act;
- applying the resulting percentage to the expenses incurred by each institution during 2017.

In order to collect the data, the websites of these institutions were searched, with contacts made by telephone, email and official notifications, as well as 122 requests submitted under the Access to Information Act (LAI). All the figures presented were updated by the Extended Consumer Price Index (IPCA) calculated for November 2020 by the Brazilian Institute for Geography and Statistics (IBGE). Details of the methodology and the indicators are presented in Chapter 3 of the Research Report \mathscr{O} . The raw data may be obtained from the Project library \mathscr{O} .

DATA SURVEY SAGA

The research work was hampered by the lack of transparency and the evident lack of availability of detailed systematised data at the institutions. Most of them did not reply within the deadlines established by the Access to Information Act; when data were released, it was often incomplete and unusable. In some cases, the data received were not compatible with information disclosed on the websites of federal government entities or State institutions. In addition to exploring the details of budget costs, this research project also discloses the utter disregard shown by criminal justice and public security institutions for producing data on their daily work and also management data with transparency.

FINDINGS

Rio de Janeiro spent more USD 197 million (BRL 1 billion) with São Paulo earmarking over USD 788 million (BRL 4.2 billion) to upholding the ban on drugs and fighting the war against street dealers in favelas slums and poverty-stricken urban outskirts. The following table shows the amount spent by the listed institutions through their insistence on implementing a policy that produces death and suffering, deepening inequalities while still failing to curb drug consumption.

IN A SINGLE YEAR, RIO DE
JANEIRO AND SÃO PAULO STATES
SPENT ALMOST A BILLION US
DOLLARS (OVER BRL 5.2 BILLION)
ON ENFORCING THE DRUGS ACT.

Net total expenditures related to the Drugs Act by criminal justice system institutions in Rio de Janeiro and São Paulo States – 2017 (figures for November 2020)

		- Tudio otates 2017 (iig	<u> </u>	-,
		Rio de Janeiro		
Institution	Total Expenditures (BRL)	Indicator: Proportion of Institution's work related to the Drugs Act (%)	Expenditures for enforcing the Drugs Act (BRL)	Expenditures for enforcing the Drugs Act (approx. USD equivalent)**
Military Police	4,937,492,307	7.1	350,561,953	65,750,502
Civil Police	1,736,022,323	3.7	64,232,825	12,047,344
Public Prosecutor's Office	614,303,065	5.3	32,558,062	6,106,507
Public Defender's Office	224,550,866	18.4	41,317,359	7,749,378
Courts of Justice	1,323,229,808	8.1	107,181,614	20,102,709
Prison System	1,142,120,245	30.2	344,920,314	64,692,371
Youth Detention System	264,554,029	41.6	110,054,476	20,641,536
Total	10,242,272,643	10.3	1,050,826,606	197,090,347
		São Paulo		
Military Police	16,278,594,457	4	651,143,778	122,126,860
Civil Police	5,074,613,571	7.7	390,745,245	73,287,178
Public Prosecutor's Office	1,885,341,878	10.4	196,075,555	36,775,429
Public Defender's Office	354,388,999	20.4	72,295,355	13,559,532
Courts of Justice	3,340,480,392	10.2	340,729,000	63,906,259
Prison System	4,694,521,890	37.2	1,746,362,143	327,543,212
Youth Detention System	1,772,408,475	45.5	806,445,856	151,254,920
Total	33,400,349,662	12.6	4,203,796,932	788,453,390

^(*) For the Public Prosecutor's Office, the Public Defender's Office and the Courts of Justice in both States, the Total Expenditures include only expenses incurred through the activities of these institutions in the criminal sphere, as shown in the calculation presented in Chapter 2 \mathscr{O} and the Methodology Appendix to the Research Report \mathscr{O} .

^(**) Dollar values were estimated by using the Brazilian Central Bank Exchange rate for November 30th, 2020.

The recorded expenditures are certainly very much underestimated, particularly for the Military Police, as it was not possible to obtain police raid costs. Furthermore, these figures encompass only State expenditures, and do not include Federal Government costs (federal maximum-security prisons and federal police, for example) nor expenditures on municipal guards and other Security forces engaged in the war on drugs.

CONCLUSION: DRUG PROHIBITION COSTS A LOT

Claiming to enforce drug prohibition, the State criminalises, persecutes, tries, imprisons, and kills tens of thousands of people every year. Moreover, it supports a lumbering and expensive civil service structure that siphons resources from

other areas, perpetuating the absence of essential public utility services for millions of Brazilians.

Over the years, the Rio de Janeiro and São Paulo State Governments have decided to spend billions on arresting and trying preferably Black youngsters for non-violent crimes related to drugs. What might the outcomes have been, if this public funding had instead been channelled to investments in healthcare, education, urban upgrades, and measures designed to combat poverty?

With more than BRL 1 billion that it spent on enforcing the Drug Act, Rio de Janeiro State could instead have:

- paid for places in high school for 252,000 students:
- or underwritten the operation of 81 Primary Care Units (UPAs) in slums and poverty stricken urban outskirsts;
- or helped 145,000 families for an entire year under a basic income benefits programme equivalent to the emergency allowances paid out during the pandemic;
- or purchased 36 million doses of the AstraZeneca vaccine, enough to vaccinate 18 million people against COVID-19.

DRUG PROHIBITION COSTS
DISCLOSE THE ROOTS OF THE
POLITICAL CHOICE TO 'FIGHT' A
'WAR' ON DRUGS. NOT ONLY HAS
THIS PROHIBITIONIST STANCE
ESTABLISHED ITS PRIMARY GOAL
AS THE CRIMINALISATION OF
POOR BLACK PEOPLE LIVING IN
FAVELA SLUMS AND POVERTYSTRICKEN AREAS, BUT IT HAS
ALSO IMPOSED HARSH LIVING
CONDITIONS ON THESE SEGMENTS
OF THE POPULATION, WITH NO
ACCESS TO BASIC RIGHTS.

With more than BRL 4.2 billion that it spent on enforcing the Drug Act, São Paulo State could have instead:

- built 462 new schools;
- or underwritten the operations of two State reference hospitals, such as the Hospital das Clínicas at the University of São Paulo (USP);
- or bought 27,000 ambulances fitted with mobile intensive care units (ICUs);
- or helped 583 families for an entire year under a basic income benefits programme equivalent to the emergency allowances paid out during the pandemic;
- or purchased 72 million doses of the CoronaVac vaccine, enough to vaccinate 36 million people against COVID-19.

These comparisons were drawn up on the basis of data released by the Rio de Janeiro and São Paulo State Governments with figures updated to November 2020. Other comparisons and all sources of these amounts are provided at the end of the **Research Report** §.

When exploring these comparisons, it is quite clear that Brazilian society can no longer continue to ignore the high public costs and socio-economic failure of the drug prohibition model.

The alarming amount of over a billion dollars spent in a single year by just two States sounds an alarm for public administrators and lawmakers. The amounts calculated through this CESeC research project spotlight the inefficiency of banning drugs, from the budget costs standpoint, underscoring the need for data transparency, grassroots engagement and racial equity, in order to democratise decisions on government spending and drug policy in Brazil.

DRUG PROHIBITION IS VERY COSTLY FOR BRAZIL. AND IT'S BACKFIRING.

In subsequent phases, the **Drugs: How Much Prohibition Costs** project will explore in detail the monetary impact of this ban on budgets in the fields of education, healthcare and territory.



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Design

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Established in 2000, the Center for Studies on Public Secutiry and Citizenship (CESeC) conducts surveys and other research projects in the fields of public security, justice and drug policy, steered by its commitment to promoting human rights and playing an active role in the struggle against racism in Brazil's criminal justice system.

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