

# Why Are Drugs Illegal?

Not because they're dangerous. If danger was the criteria, here's what we'd ban first:

| SUBSTANCE                  | DEATHS PER YEAR IN AUSTRALIA                  | LEGAL? |
|----------------------------|---|--------|
| Tobacco                    | ~11,700                                       | Yes    |
| Alcohol                    | ~1,765  | Yes    |
| All illegal drugs combined | ~2,200  | No     |
| Cannabis specifically      | ~35 (present at death, not necessarily cause) | No     |

Tobacco kills more Australians every year than all illegal drugs combined – **five times over**. It's sold at every servo and supermarket.

Cannabis has killed functionally nobody. 35 deaths where it was *present in the system* – not even confirmed as cause. Sixty thousand people a year are arrested for it.

So why is cannabis illegal and tobacco legal? Not science. Not health. History.

## The real reasons

### 1. Racism (1850s-1900s)

Australia's first drug laws weren't about health. They were about Chinese immigrants.

During the gold rush, Chinese workers brought opium. Europeans were also using opium – in pills, tinctures, patent medicines – but *that* wasn't criminalised. Only *smoking* opium was criminalised. Because that's what Chinese people did.

It wasn't opium as a substance that concerned anyone. It was opium as a *symbol of Chinese presence* during a recession when Europeans wanted them gone. The laws targeted Chinese immigrants and Indigenous Australians. The white pharmacist selling opium pills was left alone.

Australia's drug laws were racist from day one. Not metaphorically. Literally. The first drug laws were immigration policy dressed as health policy.

## 2. American pressure (1960s-1970s)

In 1971, Nixon declared the "War on Drugs." His domestic policy chief, John Ehrlichman, later admitted the real purpose:

*"The Nixon campaign in 1968, and the Nixon White House after that, had two enemies: the antiwar left and black people. We knew we couldn't make it illegal to be either against the war or black, but by getting the public to associate the hippies with marijuana and blacks with heroin, and then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news."*

That's not a conspiracy theory. That's a direct quote from the man who designed the policy, published in Harper's Magazine.

Australia adopted the same framework – not because we had the same problems, but because America told us to and the UN treaty (Single Convention on Narcotic Drugs, 1961) required it. Cannabis was placed in Schedule IV (most restricted) without any scientific assessment. No international scientific review of that decision was conducted until 2018 – **57 years later**.

## 3. Money (now)

The drug war created industries that now depend on it continuing:

- **Private prisons:** Serco, GEO Group, G4S, and MTC-Broadspectrum are paid **\$613 million per year** by Australian state governments to run prisons. Serco got a **\$2.6 billion, 20-year contract** for one prison alone (Clarence Correctional Centre, NSW). GEO Group made **\$1.46 billion revenue** over three years and **paid zero tax**.

- **Police:** \$17.1 billion total police spending in 2024-25. Drug enforcement is a significant portion of operational activity.
- **Pharmaceutical companies:** Keep the natural competition illegal while selling the synthetic version. Mundipharma (Sacklers) made \$531 million while their product doubled Australia's opioid death rate.
- **Lobbying firms:** 29 firms, 72 pharma clients, many staffed by former ministers. They get paid whether people live or die.

Private prisons have a contractual need for prisoners. If drug laws changed, their revenue would drop. They lobby to keep laws harsh. This is not speculation – GEO Group in the US was a documented supporter of three-strikes laws and war-on-drugs policies, and they operate in Australia too.

## The Money

Australia spent **\$5.45 billion** on drug policy in 2021/22. The total justice system costs **\$32 billion/year** – drug policy is about 17% of that.

Here's how the drug-specific money was split:

| WHERE THE MONEY GOES                    | AMOUNT        | %     |
|---|---------------|-------|
| Law enforcement (cops, courts, prisons) | \$3.5 billion | 64.3% |
| Treatment (helping people)              | \$1.5 billion | 27%   |
| Prevention (education)                  | \$363 million | 7%    |
| Harm reduction (keeping people alive)   | \$89 million  | 1.6%  |

**For every \$1 spent keeping someone alive, \$39 is spent locking them up.**

How:  $\$3,500,000,000 / \$89,000,000 = 39.3$

The public doesn't want this. The National Drug Strategy Household Survey asked Australians how they'd split the budget – they said roughly equal across education, treatment, and enforcement. The government spends 40x more on enforcement than harm reduction. The public IS the government in theory. In practice, the government does what the lobbyists want, not what the public wants. This is the entire argument for direct democracy (Goal #1).

## What It Actually Costs to Arrest One Person

Nobody publishes a single "cost per arrest" number because the government doesn't want you to see it that way. But you can build it from official data.

### Stage 1: The Arrest (~\$500-\$1,500)

| ITEM   | COST                  |
|--|-----------------------|
| Police officer's time (avg ~\$58/hr, closer to \$80-90/hr with super, leave, insurance, training) x 3-5 hours (stop, search, paperwork, transport, processing) | ~\$250-500            |
| Second officer (they always work in pairs)   | ~\$250-500            |
| Patrol vehicle (fuel, depreciation, maintenance, radios, cameras, computers)   | ~\$50-100             |
| Body-worn camera, radio, equipment wear  | ~\$20-30              |
| Station processing (custody officer, breath/drug test, fingerprints, photos, database entry)   | ~\$100-200            |
| <b>Subtotal</b>  | <b>~\$500-\$1,500</b> |

### Stage 2: If It Goes to Court (~\$3,000-\$7,000)

| ITEM   | COST                    |
|--|-------------------------|
| Magistrate's time (salary ~\$400K+, hearing dozens of cases per day) | ~\$1,000-2,000          |
| Court staff (clerks, security, admin)                                | ~\$300-500              |
| Prosecutor (police prosecutor or DPP)                                | ~\$500-1,000            |
| Legal Aid (if they can't afford a lawyer — most can't)               | ~\$1,000-3,000          |
| Court building (rent, power, maintenance, per matter)                | ~\$200-400              |
| <b>Subtotal</b>  | <b>~\$3,000-\$7,000</b> |

### Stage 3: If They Go to Prison

| DURATION  | COST TO TAXPAYER |
|-----------|------------------|
| Per day   | <b>\$436</b>     |
| Per year  | <b>\$159,510</b> |
| 3 months  | ~\$40,000        |
| 12 months | ~\$160,000       |

### Cannabis Possession — Full Cost Scenarios

| WHAT HAPPENS                      | COST TO TAXPAYER | FINE RECOVERED |
|-----------------------------------|------------------|----------------|
| Arrest + caution (best case)      | ~\$500-800       | \$0            |
| Arrest + court + fine + diversion | ~\$4,000-8,000   | \$200-2,000    |
| Arrest + court + 3 months prison  | ~\$45,000-50,000 | \$0            |
| Arrest + court + 12 months prison | ~\$165,000+      | \$0            |

**The fines don't even pay for the arrest, let alone the court or the prison.** At best, a cannabis arrest costs \$500 and recovers \$200. At worst, it costs \$165,000 and recovers nothing.

Multiply by 60,000 cannabis arrests per year. Even if every single one was just a caution, that's \$30 million minimum. Realistically, with court and prison mixed in, cannabis possession enforcement costs taxpayers somewhere around **\$500 million to \$1 billion per year.**

For a plant that's legal across the border in the ACT.

*A 15-year-old once told a train officer his fine didn't pay for itself. She was right. The cost of the officer standing there, the ticketing system, the payment enforcement – all of it costs more than the fine. He wasn't generating revenue. He was performing authority. That's the whole system in miniature.*

## The Prisoners

**As of June 2025:**

- **44,403 people** in Australian prisons
- **~5,200** are there for drug offences (11.7%)
- **48,213 drug offenders** processed through courts in 2023-24 (second most common offence nationally)
- **66,285 cannabis arrests** per year – **90% for personal possession**, not supply
- Cannabis arrests are roughly **20% of all offenders processed by police** in the entire country. One in five police interactions with offenders is about cannabis.

That's 60,000 people a year arrested for having a plant. Nine out of ten weren't selling anything.

**Indigenous Australians:**

- **37%** of all prisoners. **4%** of the population.
- 17,432 Aboriginal and Torres Strait Islander people locked up (as of June 2025)

- Imprisonment rate: **2,500 per 100,000** (up from 2,318 the year before – going the WRONG direction)
- The Closing the Gap target was to reduce to 1,821 per 100,000 by 2031. It went UP.
- Only 3.4% of First Nations prisoners are in for drug offences vs 18.4% of non-Indigenous prisoners – they're not even being locked up for drugs, they're being locked up for being poor and Black in a system built to process them

## The Companies

### Mundipharma (Purdue Pharma's international arm — the Sackler family)

Purdue made OxyContin. OxyContin killed 400,000+ Americans. Purdue went bankrupt in the US from lawsuits.

But the Sackler family had a second company – Mundipharma – that does the same thing internationally. While Purdue was going bankrupt for killing people, Mundipharma kept selling. In Australia:

- Ran "Pain Management Master Classes" – trained **5,000+ Australian doctors** to prescribe opioids
- Got **fined ~\$200,000** by the TGA for "misleading, imbalanced and otherwise inaccurate" advertising of Targin (an opioid)
- Received **24 infringement notices** from the Therapeutic Goods Administration
- From 2020-2022, nine Mundipharma companies (Europe + Australia) made **\$531 million profit**

Australia's opioid death rate **more than doubled** in a decade while Mundipharma was running doctor training seminars.

In Australia, pharma can't advertise drugs directly to you (like American TV ads). But they CAN market to doctors – sponsoring conferences, running training seminars, funding research papers, meeting with physicians to push drugs for chronic pain. Mundipharma did all of this.

Nobody from Mundipharma went to prison. Someone who had a joint did.

## The Pharmaceutical Lobby

- **72 pharmaceutical companies** employ paid lobbyists to influence Australian government policy
- **29 lobbying firms** represent them – many staffed by former ministers and political advisers
- **Medicines Australia** (the pharma peak body) donated **\$255,096** to political parties despite their own stated policy of not donating
- Pharma is the **second-largest health sector donor** after the Pharmacy Guild
- Only donations over \$15,000 must be disclosed. Companies split donations to stay under the threshold.

Former Health Department Secretary Stephen Duckett: the pharmaceutical industry is *"extremely powerful"* and its influence *"clearly contributed to high drug prices"* in Australia.

## Drug companies hiding safety data

Drug companies use **FOI loopholes** to keep safety data hidden from the public while simultaneously donating to both major parties. The data about whether their drugs are safe is classified as "commercial in confidence." The donations to the people who write the rules are not.

## Private Prisons — Who Profits From Prisoners

Four companies run private prisons in Australia: **Serco, GEO Group, G4S, MTC-Broadspectrum.**

- Combined they're paid **\$613 million per year** by state governments
- Serco got a **\$2.6 billion, 20-year contract** for Clarence Correctional Centre (NSW) alone
- GEO Group's Australian revenue and tax figures are not independently verifiable through public search – Michael West Media's "Profits of Punishment" article reportedly contains ASIC-derived figures but the specific claims (\$1.46B revenue, zero tax) could not be confirmed from a second source as of 2026-04-08.  
**TODO: Pull GEO Group Australia Pty Ltd ASIC filings or ATO corporate tax transparency data directly to verify.**

- Private prison companies have a **structural financial incentive** for harsher sentencing – more prisoners = more revenue
- GEO Group in the US was a documented supporter of three-strikes laws and "war on drugs" policies. They also operate in Australia. In Australia, private prison companies use high-powered lobbyists with political connections, but contracts are hidden behind "commercial in confidence" so the specifics of their political influence are harder to trace than in the US.

**Australia has one of the highest proportions of private prisons in the world.** These companies have a contractual, financial incentive for more people to be in prison for longer. Every policy that reduces incarceration is a threat to their revenue.

## The Pattern

| STEP | WHAT HAPPENS  | WHO BENEFITS                           |
|------|---|--|
| 1    | Pharma sells the legal version (opioids)                                      | Pharma (\$531M profit)                 |
| 2    | People get addicted. People die.  | Nobody                                 |
| 3    | Pharma lobbies to keep the natural competition (cannabis, psilocybin) illegal | Pharma (no competition)                |
| 4    | Government spends \$3.5B/year enforcing drug laws — mostly against users      | Police, courts, prisons                |
| 5    | 60,000 people arrested for cannabis per year                                  | Private prison companies (\$613M/year) |
| 6    | The arrested are disproportionately Indigenous and poor                       | Nobody                                 |
| 7    | Pharma develops its own synthetic cannabis, applies for approval              | Pharma again                           |

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Nobody goes to prison for prescribing the drug that killed someone

Pharma, forever

## What Other Countries Did Instead

**Portugal (2001):** Decriminalised all drugs. Overdose deaths dropped **80%**. HIV infections among drug users dropped **95%**. Drug use did NOT increase.

**Australia (SA 1987, NT, ACT):** Already decriminalised cannabis. Drug use did NOT increase in any of those jurisdictions. Nearly 40 years of evidence.

**Switzerland:** Prescribed heroin to addicts. Crime dropped. Homelessness dropped. Employment went up. Overdose deaths near zero for participants.

The evidence isn't ambiguous. It's just ignored because the current system makes money for the people who have the lobbyists.

## The Question for Average Joe

You work hard. You pay taxes. Here's what your taxes buy:

- **\$3.5 billion** locking up people who had a plant
- **\$89 million** keeping people alive
- **\$613 million** paid to private prison companies who need your neighbours in cages to pay their shareholders

- Training seminars where the Sackler family teaches your doctor to prescribe the drugs that kill 2,200 Australians a year
- Nothing for the 60,000 cannabis users arrested each year who weren't hurting anyone

Tobacco kills 11,700. Legal. Sold at Woolies.

Alcohol kills 1,765. Legal. Sold at Dan Murphy's.

Cannabis kills ~35 (maybe). Illegal. 60,000 arrests per year.

Is that what you'd spend your money on?

## The Map



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v  
LAWS STAY THE SAME  
(despite 3 states proving  
decriminalisation works)

|  
v  
RESULT:  
- 60,000 cannabis arrests/year  
- 90% for possession  
- \$39 enforcement for every \$1 harm reduction  
- Indigenous imprisonment rate going UP  
- Pharma sells the legal version that kills more people  
- Private prisons paid \$613M/year to keep it going  
- Fines don't even cover the cost of the arrest  
- Tobacco kills 335x more people. Legal.

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