

## Global Black Market

After dealing with topics like tax evasion and tax avoidance in **ISSUE 06**, in this issue we take a look into the **Black Market** and some particular cases that globally feed **illegal trades and transactions**.

This week started with a **little-known meeting at the UN that could help decide the future of the war on drugs**.

Drug policy reformers want to create more flexibility in international drug laws, as well as stop human rights abuses and close major medical gaps in poorer nations. Here are some of the main points:

- ① **More flexibility for decriminalization, legalization and harm reduction.**
- ② **Abolish the death penalty for drug crimes.**
- ③ **Improve access to some drugs for medical purposes.**

A lack of progress toward reform won't necessarily mean that the status quo – a harsh, punitive war on drugs – will continue unabated. Instead, it is very much possible that without action the entire drug control regime will collapse.

## War on Drugs Statistics

	Worldwide
N. of people with drug use disorders	27 million
N. of people that die each year due to drugs	400,000

	U.S.
N. of people arrested annually on nonviolent drug charges	1,53 million
N. of people arrested annually for a marijuana law violation	757,969
Tax revenue that drug legalization would yield annually	\$46,7 billion
Annual spending against War on Drug	\$51 billion
N. of students who had lost federal financial aid eligibility because of a drug conviction	200,000
N. of people who had acquired AIDS directly or indirectly from syringe sharing	360,836

Lowering of the incidence among people who inject drugs through access programs

80%

Counterfeit Cosmetics	\$3b
Counterfeit Aircraft Parts	\$2b
Counterfeit Weapons	\$1.8b
Counterfeit Watches	\$1b
Fake Diploma	\$1b
Fake IDs	\$100m
Counterfeit Money	\$81m
Counterfeit Purses	\$70m
Counterfeit Lighters	\$42m
Counterfeit Batteries	\$23m

## Legalising Cannabis

Legalisers argue that regulated markets protect consumers, save the police money, raise revenues and put criminals out of business as well as extending freedom. But the chronic harm done by the drug is still a matter for debate. Heavy cannabis use is associated with mental illness, but researchers struggle to establish the direction of causality. Jonathan Caulkins of Carnegie Mellon University has found that cannabis users are more likely than alcohol drinkers to say the drug has caused them problems at work or at home.

## U.S. Increasing Enthusiasm

People in favour of legalising cannabis use / percentage of respondents  
People who have ever tried cannabis / percentage of respondents

## Pricing Strategies

Setting the right level for the tax, though, is challenging. Go too low and you encourage use. Aim too high and you lose one of the other benefits of legalisation: closing down a criminal black market. Comparing Colorado and Washington illustrates the trade-off.

	CO	WA
Pot taxation	28%	44%
Average retail price per gram of weed	\$15	\$25
Average retail price per gram of black-market weed	\$10	\$10

70%

Licensed account of total estimated demand

30%

## Prostitution Statistics

	Worldwide
Estimated number of prostitutes	40 million

	U.S.
Thailand has the largest sex industry	\$35 billion
Average age a female becomes a prostitute	14 years old
Average annual income of a prostitute	\$290,000

Girls who have reported assaults

58%

Girls who have contracted sexually transmitted diseases

20%

Girls who want to quit but can't due to lack of money

92%

## Girls for Sale

Sex industry's value

€2 billion

In Bacău district many minors end up in the hands of human traffickers because of poverty and lack of prospects.

Nuclear Smuggling \$100m

## Never a Day Off...

Average distribution of a prostitute's working hours during the week.

Day	Percentage
Sun	9.52%
Mon	8.29%
Tue	12.13%
Wed	16.08%
Thu	15.49%
Fri	21.73%
Sat	16.76%

## Dark Shopping Online

Cryptocurrency and Onion Routing made online illegal markets accessible. Silk Road – which closed in 2014 – was the forerunner: from one side it has sparked the creation of numerous new web platforms, from the other, in many cases as drug traffics, it cleared the streets from violence and crime.

All you need is...

Tor

Bitcoins

The Black Market's Catalog

1st: Counterfeit – \$558.416b	7th: Prescription Drug Abuse – \$72.5b
2nd: Drug – \$339.12b	8th:Human Market – \$69.875b
3rd: Prostitution – \$186b	9th: Smuggling – \$57.4b
4th: Illegal Gambling – \$140b	10th: Thefts – \$47.23b
5th: Piracy – \$98.25b	11th: Arms Trafficking – \$1b
6th: Illegal Nature Abuse – \$83.5b	

Source: havocscope.com



Total value:  
\$1.65t

FOLD HERE TO GET THE COMPLETE OVERVIEW

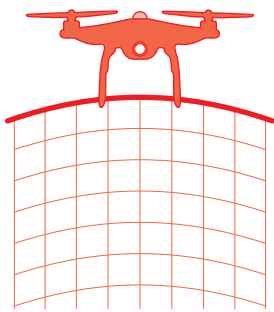
Drug Traffic Logistic



Maritime trafficking is the least common mode of transportation used by drug traffickers but it allows to move large quantities of drugs.

Better than Amazon

Drug delivery by drone is definitely a thing: since the last year an increasingly number of UAVs is being used attempting to deliver different kinds and amounts of drug, especially in prisons.



The Metropolitan Police Department of Tokyo have put together a fleet of net-carrying drones that will locate and capture malicious UAVs, like the ones used by the Yakuza.



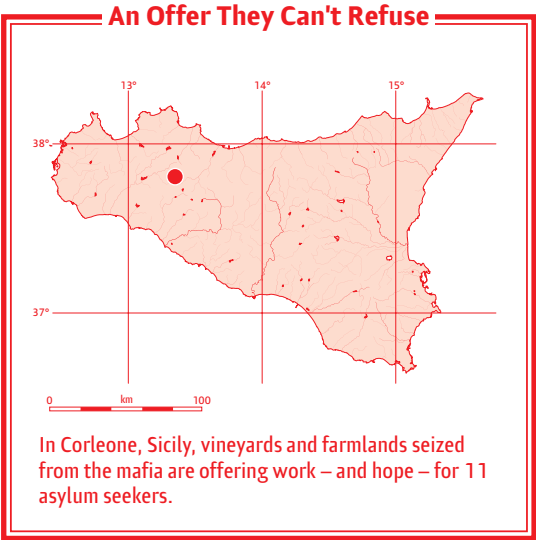
As tech firms and law enforcement experiment with radio jammers and net-wielding interceptor drones to take down rogue quadcopters, Dutch police are trialling a simpler solution: eagles.

Afghan Poppyland

Afghanistan is the source of the vast majority – around 90% – of the world's illicit opiates. A global network of routes facilitated by international crime groups ensures that heroin is trafficked from production countries in South West Asia to global consumer markets. Multiple

factors affect traffickers' choice of routes including risk of detection, geo-political changes, logistical difficulties, topographic considerations and existing relationships between criminal groups. The so-called Balkan route is possibly the most important heroin trafficking route of all.

Global Opium Production

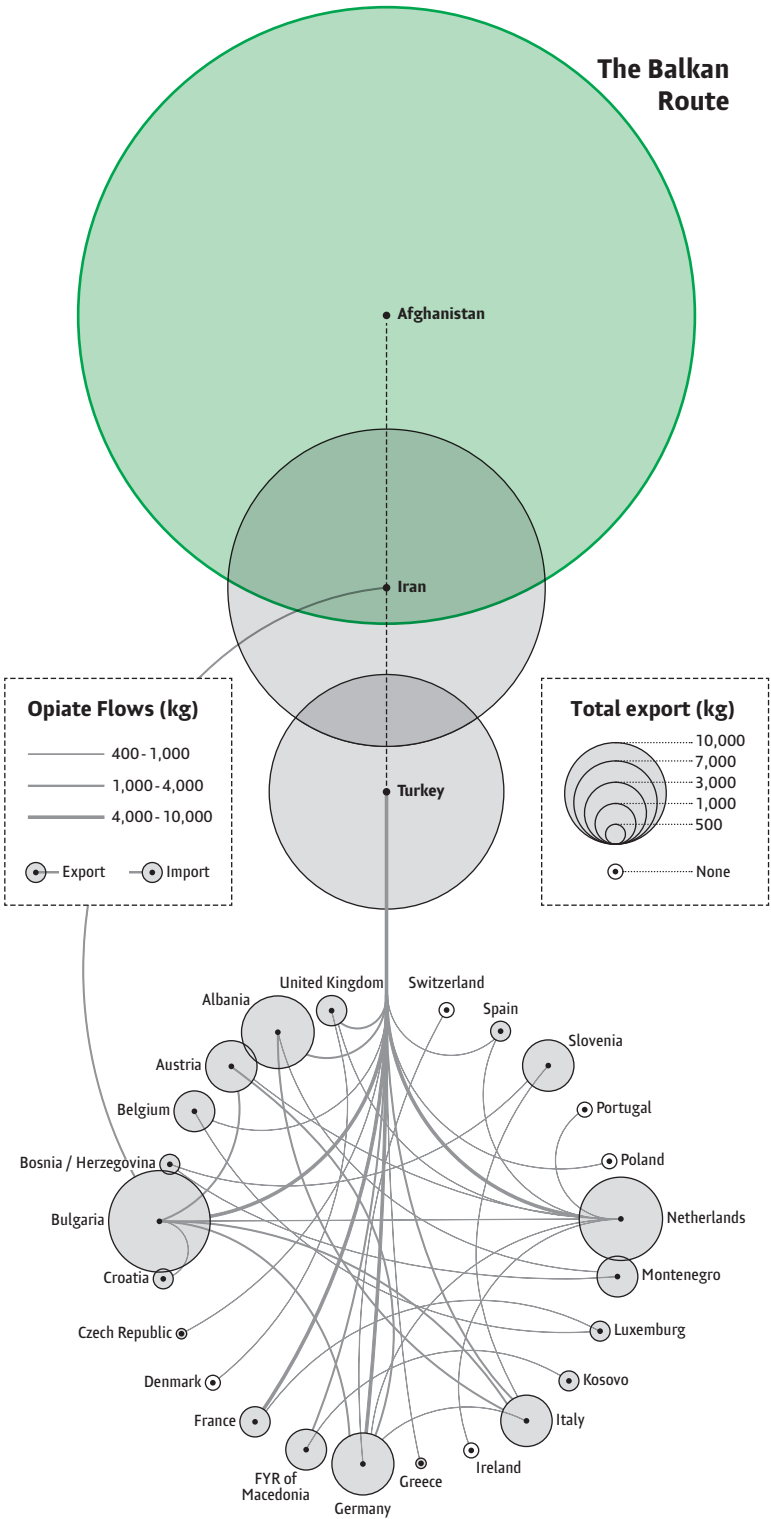
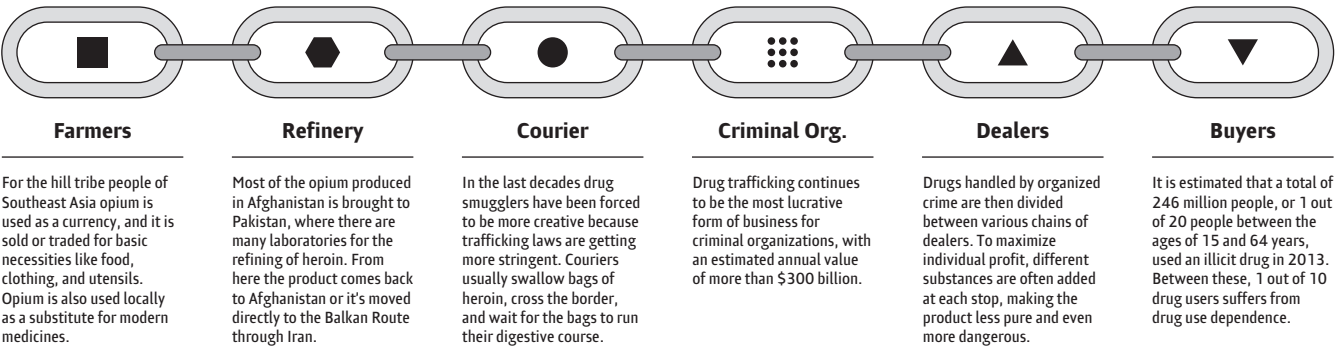


The Burmese Frontier

Myanmar
Total area under poppy cultivation
55,500 hectares

Christian antidrug vigilantes are asking Aung San Suu Kyi's party to intervene in a clash with villagers who don't want to see their undulating hillsides of opium poppies destroyed. Violence between the two groups in recent weeks has injured dozens and underscored the difficulty of controlling the rugged borderlands, where rival factions and business interests thrive.

The Production Chain



Sources

drugwarfacts.org / Havocscope / Internazionale / New York Times / Statistic Brain / The Economist / The Guardian / The Verge / The Wall Street Journal / un.org / United Nations Office on Drugs and Crime / Vox

Documentary: 'Deep Web' – Alex Winter, 2015

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