

# **The Iranian Drug Complex: Pushing the Logic of Prohibition to its Limits: [A Research Proposal]**

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## **INTRODUCTION**

This research proposal deals with the social problems related to the trade and consumption of illicit drugs and the Iranian system of drug control. The study takes a political sociology approach to the way entrepreneurs in drug markets, the Iranian state and the country's broader society deal with various aspects of the drug problem, and analyses the institutions through which interactions take place between these entities. The main puzzles, assertions, assumptions, questions, research methods and theoretical insights that carry this approach are based on earlier work that the author has published on comparative drug control regimes (van der Veen 2000, 2003(a), 2003(b), 2003(c), 2004, 2005 (forthcoming)). It aims to set the stage for further exchanges between academics, law enforcers and policy makers in Iran and other countries to discuss alternative approaches to drugs, share diverse

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experiences in drug control and design institutions that protect society against unregulated drug markets as well as free floating state powers.

### **THE DRUG PROBLEM PUZZLE**

The starting point for this work is the assertion that the prohibition regimes pertaining to the control of certain categories of drugs like cannabis and opiate products as well as cocaine, has created a legal situation where drug markets, the operators of these markets and many related activities are outlawed. As a consequence, production and trade in these products (and often also their consumption) is placed outside the working of normative laws and formal regulations that could set norms to the operation of drug markets, and actors in this trade are forsaken the protection of the law. Drug markets are therefore unregulated and actors in the drug trade are largely left to fend for themselves in dealing with business disputes and contract enforcement, competition, and other aspects of the organization of production and exchange rather than depend on the state for such adjudication. Also in conflicts with the state they see most such legal channels and institutions closed by which legal industries – indeed - can negotiate the terms of business operations.

A similar consequence of prohibition can also be discerned as concerns the working of the state in drug control. Since the law on illicit drugs demands the state to move against the drug trade, its operators and consumers, the instruments of state control and intervention in drug markets tend to be confined to the coercive agencies of states (police, military and intelligence agencies). Since their formal remit is generally to act against the drug trade, rather than set norms to its behaviour and operations, the already limited instruments of state action in this field tend to prioritize the use of force over other control actions, for which such coercive apparatuses might be ill equipped to begin with.

What is generally summarized as “the drug problem” thus tends to be a composite of (the worst of) two systems of social organization; ‘free’ and unregulated drug markets and coercive government control. It is my

assertion that most if not all societies have tremendous difficulties keeping these two social (state and market) forces under control, not least because – according to the law - they should stand opposed to each other, rather than reach some sort of social contract in which diverse interests could be taken into account. Understanding the drug problem thus first and foremost demands a good understanding of the nature of these two systems of social organization. Second, any evaluation of the problem should aim to understand the ways of how these two systems of social organization interact and what consequences they produce for wider society. Such an evaluation should in the first place (although not necessarily foremost) take as a reference point the formal goal of the prohibition regime, which is to reduce the consumption of these categories of illicit drugs. However, any such evaluation should also consider alternative uses of scarce resources (opportunity costs of drug control) as well as alternative strategies that could produce the desired results. Also, as any governmental policy, drug policies should be weighted against preferences and priorities arising out of the societies they are supposed to protect. Maybe as importantly, an evaluation of drug policies should also take into account the feedback effects that any policy action might produce. Such feedback effects often will demand for flanking policies to support the original approach; they should thus also be squared with a cost-benefit analysis of chosen strategies of drug control. In this respect, it is paramount to keep an open eye for the particular relationships of cause and effect that are produced in the interactions between drug markets and state institutions. Since, as said, competing policy goals as well as a wide array of social costs of both the working of drug markets and of drug control strategies have to be taken into account, such cost-benefit analysis can not be expressed simply in terms of (alternative choices in) budget outlays or as a measure of success in diminishing drug consumption. Apart from diminishing levels of drug consumption, drug policies (or at least the practices of drug control) could e.g. rightfully be asked to take into account fiscal, balance of payments, public health, and public safety considerations, as well as such that are related to the goals of good governance. As I will indicate in the next section (and argue more

extensively in the article), it is yet within the philosophical system of prohibition that such alternative policy goals are almost impossible to contemplate.

## **CATCH-22**

Within the logic of prohibition there is very little room to take wider choices, consequences and competing goals in drug control into consideration. This is particularly the case since, any deviation from the logic of prohibition itself tend to be considered as a crime, as a form of corruption; corruption of the ideological principle of prohibition itself if not of the laws that regulate the behaviour of drug control agencies. According to the law, these agencies are expected to act - coercively - against all expressions of drug markets. Any deviation from this line is often considered unlawful by itself and might even lead to charges against agents in law enforcement agencies. Yet, how to respond to a large constituency that is economically dependent on the illicit drug industry as in Afghanistan, Bolivia or Colombia?; How to deal with the financial interests that a country may want to weight in its approach to the drug trade when drug export does contribute significantly to foreign exchange earnings? How to assure that such income is invested productively? How to manoeuvre in order that the drug control effort itself does not undermine political stability, public order and public health in the country as important sections of the population may feel threatened rather than protected by the state?; What to do when criminal enterprises start to defend their business interests by violent means?; When drug users resort to petty crimes in order to finance their habit?; When diseases like AIDS and Hepatitis B start to proliferate through society partly as a consequence of user practices that escape medical oversight?; Or, what to do when drug law enforcement agencies become responsive to interests within the drug industry or to foreign law enforcement agencies, rather than their own government or people? Most of all, what course to steer if even after incarcerating hundreds of thousands of one's own citizens on drug charges

still no credible claim can be made that such has brought closer the goal of a reduction in the demand for drugs?

Simply abiding to prohibitionist laws can hardly be considered a serious answer to these questions. Nevertheless, what is interesting is that there are many opinion makers and organised interests that do push for this option and actually manage to expand this logic into ever more spheres of social life. Most notably this can be witnessed by the 1988 Vienna convention that made important strays into obliging, signatory nations to write new crimes into their criminal codes (such as money laundering), expanding the drug control regime into the financial and precursor sector; and added new concepts to the toolkit of criminal justice systems, by which now people can be incarcerated for acts of ‘criminal conspiracy’, or pertaining to a ‘criminal organization’. Most countries in the world did sign.

This places governments, law enforcement agencies and general society alike for a kind of Catch-22 situation where whatever they do within the framework of prohibition always puts them in a situation where they are criminalized; either – *de facto* - because they use force against their citizens without normative regulations to guide them, or – *de jure* - because they refrain from using such force in order to better protect their society.

The main thrust of my work has been to demonstrate that all states, societies and actors in drug markets have sought to escape at least some of the excrescences of prohibition, and find a way out of this paradox, or Catch-22 of prohibition. Rather than maintaining the drug industry and law enforcers opposed to each other, and driving their confrontation to the point of massive repression, or - where the drug trade is in a position to fight back -, warfare; basically all states, societies and drug markets try to escape such a fate, and design institutions that seek to regulate the behaviour of drug entrepreneurs and consumers as well as rein in the coercive powers of states employed in the control of the drug trade. Much in spite of prohibition, states and societies will – according to my findings- try to recuperate at least some of their prerogatives of rule; which they forfeited by placing drug control under a prohibitionist regime.

In my essay I will reflect on the philosophical ways to solve such a paradox. And also find explanations for why some of the ‘solutions’ sought can find such strong political and institutional support in sections of both state and society. In this research I will however focus on the practical ways that societies have sought to solve the paradox of prohibition. That is, I focus on the social processes through which states, drug markets and societies interact and the institutions they develop in order to remedy the worst problems of free and unregulated drug markets as well as free-floating coercive state powers.

### **THEORY**

In order to understand the type of social processes taking place in these institutional developments I rely on insights developed in political sociology. Most notably, I take recourse the insights developed by historical sociologist Charles Tilly, who analysed the historical process of state making in Europe as a process of negotiation between the wielders over the means of violence (coercion) and those that controlled the means of production (capital); and demonstrated how these social entities exchanged resources and built the institutions by which ever more societal interests could be taken into account. In the process production was organised and state institutions came into being that safeguarded the enforcement of laws and regulations and decision making procedures that came forth from the interactions and negotiations between those that controlled coercion and capital. This basic deal was based on the civilian demand for protection (security) and the state-makers’ need for extraction (taxation), out of which could grow ever more inclusive institutions that eventually would result in the subordination of the military to a civil state elite (see Bendix 1978, Tilly 1985, 1997, King 1986, Migdal 1997, Elias 2000, Jung 2001, for analyses of this state-building process. On how this interacted with a similar civilization process in the organization of production, subordinating the owners of capital and the operation of means of production to the needs of labour and wider society

see e.g. Polanyi 1957, North 1980, Evans 1989, ). Schematically this would look as follows:

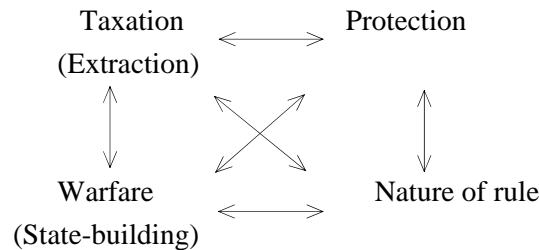


Figure 1: Analytical framework: relations between the core activities of states and the nature of rule

In my analysis I thus depart from a (virtual) state of anarchy, a Hobbesian war of all against everybody, where very few limits are set to either the operation of (drug) markets or to coercive apparatuses and trace their interactions throughout a civilization process, in which institutions come about that set norms to both drug markets and coercive powers employed in their control. As more and more interests are included in the way such markets operate and coercive force is applied such may crystallize into a social contract between state, market and society. Between war on one end of the evaluation scale and an elaborate social contract at the other end of the scale by which to measure the nature of rule produced by drug control practices, may be placed the concept of the protection racket, which incorporates a double-edged understanding of protection in which the provider of protection is to some extent also the source of problems against which it offers protection, at a price (see Tilly 1985).



Figure 2: Evaluation scale for assessing the nature of rule

Caveat: The above mentioned authors understand these processes from the vantage point of state-making; which primarily and ultimately also is a function of how successful social entities are in warding off other state-builders that may try to apply force to imposing their rule, extract resources

or offer more attractive terms of protection. For states to survive in competition with other such entities they thus (apart from developing their core functions in extraction, protection and warfare) also have to increase the resources available (stimulate economic growth and development) and provide (social) justice (public safety and redistribution). One can well imagine, depending on the weight of any particular economic sector in the overall economy, or the weight of any social group within the institutions of state and society, that disparities exist between such sectors and social groups as to the extent they manage to obtain favourable terms in their social contract with the state, and relative to other economic sectors and social groups; whereas also the nature of social and economic activities will demand different forms of norms setting as well as modes of societal control and state intervention. One and the same state may thus negotiate different social contracts with different parts of its constituency, at least to the point where such discrimination does not undermine a state's capacity to ward off internal rebellion or external rulers. I concur however with these authors that in the competitive nature of both the international system of states and in domestic competition over the spoils of rule the logic must be found by which states are forced to re-establish their core regulatory functions towards the drug trade, which they forfeited with prohibition. That is, it is from this competitive power logic that I derive my hypotheses concerning the activities of states in drug control, which lay ground to the analytical framework of my research.

### **ANALYTICAL FRAMEWORK**

On the basis of these theoretical insights I build my analytical framework to analyse the way Iran is dealing with its drug problem. At the core of the analysis is the understanding of the illicit drug industry as an economic sector that is socially organised, and that of state practices in drug control as a political activity. Rather than understanding the drug problem in terms of crime, law enforcement and corruption, I try to develop an alternative conceptual and hermeneutic framework by which to appreciate the operation

of the drug trade, state control activities and the interactions between the state, drug markets and society at large. On the basis of insights develop in sociology and institutional economics, this analytical framework suggests analysing state activities in drug control in the following interrelated activities:

\* Extraction/ taxation: The institutions that have been developed to extract resources from the drug trade.

\* Protection/ security: The institutions that have been developed to protect participants in drug markets (producers, traders and consumers) as well as institutions through which society is able to bring the activities of drug entrepreneurs, the behaviour of drug consumers as well as of drug control agencies in line with societally beneficial goals.

\* Warfare/ law enforcement: The means and institutions through which limits are set to the use of violence both within the operation of drug markets and in the course of drug law enforcement.

An evaluation of the nature of the drug trade and drug control practices is to be undertaken on the basis of how these core functions are performed. Placing them on a continuum between warfare on the one end, a social contract on the other end, this leads me to proposing the following research questions:

What is the nature of the illicit drug industry in Iran? This demands a further specification of the number of users, the type of drug use, the social organization of the drug trade, its economic and political weight, as well as the mode of articulating its interests towards the state, towards other economic sectors and society at large.

What is the nature of state's drug control activities? This demands a further specification of the institutions through which resources are extracted from the drug trade, the costs of doing this, as well as the benefits of extraction practices. Important is also to understand where such moneys and resources go, and to what extent they become part of an inclusive political process in which it can be decided on their uses.

The analysis of drug control activities also looks at the institutions through which producers, traders and consumers are protected against both

competitors and coercive impositions of drug control agencies. It looks at both institutions within the drug trade through which production, trade and distribution are organised, e.g. to secure contracts, provide investments, adjudicate disputes and by which the terms are set in distributing the costs and benefits of such economic activities. The analysis of protective institutions also involves the terms of the protection contract between drug entrepreneurs, drug consumers and state agencies engaged in drug control, as well as the institutions through which such terms can be negotiated. The analysis includes furthermore an analysis of the more general terms of the social contract between state, society and drug markets. This cost-benefit analysis should take into account the (opportunity) costs of various drug control practices, as well as the feedback effects of these, and determine how such costs and benefits are distributed over the various actors concerned.

Finally, the drug problem should be analysed as to the nature and levels of violence that are produced both in the operation of the drug trade and in its control. In both cases an effort should be made to understand the reasons and purposes of such violence. As e.g. Donald Black (1983) has argued many forms of crime may be understood as a form of self-help, where no recourse can be made to the law. The use of force by the state in drug control should not only be quantified, but an effort should also be made to understand the source and purpose of activities by which damage is inflicted on citizens, as well as the criteria for application and selectivity in the use of such force. Important is here to look at those institutions that either provide an incentive structure for, or rein in the use of state power in drug control. These should be traced in various control activities along the production, trade, distribution, money laundering and investment cycle as well as in approaches towards consumers.

## **METHODOLOGICAL DIFFICULTIES**

Whereas it has to some extent proven possible to make big strays into identifying and describing the institutions that are in place in many societies that try to control drug markets and rein in coercive state powers employed

in its control (van der Veen 2003b), it has proven much more difficult to trace the social processes through which many such institutions are established, the actors that play a role in these, and the terms of agreements that thus have been reached. Because of the illicit nature of drug markets and the way also many state activities in drug control tend to escape public scrutiny there remains a large margin of uncertainty as to the exact nature and scope of many activities under review. Also, establishing the nature of causal relationships in determining the outcome of operations in the drug trade and states' drug control practices is far from easy. First, in my analysis there are many different reference points by which to judge and analyse the effects of the operation of drug markets and drug control practices. Second, many of the variables at play tend to have very little to do with direct interactions between drug markets and states drug control activities. This is particularly the case with the main formal reference point of success in drug control; the prevalence of drug consumption. Strongly penal policies in e.g. the United States go together with relatively high consumption levels, whereas (to some extent) similar policies in Sweden go together with relatively low consumption levels. More lenient or medically oriented policies, as are dominant in the Netherlands and Switzerland, go together with consumption levels lower than those in the US, but higher than those in Sweden. A third and important factor is, the subsidiarity between coercive functions performed in drug control. The sustainable organization of production to some extent demands the performance of the core (state) functions in extraction, security and warfare (taxation, protection and law enforcement). That is, where the state does not perform its core regulatory functions towards the drug trade, actors within the drug sector will to some extent be obliged to incorporate such functions in their business operations. Or alternatively, they can fall pray to non-state wielders of violent means, with which they will have to negotiate the terms of a contract as outlined above. Where the state fails to perform these core regulatory functions, alternative protectors such as 'mafia's', 'organised crime', warlords or armed groups in competition with state rulers may at some point try, or even

be invited, to establish a social contract with participants in drug markets in order to organize the production, trade and distribution of drugs.

Many of the methodological difficulties outlined above however exactly point at the nature of the drug problem as outlined in the beginning of this proposal. Operations in drug markets as well as state drug control activities to a large extent escape the scrutiny of society, their activities are rather untransparent, actors in these fields are difficultly held accountable (most of all because no normative guidelines exist which could be used as a reference point to evaluate their activities), and most importantly, prohibition tends to criminalize – if not obliterate - exactly those institutions through which state actors, the operators of drug markets and wider society could influence each other's behaviour. This brings us back to the Catch-22 of prohibition.

This proposal aims to gain a better understanding of the way Iran is and has been dealing with its drug problem. It proposes to apply a political sociology approach to identify and analyse the institutions by which Iran's society has handled these drug related issues. In order to derive at an understanding of the issues and processes involved, I propose to trace change and development in such institutions through the country's history. First, this should support the validity of the analytical framework that I apply. Second, tracing such institutions through history allows me to place change and development in Iran's approach to the drug problem within a wider context of both domestic and international developments in state making as well as domestic and international developments in the organization of production.

Finally, It appears that relatively little academic work has been conducted in analysing many of the questions and issues mentioned above (see e.g. Raisdana 2002, Samii 2003 and various reports produced by the United Nations Office on Drugs and Crime (UNODC)). Even less has been made available in Latin languages (most UNODC reports on Iran are either published in Farsi or for internal use only). Also the other way around the flow of information is hampered. It seems that very few of other countries' experiences in drug control reach practioners and policy circles in Iran. I

hope that this research can contribute to the creation of a wider platform on which such experiences can be shared.

I thank you very much for your attention, and look forwards to receiving your comments. ❖

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